16th April, 2009

Commissioner Mike Woods
Parallel Importation of Books
Productivity Commission
GPO Box 1428
Canberra City ACT 2601

To Commissioner Woods

Supplementary Submission

I would like to lodge my formal objection to the Productivity Commission’s proposed changes to the current copyright legislation on the parallel importation of books. The Productivity Commission’s draft report showed a lack of understanding of the book industry and the proposal’s would add a level of complexity and confusion that would be impossible to police and monitor.

1. “PIRs should apply for 12 months from the date of first publication of a book in Australia. Thereafter, parallel importation should be freely permitted.” – I agree that there is huge price competitiveness on release of a title, however this price pressure exists for all formats of a title not just the Hardcover or ‘C’ format release, therefore I think this first proposal puts the Australian copyright holder at a huge disadvantage.

2. “If a PIR-protected book becomes unavailable during this 12 month period, then parallel importation should be freely permitted until local supply is re-established, or the expiry of the 12 month period allows for generalised parallel importation.” – This proposal will be absolutely impossible to monitor as many new release titles go in and out of stock on a daily basis through often no fault of the Australian Publisher. Fundamentally you are proposing that all Australian retailers monitor the stock status of about 30,000-40,000 titles on a daily basis to ascertain if supply has become unavailable. Most people tend to be of the believe that the 7/90 day rule can use some work, but this proposal basically will destroy the Australian publishers rights if any products should go out of stock for even 1 day.

3. “Booksellers should be allowed to overtly offer an aggregation service for individual orders of imported books under the single use provisions.” – I am bit a lost as to the Productivity Commission’s intent with this proposal but can only imagine that it was designed more for educational booksellers as opposed to traditional book retailers. In its current form I assume that you are saying if a bookseller has a 1000 customer orders for a new release that they would be allowed to import them from overseas even if the Australian publisher was publishing in line.
with the current 30 day rule. I’m sure from just one example that more clarification is required on this proposal.

It seemed abundantly clear to myself at the booksellers round table discussion in Melbourne that all of booksellers assembled were 100% against your proposals, in their current form, hopefully you will have now gathered enough supplementary information to realise your proposals will destroy our very active and creative industry.

Another major aspect that seems to have been lost in the discussions is the enormous benefits that ‘Sale or Return’ has played in the industry in growing new authors, Australian book retailers are never going to take a punt with unknown authors on a firm sale basis from overseas if Australian publishers don’t continue to invest huge sums in new talent, which they can only afford to do if they are left with sustainable business models going forward.

Our industry has enough hurdles to deal with in coming years with the current economic conditions and the introduction of new technology such as electronic readers, while I accept no time will ever be acceptable for your proposals, there has never been a worse time to consider these changes.

Kind Regards

Steve Robinson
Director