

AUSTRALIAN

While the proposed changes to parallel importation laws have been keeping publishers busy this year, the trade has managed to thrive in the midst of uncertainty. **Leslyn Thompson** reports.

THE AUSTRALIAN BOOK PUBLISHING INDUSTRY (ESTIMATED AT OVER A\$2 billion dollars in publishers' sales) posted another highly productive year in 2008, despite the developing global financial crisis and a massive local distraction—the proposed abolition of territorial copyright.

Starting in July 2008, Australia's 'pro-competition' government agency, the Productivity Commission, engaged in a nearly year-long review of the local book publishing industry—the latest of six similar reviews within the past 20 years. This exhausting (if not exhaustive) exercise has culminated in a July 2009 recommendation to remove parallel importation restrictions in Australia, after a three-year grace or adjustment period. At the time of writing, the Australian Parliament was yet to debate and decide on the matter.

The overwhelming majority of Australian publishers, booksellers, authors and literary agents are vehemently opposed to this legislative change, which is being pushed by the bookseller chain Dymocks, and the two Australian discount department store (DDS) retailing behemoths: the Woolworths/Big W and Coles/Kmart/Target groups (this coalition claiming to sell some 40% of Australian books, i.e., units).

2008 publishing output

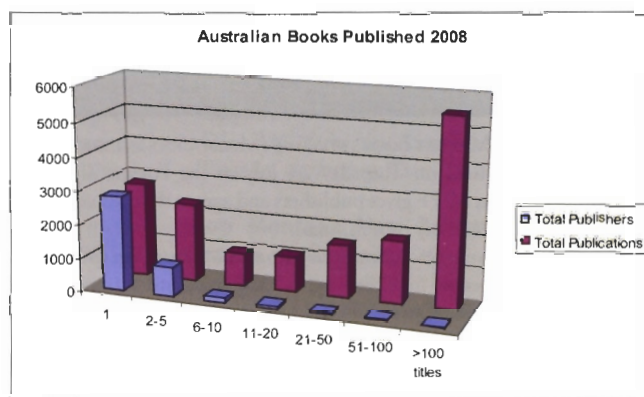
Despite this uncertain environment, a look at data drawn from publishers submissions to the Global Books in Print database, indicates Australian publishing output was up 12% in 2008 (over calendar year 2007 levels) in terms of new titles. The total number of 'publishing entities' remained steady at about 4000. Only eight percent (just under 300 publishers) were large enough to publish over 10 titles each, accounting for nearly 70% of total new titles.

As in 2007, concentration at the top sees the largest 20-odd publishers producing over 100 titles each and together accounting for approximately one-third of all titles.

Figure 1 Australian Book Publishers Output 2008

Number of titles per firm	Number of Publishers	Number of Publications	Average Firm Output
1 title	2790	2790	1
2-5 titles	856	2306	3
6-10 titles	129	971	8
11-20 titles	72	1028	14
21-50 titles	46	1544	34
51-100 titles	26	1820	70
>100 titles	23	5502	239
Totals	3942	15961	4.0

Figure 2 Australian Book Publishers 2008 (Industry Concentration Graph)



Who are Australian publishers?

These largest players in Australian publishing are both international subsidiaries of global firms (both trade and educational publishers) and local companies.

The largest multinational trade publishers include Penguin Group Australia, Random House Australia, HarperCollins Australia, Hachette Australia, Simon & Schuster Australia and Pan MacMillan Australia. The largest Australian-owned trade publisher is Allen & Unwin, followed by locals such as Hinkler Books, the Hardie Grant group, Murdoch Books, Text Publishing, Scribe Publications and, until its recent acquisition by HarperCollins, ABC Books. Ex-'home-grown' publishers such as Lonely Planet (now 75% owned by BBC Worldwide) and Five Mile Press (acquired by Bonnier) also continue as strong local market participants.

Among the largest educational players are Pearson Australia, Macmillan Education Australia, John Wiley & Sons Australia, Cengage Australia, Scholastic Australia and the local arms of both Oxford University Press and Cambridge University Press, followed by corporates Thomson Reuters and Elsevier/ LexisNexis Butterworths, among others.

What does Australia publish?

Australian 'domestic' publishing (i.e., locally authored books as well as overseas manuscripts published locally after buying-in Australian rights) covers an enormous variety of audiences, genres and formats. Nonfiction titles dominate. Leading fiction categories are children's and young adult fiction, literature and poetry (12% of titles), adult fiction and literature (nine percent, plus an additional seven percent for adult poetry and biographies/memoirs). Specifically Australian-themed works (fiction and nonfiction) accounted for just over three percent of new titles in 2008.

