

## LETTERS

### Dear Editor, More on book prices

The 30 April issue of *inCite* continues the important debate about book prices in Australia in the light of the Copyright Law Review Committee (CLRC) and the Prices Surveillance Authority (PSA) inquiries.

I would like to add only a few comments, from a marketing perspective, which support Derek Fielding's comments about the smallness of the Australian market and the large geographic area over which it spreads.

As a key supplier of Scientific, Technical and Medical (STM) books, we experience these difficulties every day. In 1989 DA Books & Journals sold 18 448 titles into the market-place. Of those titles 57 per cent sold less than 2 copies, with less than 10 per cent selling more than 10 copies.

Despite this, DA Books & Journals do not set Australian recommended prices above the overseas price converted for publishers for whom they hold copyright. Libraries support us without reservation because of this, for which we are grateful.

Because our livelihood comes from the Australian and New Zealand markets, we must be tuned to the needs and wants of those markets. Adapting and modifying our procedures to suit individual library requirements requires investment, so sufficient revenue must be gained to allow this.

It is imperative that Australian libraries unequivocally support suppliers who 'play the game', so value added services which are suited to the Australian and New Zealand information users can be developed and maintained. We do need local library suppliers.

Academic and textbook pricing specifically is hampered by historical circumstances that should be thrown out. I call it 'the 10 per cent discount' syndrome. It is a discount offered by bookshops to members, staff or students on book purchases. It was introduced in the early 60s by a university based organisation acting on the mistaken assumption that a newly created organisation nearby was planning a major attack on its market.<sup>1</sup> Unfortunately a monster was created, as now all books in this area are priced to allow a discount of 10 per cent to 15 per cent off the recommended retail price. However the price, even after discount, may not reflect the overseas price converted, but a warm feeling of satisfaction is

gained by receiving a 'discount', but off what price?

One huge step toward genuine lower prices in the academic and textbook market would be stopping this ridiculous outdated cosmetic discount. Students and academics would not pay more because bookshops would sell at the price set by the publisher, who didn't have to take into account the fact that the bookshop needs to give away 10 per cent to 15 per cent of their profit. All that would be missing is the nice feeling you get when you receive a discount. Our industry should be able to cope with this! Also the whole market should not be penalised for a perceived benefit by a few.

The outcome would mean publishers could set lower recommended retail prices because lower discounts could be given to the trade. Nevertheless the trade would make the same amount of profit and customers pay the same price, albeit through a different process.

If we can muster support to change this 'Clayton's' discount, the Australian book trade, I'm sure, will be better off.

*Richard Siegersma*  
General Manager  
Sales and Marketing  
DA Books & Journals

<sup>1</sup>Page, R. *Australian Bookselling*, Hill of Content Publishing, Melbourne 1970, p. 47.

### Dear Editor,

It has just come to my attention that the Commonwealth Department of Administrative Services (DAS) is now demanding that successful tenderers must pay a 2 per cent commission for sales under each contract. As the suppliers must pass this charge on to the departments concerned, it becomes an outrageous impost on Commonwealth libraries.

Its purpose is to recover the costs of administering tenders and contracts. Presumably, DAS's expertise and effort allows government departments to reduce their costs. This may well be true when DAS approves tenders for the lease of major buildings and for the purchase of items such as catering, cars and construction — but I know it does not apply to serials and it may not apply to monographs.

In a recent serials tender which DAS estimates to be worth \$3 million, DAS obliges the successful tenderer(s) to pay 2 per cent or \$60 000 and to produce detailed quarterly reports and auditor's certificates. Three points are immediately obvious: (remember this is just one tender!)

1. The actual cost to the supplier (and therefore to the library) will be significantly more than the 2 per cent impost.
2. DAS's cost of administering the tender will be nowhere near \$60 000 — my guess is that it ought to be less than \$10 000. Let's be generous, let's say it is \$20 000. That means libraries will be subsidising other departments to the tune of \$40 000. What have they done to deserve this? Which libraries have received funding for this extra 2 per cent?
3. Even if it did cost DAS \$60 000, are the libraries getting value for money? The answer of course is a big NO. Why no?

**Firstly**, the tender process actually inhibits competition because it maintains the *status quo* for at least 3 years — we are all aware that newcomers could come on the scene, or the efficiency of current contractors may change.

**Secondly**, subscription agents' margins are very low and the only way DAS could reduce those margins further is by reducing the services of agents — but services are what librarians require!

**Thirdly**, subscription agents are really competing on service and it is only the librarians themselves who can judge the level of that service. The librarians do this already on behalf of DAS — so why should the librarians pay for it as well.

