

Pricing issues

Nick Pengelley

Law Librarian
Monash University Law Library

We all know that prices of books, journals, law reports and statutes keep going up. At the same time the budgets of many of us keep going down. And the number of important series and titles that we really *ought* to have (or *think* we ought to have) keeps escalating. So, what do we do? We cancel everything that we don't absolutely have to have. We don't buy the 'nice to haves'. We don't buy the 'interesting' new texts. We rely more and more on document delivery service products.

It is apparent from the figures which many of us keep, and which are published in places such as the *Law Library Journal*, that the price increases of law publications far exceed the inflation rate. No doubt the publishers could tell us why, but we can certainly speculate ourselves.

- Production costs are obviously a factor - although with electronic production, as James has said, surely these should be coming down.
- Infrastructure - shops and reps and other staff - which some publishers are reducing. We might suggest (although I know some will disagree) that they go the whole hog and set up Net bookshops like Amazon, which have become so successful recently, and which offer big discounts for purchasers. The publishers could also follow the banks in this regard. As long as there is efficient phone support, that might do.

The law publishing world is now dominated by three giants - Reed, Thomson and Kluwer - and the corporate structure of these multinationals apparently calls for their local operations to show a profit for that area, unconnected with the profit of the organisation as a whole. So despite the fact that these multinationals now have a huge total market, the local outfits have to slug it out for a share of the small Australian market - which is very small indeed, smaller than many US states. More and more titles are being published in an endeavour to get a competitive edge but many of these have very small markets. Most looseleaf services, law reports and statute series can be sold to relatively few outside the universities, government law libraries, courts and large firms and there are not many of those. Our shrinking budgets and consequent cancellations force prices to rise even higher to compensate and in order to break even with a given product.

We can't tell a given publisher - who is, after all, in the business of making money - to cancel particular titles, simply because there's a duplicate already in the field and we'd rather not have to spend money on another title. And we can't tell them what to charge for their publications. But, WE are the market forces. And we can, to an extent, determine what survives and what doesn't. Many titles must run with very low profit margins, bought by few except universities, courts and some

specialist practitioners. They would soon disappear if a few subscribers cancelled their subscriptions. We have already seen a few journal titles go this year and I'm sure there are more to follow

My advice is, take a good hard look at your subscriptions and seriously question everything, and your users, about what they REALLY have to have. We're continually doing it at Monash and have recently cancelled some things which we've always taken for granted - like the *Digest* (the UK one - around \$3000 a year for those replacement volumes and supplements) and the *Federal Law Reports* (around \$2,500 a year for an unofficial series of law reports, most of which are published elsewhere)

By doing this we save money for expenditure on more important things, and force publishers to cancel titles which are not so relevant, perhaps bringing the prices down on others. And speaking of prices, what about those UK prices? I'm referring specifically to the cost of books and subscriptions from Butterworths UK and Sweet & Maxwell. If you obtain them direct from the UK through Legal Library Services then the cost is far less. Why should this be so? As long as it is the case though - go direct!

Accounting procedures are probably the least of the problems we've referred to tonight but they are nonetheless an issue. One of the major difficulties which all law libraries experience is with budgeting for the cost of looseleaf services. Their unpredictable nature causes additional budget hassles in a time where more hassles are not really needed. A number of people have suggested that life would be easier if we simply paid a fixed fee at the start of the year in return for a given number of releases, that if this minimum was not reached, then a credit would be made to the library's account. Alternatively, think about whether you really *need* the updates. Why not simply buy the work every year or two? It will also save the cost of filing.

Forecasting price rises is something which too few publishers do. Blackwells are very good at this, issuing notification well in advance of predicted subscription price rises. It is something which surely should not be all that difficult for all publishers to do.

Finally, speaking only for the universities, it is time publishers made a serious attempt to cater for this market, beyond student text books. We are a large market, and getting larger. Publishers need to understand that we can't afford everything and that, with respect to electronic products, the size of our user base means that we have special needs. Counting the number of PCs at Monash isn't a constructive way to approach pricing. Telling us that our faculty members and our students are different 'sites' isn't either - there's only one pool of money. Trying to work out complex formulae and restrict access to specially located PCs is just silly. The impression we're getting from some publishers of electronic resources is that they either don't know how to sell their products to us, or they've simply stuck their heads in the sand. Remember, we can't buy everything. The ones who market best, with the best and most constructive pricing, will be the ones we buy from. And their products will be the ones used by tomorrow's lawyers!