



The University Co-operative Bookshop Ltd is Australia's largest academic and professional bookseller. In 2008 we celebrated our 50th year of Australian bookselling as a not-for-profit co-operative. We have over 1.3 million members and 40 bookshops around the country, primarily located on University and TAFE campuses, as well as one of Australia's leading online bookshops at www.coop-bookshop.com.au.

Our aim is to provide our members, and Australia's tertiary market with all their learning resources at the best possible price, without compromising on the quality of product or service.

We believe that changes to the current regulations regarding parallel importation of books and other copyrighted material will have a negative impact on the quality of product available to the market, as well a potential decrease in Australian produced content.

There are two book-selling markets within Australia; that of the mass / general book market, represented to the consumer by the major book chains, independent booksellers and department stores; the second market is that of the tertiary / education / professional market, represented primarily by academic booksellers.

The generally held belief that parallel importation will bring about lower pricing may have a positive effect for the mass / general book market; however there is no guarantee that this would flow through to the academic market. Competition in this area already exists with consumers having the ability to source titles from overseas markets through online retailers such as Amazon.com.

The question remains – what is the value of Australian research and relevant published material, and is it worth protecting from parallel importation and ensuring the existence and relevance of the Australian publishing industry?

We believe that local content and production is essential to the viability and relevance of the Australian tertiary market, so that the Australian higher education sector remains:

“... the site for the production and transmission of new knowledge and for new applications of knowledge.”¹

There is a general perception that the cost of textbooks within Australia is high. However consider the following:

- The current provisions allow for continued and further research in all areas, allowing for Australian specialists in the academic and professional arena to complete and publish their studies without having to go off-shore.
- The local production of titles keeps publishing and printing jobs in Australia.

¹ P. 35 Australian Government Review of Australian Higher Education, Final Report, December 2008.
<http://www.deewr.gov.au/HigherEducation/Review/Pages/ReviewofAustralianHigherEducationReport.aspx>

- Local titles with specific Australian content not available from a secondary supply market may be disadvantaged and therefore less likely to be set as a text for Australian courses.
- A percentage of textbooks used can be classed as ‘hard-to-get’. Through the combination of these titles with other titles from the one supplier, additional charges, such as freight can be negated by the joining of orders.
- Carbon foot-print of parallel imported publication is much higher than those of Australian origin. Focus groups conducted with students and Co-op Members have indicated that the carbon foot-print of consumable goods is taken into consideration during the purchasing decision, in conjunction with other factors such as ethical work practices and price.
- The current 30/90 rule allows for a healthy amount of competition at both the supplier and publisher level, and the front-line retail market. This allows for a range of small boutique publishers to exist with the large publishing houses, and for a range of booksellers - franchise, chain and independent - to serve the Australian public.

With the increase in online consumer confidence customers also have the ability to shop online for other supply options, including overseas retailers. This online shopping provides lower pricing for some customers on some purchases, but does not contribute to the Australian economy.

- When setting a textbook appropriate content for the Australian student is taken into consideration by lecturers. The cost of a textbook is another critical factor – if they choose to prescribe a cheaper generic text students may be required to purchase additional recommended titles, or course materials - often referred to as ‘course notes’ or ‘readers’.

Many courses already have printed course materials - due to the local print and demand nature of these their costs are often in the \$20 - \$50 region. Use of imported textbooks would most likely be supplemented with Australian content via course readers, increasing the material cost to students.

- Parallel importation would see the costs to a bookshop increase as buyers search for the ‘best deal’ while at the same time increasing the bookshop’s infrastructure and overhead costs which in turn will need to be covered by budget cuts elsewhere, such as community involvement, sponsorship and scholarships.

During the 2008 academic year across the Co-op network we provided more than \$250,000 to programs on and off-campus to encourage participation in further study and enhance educational experiences.

- The current market allows for the return of titles to the publishers with minimum impact on booksellers, which would have to change for stock imported via parallel importation. The Co-op Bookshop believes in a generous stocking policy to ensure all students have access to course requirements when needed throughout a semester.

Limiting our return rights would have a negative impact on future buying decisions as this stock is usually “firm sale” with no return rights.

- With the fluctuation of student enrolment numbers it is often necessary for ‘top-up’ orders to be placed. Supply within a parallel importation environment may see additional costs from things such as airfreight surcharge and delays in back-order delivery times. These factors impact directly on students.
- There are already a number of titles available in the Australian market that have alternative editions (i.e. specialised, ‘International’, ‘Asia-Pacific’ or ‘American’). The subtle differences in these editions creates confusion for students.
- Within the Australian tertiary market there have been examples of pirated and counterfeit goods, which due to the nature of the product is currently policed by the industry itself. Opening the markets to parallel importation will make this illegal market harder to identify and thus impact on royalty payments and Intellectual Property rights.

Experience in New Zealand does not lend strong support to the creation of an open Australian market, and comparisons to the Japanese market are irrelevant. There is little to no chance that the American and UK markets will be open to Australian publishers, so what is the advantage to us – the possibility of cheaper mass market fiction.

A clever country can only exist with a comprehensive tertiary education sector, which includes the materials used in teaching, such as textbooks. For this quality to continue true value must be given to the intensive background and often ground breaking research that goes into producing Australian publications and works.

Our commitment to providing life-long learning resources whilst also contributing to the university student and academic university experience is only possible through a sustainable and vital retail sector. We believe that further change in legislation regarding the parallel importation of books will not guarantee a reduction in price to the consumer, and that the potential negative effects from such a move outweigh the positives.



Jane Caton
CEO
University Co-operative Bookshop Ltd
www.coop-bookshop.com.au