The end result is that Commonwealth librarians will pay more than an extra 2 per cent above what other librarians pay for a service which (i) subsidises the more wealthy Commonwealth departments, (ii) actually lessens competition, (iii) causes extra administrative costs ... and for which the librarians do most of the useful work themselves.

Surely Commonwealth librarians won't allow this to continue?

*A J Gans*  
Managing Director  
International Subscription  
Agencies Pty Ltd

### Dear Editor, Library plan a disaster

The Victorian Government's 'redevelopment' of the State Library sees the library only as a virtual caretaker of the exhibition galleries to be discarded by the Museum of Victoria.

Despite the efforts of a top-flight architect to adapt these inflexible



From 4 ....

structures to the Library's purposes, there are at least 30 major planning defects which will compound in perpetuity all the accommodation problems experienced by the library in the domed building for the past 75 years. The library is distinctly better off in its present situation, however hopeless that situation may be.

The Government's scheme, estimated to cost at least \$115 million, cannot achieve even a short-term solution of the library's present problems.

An eminently practical, new and functional building to provide two and a half times the capacity of the Victorian scheme was completed for the State Library of NSW at a cost of \$45 million in 1988 to meet 'the challenges of the coming century'.

*Axel Lodewycks*

#### Dear Editor,

I was pleased to see the prominence given by Lynn Allen to the promotion of research skills and projects in *Frontline* in *inCite* of 9 April 1990.

There is good reason for ALIA to consider involvement in research in any or all of the ways suggested but I think ALIA could take a particularly prominent role in:

- encouragement of discussion on the issue at conferences or in other ways
- running courses on research skills.

If ALIA has the funds and/or can attract funds then ALIA sponsorship of projects would be a very welcome additional source for funding research activity. I will be scanning the Perth conference program to find the sessions relevant to the research debate.

*Colin R Taylor*

Convener

ACLIS Research & Development Committee

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## Australian Library and Information Association



# Annual General Meeting

The 2nd Annual General Meeting of the Australian Library and Information Association will be held at the Perth Concert Hall on Wednesday, 3 October 1990 at 2.30 pm.

### AGENDA

1. Notice of convening meeting
2. Apologies
3. Minutes of the 1989 AGM
4. Presentation of the 1989 Annual Report and Balance Sheet, and Income and Expenditure Account
5. Presentation of supplementary Balance Sheet and supplementary Income and Expenditure Account to 15 September 1990
6. Appointment of auditors
7. Presentation of Awards
8. General business (see 3 below)

### RULES OF MEETING

1. Motions for discussion at the AGM are to be forwarded in writing, in duplicate, to the Executive Director, ALIA, PO Box E441, Queen Victoria Terrace, ACT 2600 by 27 July 1990. Motions should be signed by the movers either individually or on behalf of a Division of the Association. All such motions received will be published in the AGM agenda in *inCite* 11 (13) 27 August.
2. All motions to be put to the AGM must appear in this published agenda.
3. The only terms that may be raised under General Business are those of an informal nature, or those that are within the scope of the business already laid down. Motions of a substantial nature relating to items not covered in the notice of the meeting will not be allowed.
4. If any item of urgency arises which is not within the business of the meeting the Chairperson

has the power to accept it without notice, or rule that due notice must be given.

5. All motions additional to those on the printed agenda and in accordance with 3 above, and amendments, shall be written in triplicate and signed by the movers (forms will be provided), one copy to be delivered to the Chair, the second to the projectionist, the third to the mover.
6. When addressing the Chair, the person desiring recognition will properly identify themselves, giving their name and library. Only ALIA members may speak.
7. Debate shall be limited to three minutes for each speaker, no speaker may have the floor twice on the same question until all who wish to speak have spoken.
8. Proxies. To be valid, proxies must be in the form set out in By-law 15 and in the hands of the General Secretary, at the ALIA National Office, PO Box E441, Queen Victoria Terrace, ACT 2600 by 5pm on 25 September 1990. Proxy forms must not specify how the holder of the proxy is to vote on specific issues.
9. By general consent, if there be no objection, or by a two-thirds vote, any rule governing the debate may be suspended.
10. The Chairperson's rulings on procedural matters may not be debated. The reference for rules and their interpretation by the Parliamentarian will be Joske's *The law and procedure at meetings in Australia and New Zealand*, 7th ed., 1982. A Parliamentarian will be appointed to advise the Chairperson on procedures and to assist in determining the results of a poll of members present if necessary.