

Team Genies: Lillian Haspel, Joeun Yook, Adam Omarali, Joanne Wang

The Problem

Rising Returns

Faulty books returned by customers often re-enter inventory, go unsold, or are thrown out, creating storage and logistics issues

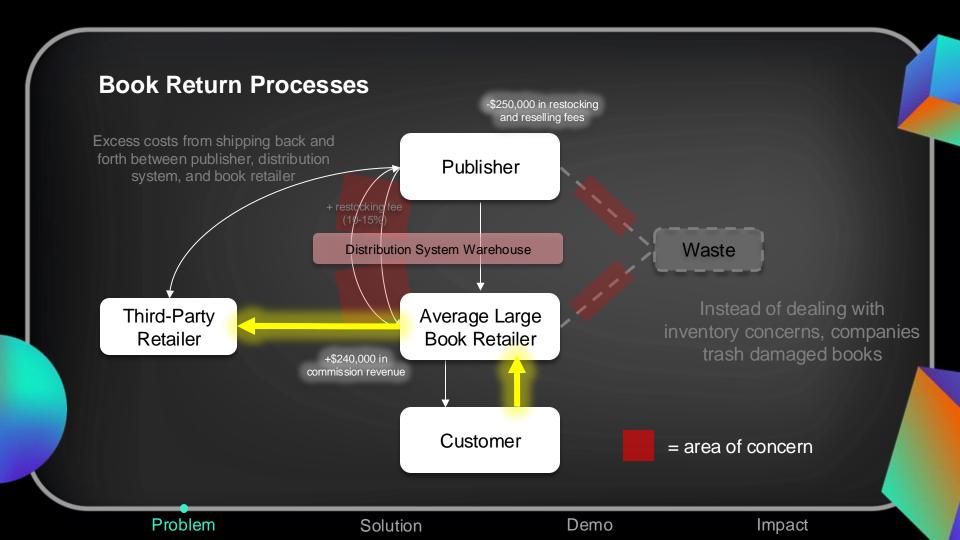
Missed Resale Market Opportunity The global second-hand book market is projected to reach **\$45.4 billion** by 2032, with an annual **growth rate of 6.6%** from 2025

Sustainability Concerns

160,000+ truckloads of books are discarded each year

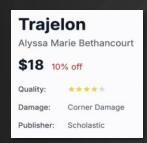
These books are contributing to waste and environmental concerns

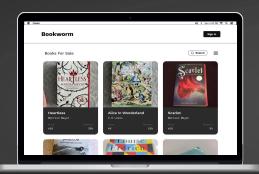
Book Return Processes Excess costs from shipping back and forth between publisher, distribution Publisher system, and book retailer + restocking fee (10-15%)Waste Distribution System Warehouse Instead of dealing with Third-Party Average Large inventory concerns, companies **Book Retailer** Retailer trash damaged books Customer = area of concern **Problem** Solution Demo **Impact**

