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KOALA BOOKS AND PARALLEL IMPORTS

KOALA BOOKS is a wholly Australian-owned independent children's book publisher. When Gordon Jackson acquired the company about 18 years ago he re-positioned it as a publisher of quality children's books. We now specialise in children's picture books, and the bulk of them are acquired through co-editions from overseas publishers, some printed through our local broker. We have a small range of original works by Australian creators.

KOALA BOOKS is a small publisher which employs 6 staff with a turnover of over \$2m.

KOALA BOOKS works with a number of other Australian companies — for marketing, distribution, printing and sales. We do not sell directly to bookstores or the end consumer as our distributors perform this task. We do, however, use a range of Australian freelancers.

JUST SOME ISSUES RELATED TO PARALLEL IMPORTING FOR KOALA BOOKS

- **NEGOTIATING THE RIGHTS:** The current law does not reflect or aid the approach we have at Koala — we source the rights to books from different overseas companies. The preselling process and negotiating the rights to a book (contracts) can take up to 6 months. So we are acting in good faith and in the best interests of both our customers and the original creators (authors, illustrators and publishers), but we are exposed this whole time to the risk of losing the Australian and NZ rights, as the books are sometimes published overseas before they are published in Australia. Thirty days is not enough for us, let alone risking losing the rights at all.
- **PROOFING PRINTING AND SHIPPING:** All of our books are changed to reflect Australian spelling (Mum/Mom, torch/flashlight, neighbour/neighbor, colour/color, etc) and this is a time-consuming process. Without focussing on the editorial and design time, the proofing process takes at least one month, and longer if large print runs are being co-ordinated. Picture books are usually printed offshore, but we print and produce our Australian-originated titles through an Australian-based broker and sometimes we also print overseas-originated titles in this way. The **minimum timeline is 4 months to print and ship**. Sometimes we acquire CDs and the rights from overseas publishers and edit, design, proof and produce here, and at other times we join an international print run. All these steps are labour-intensive, requiring many checks by the Australian staff, whatever the method of printing.

- **TRANSLATIONS:** We also translate picture books from other languages and this takes even longer, and sometimes the book may be published in Britain or the US in English before our edition. That is because the rights to the translated text are not always available to us and we create our own text using Australian authors and editors. The books are then designed, proofed and produced in Australia.
- **DUMPING:** A large proportion of the titles on our list also have an overseas edition. Cheap importation of the overseas editions could be the death-knell for our entire company.
- **LOCAL LIST AT RISK:** The locally-created list by Australian authors and illustrators would be at risk if the co-edition list were reduced. The co-editions fund the expensive creation of Australian-originated books, and we would be unable to develop and mentor Australian authors and illustrators. Publishers will not take risks on new authors if they cannot fund the program through a mixed list. Koala Books struggles to maintain a local list in the current situation.
- **LOCAL VOICE AT RISK:** Not only does Australia set trends in picture book development, we lead in literacy programs, and there is no denying that our authors and illustrators have a unique voice. Our approach to publishing can be fresh and is followed by overseas publishers. All this will be lost when emphasis is placed on the bestseller-only approach which would be inevitable in the proposed situation.
- **COMPENSATION FOR CREATORS:** It is my editorial opinion that literary grants in Australia are offered to the wrong people. The bodies issuing such grants are often run by public servants and academics who are attracted by correctness and formal writing in a presentation at the cost of creative potential and “spark” in the work of new authors. Authors should be paid properly for the work they do, and not have to rely on grants. Publishers should be able to risk mentoring and supporting new authors including the expensive development process because they can spread the risk across the entire list. If prices are forced down, publishers will not have this flexibility.

The 30/90-day rule already leaves us exposed but to reduce it puts our business in jeopardy.