Imported books also supplement this range: the rule-of-thumb market sales breakdown is about 60% Australian-published books and

book publishing in 2008: thriving in uncertain times

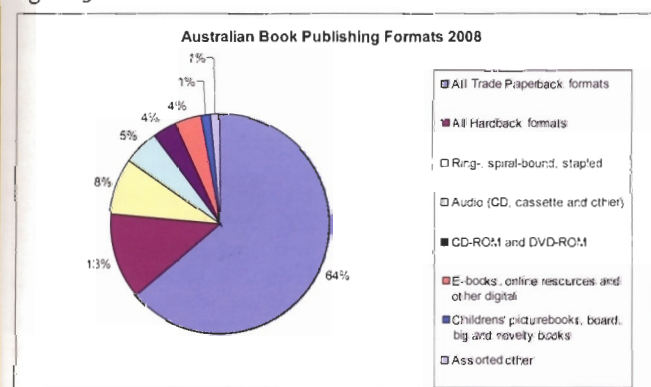
40% imports. However, this split is somewhat contested by recent figures from Nielsen BookScan that show Australian titles (defined as those with an Australian ISBN prefix) in 2008 are about 42% of titles sold by volume, with UK 46% and US 10%. 'Australian publishing provides thirteen percent of titles in the local market, but makes up forty-two percent of the sales,' concludes Nielsen Bookscan's Shaun Symonds.

The main publishing formats in 2008 are given in Figure 3. The various 'trade paperback' formats dominate in the Australian market; hardcover releases are relatively rare (13% of titles compared to 64% trade paperback). Children's picture books, board books, big or coffee table books, other novelty book formats and assorted other products (such as calendars and diaries) comprised only two percent of new releases.

Non-print book formats such as audio releases, CD and CD-ROMs, DVD-ROMs, etc. comprised a healthy nine-to-10% of new releases. Ebooks, and internet-related resources or applications comprised an additional four percent of total new titles in calendar year 2008.

There were 461 ebooks published by 222 separate entities in 2008, with the group reflecting a wide diversity of genres and audiences, but mostly skewed towards smaller, non-commercial and educational publishing entities—i.e. none of the major trade players appear to yet be experimenting to any great degree with releases in this format. (However, it is noted that the few Australian publishers that currently produce ebooks are not yet supplying accurate data on them to Books in Print.)

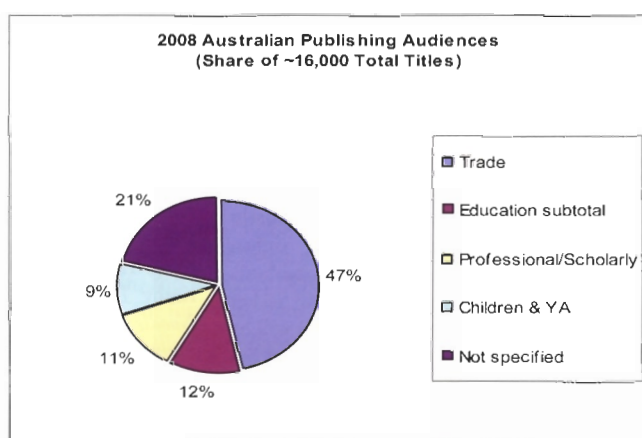
Figure 3 Australian Book Formats 2008



Australian Publishing Market Segments

Roughly 80% of new releases specified a target reading audience in 2008, of which the largest group was simply designated as trade titles. The next largest sub-total was education titles (primary, secondary, ESL and university texts) followed by professional/scholarly works. Juvenile (children's) and young adult books made up nine percent of all titles.

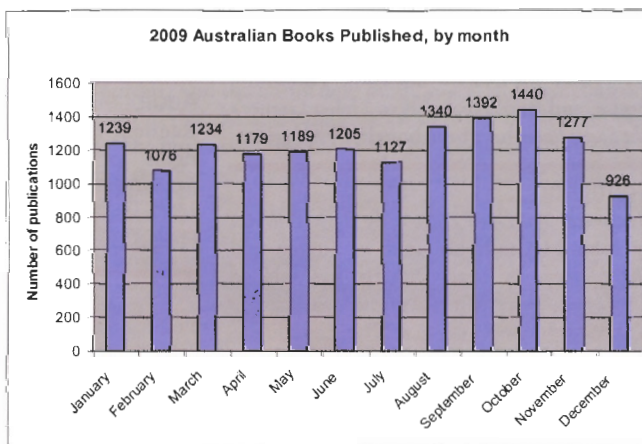
Figure 4 Australian Audiences or Market Segments



The Annual Publishing Cycle in Australia

Finally, Australian publishing releases in 2008 were spread out fairly evenly over the year, aside from the two expected and noticeable dips: in December and again, a smaller dip, in February (following the traditional January summer holidays). The most prolific months for releasing new titles are August through to November, peaking in October, in the lead-up to Christmas.

Figure 5 Australian New Books Release Pattern 2008



Leslyn Thompson is a researcher for the University of Melbourne Book Industry Study (UMBIS), a three-year project funded by the Australian Research Council and supported by the Australian Publishers Association and Thorpe-Bowker. Data used here is based on that supplied to Global Books in Print by Australian publishers.