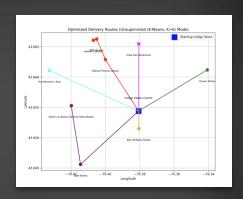


*Everything happens within stores to streamline processes

The Solution







Al-Powered Defect Detection

Scan return images to **detect** and label damages

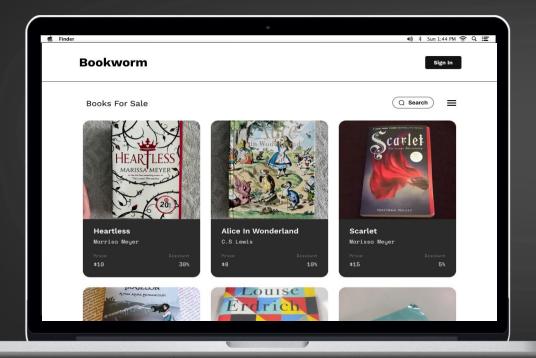
Used Book Catalog

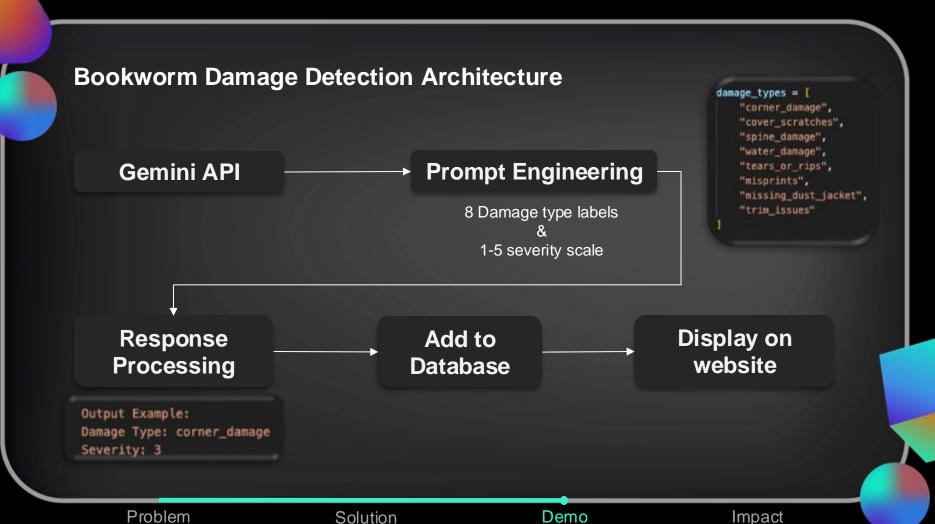
Books uploaded to an accessible and flexible selling platform

Third-Party Partnerships

Leverage the growing secondhand book market and **optimize delivery routes**

Live Demo : Here





Bookworm Logistics Route Optimizer Architecture



K-Means Clustering

User specifies # of clusters (i.e. available delivery trucks)

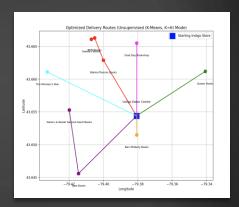
Mode 2

Mode 1

DBSCAN

Al determines optimal # of clusters

Dynamically adjust delivery fee



Delivery Route

Problem

Solution

Demo

Impact

Stakeholder Impact

Publishers

- Reduce costs for shipping and restocking
- Receive **royalty deals** from otherwise unsold books
- Sustainability



- Boost sales
- Larger market presence

- Reduced costs for shipping and restocking
- Streamlined operations
- Sustainability
- Additional commission \$ from resale market
- Reputation boost

20-40% of books in traditional retail are returned

\$1.50 to \$5 costs per book for shipping and restocking

+\$250,000/year costs reduced

Stakeholder Impact

- Reduce costs for shipping and restocking
- Receive royalty deals from otherwise unsold books
- Sustainability

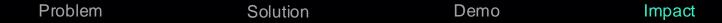
Third-Party Resellers

- Receive a steady supply of inventory
- Boost sales
- Larger market presence

- Reduced costs for shipping and restocking
- Streamlined operations
- Sustainability
- Additional commission \$ from resale market
- Reputation boost

~1% of total books resold

+100,000 books/year per retailer



Stakeholder Impact

- Reduce costs for shipping and restocking
- Receive royalty deals from otherwise unsold books
- Sustainability

- Receive a steady supply of inventory
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- Larger market presence

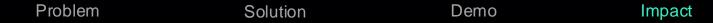
Retailers

- Reduced costs for shipping and restocking
- Streamlined operations
- Sustainability
- Additional **commission** \$ from resale market
- Reputation boost

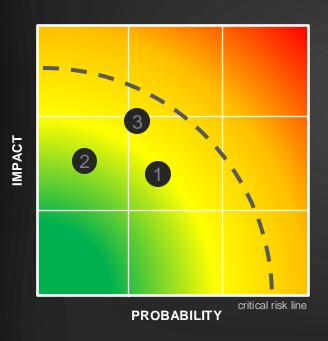
~1% of total books resold (approx. 100,000+)

30% commission on average \$8 resale price

+\$240,000/year revenue



Risks



Risk

Competition

2 Accuracy

3 Popularity

Mitigation Plan

Niche strategy, directly optimizing logistics for publishers and retailers

Custom defect detection model with tunable hyperparameter and enhanced control mechanisms

