



**Submission from Finch Publishing
to the Productivity Commission Review
on the Parallel Importation of Books**

Finch Publishing is a small Australian publisher with a particular focus on books dealing with parenting & childcare, health, social issues, relationships and social ecology. Our annual turnover is less than \$1 million, we have a list of 70 titles, and we employ two full-time and three part-time people.

A small number of our titles have become bestsellers in the parenting category and have a mass-market audience. These titles contribute significantly to our publishing revenues and, in effect, allow us to publish other books which reach a more limited audience.

These strong-selling titles have become our most successful books for overseas sales, with large publishing houses in the US and the UK purchasing publishing rights for their territories.

My concern about the Australian market becoming open (and the surrender of our sole publishing right to this market) is that importation of these overseas editions by booksellers would threaten a major income stream for our business. The potential sales quantities involved are considerable, enough for a foreign publisher to consider printing an excess of thousands of copies beyond their local needs and exporting these as heavily discounted overstocks. Their domestic sales would sustain their local printing investment, enabling them to ship quantities of their edition to Australia at a greatly reduced unit price.

I believe there are important cultural issues involved as well. In many cases we have updated our local (original) edition, and the foreign editions that might be imported are earlier editions which do not serve Australian readers' interests as well. The US or UK editions are often less appropriate as they include foreign terms, expressions and cultural references. However, a customer might simply purchase the heavily discounted foreign edition on the basis of recognising the title, and only later realise their error.

A secondary consideration that also impacts on our viability as a book publisher is our investment in purchasing Australian publishing rights for specific titles from the US or the UK. In many cases with such titles we invest in an author tour involving significant costs across a multi-city promotion and a print run to match our expectations. This can often be in the order of 3000 to 5000 copies.

In this way we create a widespread awareness of that book and considerably expand its potential audience. If the market becomes open, permitting the importation of foreign editions (in contravention of current territorial copyright), we would have no incentive to invest in publishing and promoting a local edition here. Without the platform our local edition creates, there is no incentive for the foreign publisher to export their edition – and the situation would revert to those companies perhaps shipping a quantity of 200-300 copies. The effect of this would be a reduction in our publication of important books in our specialised fields and a commensurate reduction in the dissemination of important new information. The exploration of ideas in these titles can often be of great significance to Australian readers – however the only way they are ‘discovered’ is if a local publisher is prepared to invest in the promotion of the local edition.

With the existing 30-day rule, and the protection of Australian territorial copyright, we can confidently invest in such books. An open market would introduce an unacceptable risk and so result in a decision not to publish.

I do appreciate the opportunity to make a submission to your review and hope my comments will be useful.

Yours sincerely

Rex Finch

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Publishers of books on family, health, social ecology, relationships & society