

Fixed book price for a better competition

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Fixed book Price on p. books

- **The book is not a product like others**

- **Fixed book Price on p. books in :**

Argentina, Austria, France since 1981, Germany, Greece, Israel, Italy, Japan, Lebanon, Mexico, the Netherlands, Norway, Portugal, Slovenia, South Korea, Spain.

- **Mostly laws**

- Discussions in Belgium, Brazil, Poland, Quebec and Turkey.

The necessity to avoid a price war

- The need to avoid the disappearance of bookshops. EX.: in PL, -300 booksellers.
- **Objective: to create a level playing field for all retailers.**
- **The French law** of 1981 as an example:
 - Price fixed by the publisher or importer
 - Discount of 5% or 9% for public authorities, schools, universities, libraries.
- A public policy in the line of the **UNESCO Convention on Cultural Diversity.**

Preservation of one of the strongest network of booksellers in the world

- 4.500 publishers

- **2.500 independent booksellers**

1/ 26.000 inhabitants

= 28% of sales (56% incl. chains)

- Equality of citizens in terms of access to books.
- 600.000 books available, including 90.000 new books each year.

(Source: SNE stats)

“There are no books without booksellers”

- **The demand for books:**

Huge amount of products; prototypes; impulse buying.

- **Booksellers's fundamental role: expertise and promotion**

=> New authors and long-term life of back catalogue

Thousands of titles in stock and qualified staff

=> costs

29.500 titles/ 30K available via 300 booksellers in Quebec.

1/ 2 of sales : 1+ yr old books; a higher market share for HSS

Ex.: "L'Inconsolable" d'Anne Godard (2005, Ed. De Minuit), put on sale in January 2006

- **Jan-March: creation of buzz by booksellers:**

80% of sales by booksellers

14% by chains of booksellers

2.8% by online retailers

- **Mid-march: amplification of the buzz already created by booksellers**

50.5% of sales by booksellers

34% by chains of booksellers

9% by supermarkets and press points

2.5% by online retailers

Diversity of sales channels: diversity of books promoted

- **Role of booksellers in the society and for town and country planning.**

"If a bookseller closes, it is the heartbeat of a city that stops." Dany Lafférière

- **Cross-subsidization => diversity**
- For booksellers: between best-sellers and more specialized titles
- For publishers
- For authors

Devastating effects of discount

- **On booksellers:** fewer sales of best-sellers and to libraries
- **In the UK:** 600 towns without bookshops
 - 1/3 of booksellers since 2005; Actors with dominant positions
 - 1.000 independent booksellers = 5% of the sales
- **In the US:**
 - 1/2 of booksellers in 20 years
 - 2.000 independent booksellers = 6% of the sales
- **On publishers:** pressure
- **On authors:** difficulties for remuneration
- **On readers:** less advice

A positive measure for everyone

➤ **Little « best-sellerisation »**

In 2005, the top 20 best-sellers: (Source: GFK)

1.7% of the sales of books in value in F,
16% in the UK; 20% in the DVD sector in F.

➤ **A wider range of books sold/ read**

➤ **No inflation**

1998-2008: ½ the increase of the consumer price index. 11€ in average for a book.

In the UK: prices only went down on the best-sellers; book price rises : +50% since 1995 vs. + 28% for the cost of living.

(Source: Prof. F. Fishwick)

Fixed book Price on e-books to maintain a diverse and healthy distribution

The French law of 2011.

Consensus of the book chain and the State.

Applies to all online booksellers, including foreign ones, selling e-books published by French publishers to French consumers.

Amazon and Apple are based in Luxembourg and Google in Ireland.

Fixed book price on e-books in: **Argentina, France, Germany, Greece, Israel, Norway, Slovenia, South Korea and Spain.**

Free Price on e-books

- **Risk of pre-emption of nascent e-book market by Web Giants.**
- **Web-giants are not booksellers**

Goal: to sell the best-selling offer, so as to sell other products and gain market shares.

- **Downside effects of aggressive discounts on e-books in the US**
 - 90% market share for Amazon in 2009.
 - Hachette 2014: 60% market share for Amazon in the US, 78% in the UK
 - **Danger of monopolies**
 - Need to ensure a level-playing field for all retailers.

Physical booksellers's role for discoverability in the digital era

- **Increasing market share of best-sellers**

80% of the sales of e-books of RCS Libri

= 23% of the titles in 2011 vs. 14% of titles in 2014 (Source: Marcello Vena, 2014)

- **Online retailers cannot replace booksellers and their promotion work**

61% of book purchases by frequent book buyers in the US made online

But only 7% of them had discovered that book online. (Source: Codex group 2013)

- **Need for both channels of sales and promotion**

The risk of censorship by actors with a dominant position

- **Strong stakes of dominant positions for access to culture**
- **Cases of censorship by Apple:**
 - French-Belgian comics with nudity
 - Danish app about hippies
- **Amazon discouraged readers to buy Hachette US and Bonnier Germany books**
- **Danger for cultural diversity**
- **Matter of democracy**

The need for a regulation

Competition law is not sufficient

- Only ex-post
 - Cost of litigation
 - Fear factor
- **A cultural policy for a greater diversity of books bought**

Thank you!