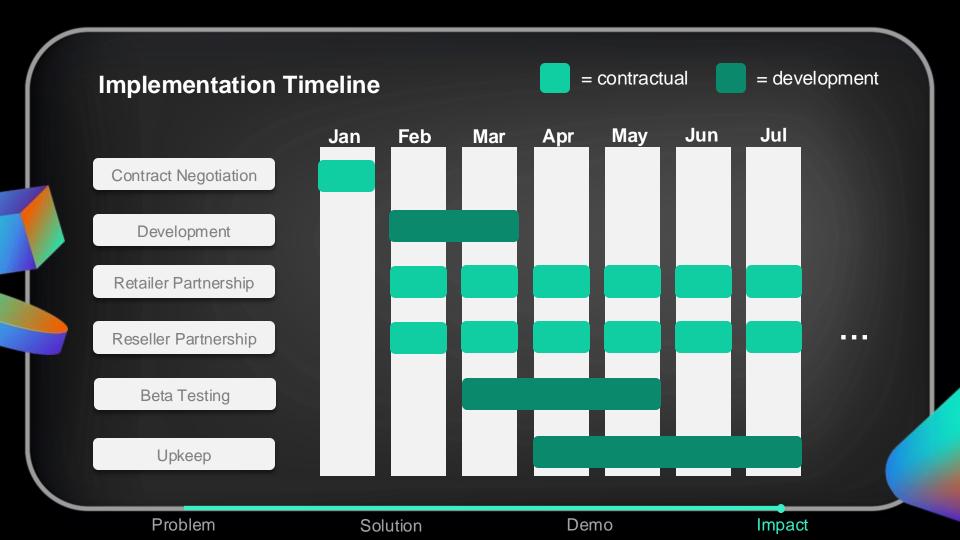
Develop targeted marketing campaigns

Problem

Solution

Demo

Impact



Financial Impact

Forecasted Income			
	2025	2026	2027
Revenue			
Reselling commission	\$ 36,000.00	\$ 144,000.00	\$ 288,000.00
Total revenue	\$ 36,000.00	\$ 144,000.00	\$ 288,000.00
Costs			
Development	40,000.00		
Maintenance		6,000.00	6,000.00
Gemini API	8.00	32.00	64.00
Wages	210,000.00	210,000.00	210,000.00
Total costs	\$ 250,008.00	\$ 216,032.00	\$ 216,064.00
Net Income	\$ (214,008.00)	\$ (72,032.00)	\$ 71,936.00



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Appendix 1: Sources

- Macy Berendsen. "Book Waste: The Dangers of Publishing and the Ethical Consumption of Books." Chicago Review of Books, 7 Dec. 2023, chireviewofbooks.com/2023/12/07/bookwaste-the-dangers-of-publishing-and-the-ethical-consumption-of-books/.
- Persistence Market Research. "Second Hand Books Market Size, Share, and Growth Forecast for 2025 - 2032 - Persistence Market Research." Persistence Market Research, 2025, www.persistencemarketresearch.com/market-research/second-hand-books-market.asp. Accessed 9 Mar. 2025.
- Heritage, Canadian. "Economic Profile of the Canadian Book Publishing Industry: Technological, Legislative and Market Changes in Canada's English-Language Book Industry, 2008–2020." www.canada.ca, 26 Jan. 2022, www.canada.ca/en/canadian-heritage/corporate/transparency/open-government/economic-profile-book-publishing-industry.html.

Appendix 2: Forecasted Income

Forecasted Income			
	 2025	 2026	 2027
Revenue			
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Appendix 3: Gemini API Costs

Gemini 2.0 Flash	
	Cost per 1M tokens (USD)
Input price	\$0.10 (text/image/video)
	\$0.70 (audio)
Output price	\$0.40
Context caching price	\$0.03 (text/image/video)
	\$0.18 (audio)
Context caching (storage)	\$1.00 / 1,000,000 tokens per hour
Grounding with Google Search	1,500 RPD (free), then \$35 / 1,000 requests

Appendix 4: Detailed Prompt for Gemini

Strictly defined damage type

```
["corner_damage", "cover_scratches", "spine_damage", "water_damage", "tears_or_rips",
damage_options
                  "misprints", "missing_dust_jacket", "trim_issues"]
prompt = f"""Carefully analyze the image of the book.
Identify the *single* most significant type of damage present.
You *must* choose one of the following damage types (use *exactly* these labels): {', '.join(damage_options)}.
After identifying the damage type assess its severity on a scale of 1 to 5, where:
1: Very Minor Damage
                                                                                        Severity
2: Minor Damage
                                                                                      scale of 1-5
3: Moderate Damage
4: Significant Damage
5: Severe Damage
Return the result in *exactly* the following format<mark>.</mark> Do not include any other text:
Damage Type: [damage_type]
Severity: [severity_level]
                                            Mandated exact
                                            response format
Example:
                                              with example
Damage Type: corner_damage
Severity: 3
response = model.generate_content([prompt, image])
```