

Response to the recommendations of the Productivity Commission.

We do not believe that the proposal that books have protection of PIRs for twelve months after publication will achieve the desired aims. We also believe that it would potentially be unfair to publishers and authors who have yet to realize a return for their efforts and investment in a particular title.

We believe that it would be confusing and difficult to manage at a retail level. While some booksellers may “cherry pick” occasional titles to parallel import we doubt that it would be in sufficient quantity to have the impact on prices that the commission desires. It should be noted that, as far as we are aware, very few booksellers currently are importing competing editions of books that are open market now – Audacity of Hope, White Tiger, Brain That Changes Itself, Eat Pray Love to name just a few.

We do not believe that the opportunity to import remaindered books would necessarily have a downward effect on prices. By definition the availability of specific titles as remainders is finite and their impact would be temporary rather than long term. Our experience as booksellers is that consumers see remainders as opportunistic or impulse purchases. Remainders are already available to booksellers through companies such as Herron Books, Castlebooks and TB Clark, so it is hard to see remainders having a significant (if any) dampening effect on prices.

Were the 12 month recommendation be implemented, as booksellers, we would most likely “cherry pick” particular titles for parallel importation where we felt the price and availability was a problem. We would support Australian authors and publishers by avoiding imported editions of Australian authored or published titles wherever possible because we have close relations with those publishers.

We consider that our proposal for the “Australian version” balanced the competing interests of consumers, authors, publishers and book retailers. We have a great deal of sympathy for the position of Australian publishers (both independent and international) and believe that they and their authors have the right to benefit from the risk of their creative and financial investment.

We understand that the “Australian version” may have problems meeting Australia’s commitments under the US/Australian free trade agreement. We would urge the Commission to verify this.

If one concedes that there are cultural and economic reasons for PIR restrictions for Australian books but that the Australian market would benefit from exposure to competitive pressure from alternative suppliers, then there is a solid argument for the retention of the existing regulations using another solution.

That alternative could be the removal of the 30 day clause for new books and the 7/90 day clause for backlist, meaning that only books published first (or simultaneously) in Australia (by published we mean the definition in the current act) would have protection from parallel importation. Books that do achieve first publication may be imported by a bookseller for resale only if the protected edition is out of stock – the definition of being out of stock could be that the book is listed as out of stock on Title Page. Booksellers could order multiple copies of an alternative edition at the request of a customer – bookclubs, libraries etc. Booksellers could also solicit orders for alternative editions provided they did not stock these items, so for example a bookseller may advertise the US edition of Tim Winton's *Breath* but not stock it.

We believe that this proposition would give Australian publishers and authors the ability to decide how best to develop and market their books in Australia. At the same time it would open the market enough to provide consistent downward pressure on prices as most overseas published books would be open market. It would also provide a clarity and simplicity that is lacking now.

David Gaunt, Gleebooks
Mark Rubbo, Readings