

UNWIN TRUST UK-AUSTRALIAN FELLOWSHIP 2006

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LOOKING AFTER THE AUTHOR'S BEST INTERESTS: AN INVESTIGATION INTO THE
RELATIVE BENEFITS OF THE VARIOUS PUBLISHING APPROACHES AVAILABLE TO
AUTHORS WITHIN THE AUSTRALIAN MARKET

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'My advice to any young Australian writer whose talents have been recognised would be to go steerage, stow away, swim and seek London, Yankeeland or Timbucktoo rather than stay in Australia till his genius turn to gall or beer. Or, failing this, to study anatomy, especially as it applies to the cranium, and then shoot himself carefully with the aid of a looking glass'

Henry Lawson

1. Introduction

I opened my proposal in application for the 2006 Unwin Fellowship with the above quote from the late Australian poet Henry Lawson. I borrowed it from Australian novelist Mardi McConnochie's epigraph to her excellent novel *Coldwater*, which re-imagines the lives of the Bronte Sisters into a 19th Century Australian penal colony. Just as McConnochie's subversive transposition of Australia and Britain's brutal and complex shared history onto a cherished British literary institution sheds much light on the complicated cultural relationship the two nations share today, so too does Lawson's stark warning to Australian writers provide the perfect starting point to begin to examine how much Australian publishing has changed since Lawson's death in 1922.

Clearly Lawson's implication, that Australian publishing is at best useless or at worst non-existent, and that an author's success in Australia is less important than success anywhere else in

the world, is no longer applicable to an industry and nation that over the past few decades has demonstrated to itself and the rest of the world the wealth and diversity of its cultural output. However, although the 'cultural cringe' may have been left behind, the Australian publishing industry today is still reliant, to a significant degree, on the system of distribution whereby at least 40% of the books available in Australia are books acquired by UK publishers and distributed into Australia, albeit through the conduit of the local arms of multinational publishing houses there. The distribution system dates back to the colonial era, when it was established as the most effective way to supply Australia's growing population with books they wanted to read. It would be foolish to view the hold UK publishing still commands over Australian publishing solely through the cultural prism of a colonial hangover however. Historical expediency may have given rise to this situation, but it is, nevertheless, the actual economic model upon which both industries still rely on to an extent for their existence, and so any criticism of UK publishers' perceived complacency in their attitude to the Australian market must be tempered by a recognition of the very real market forces which still, for now at least, demand the status quo.

I was awarded the Unwin Fellowship in 2006 in order to carry out an investigation into the benefits to Australian and non-Australian authors of selling Australian rights separately to Australian publishers, and measure this against the relative benefits of the traditional approach of selling British Commonwealth rights, including Australian rights, to UK publishers. Over the course of the three months I spent in Australia from October 2006 to January 2007, I travelled to Sydney, Melbourne, Brisbane, Adelaide, Perth, and Tasmania, and met authors, multinational and independent publishers, booksellers, literary festival directors, representatives from industry bodies, and literary journalists, in order to gather their views on this subject. Before travelling to Australia, I also sought the opinions of UK publishers and agents.

Working for a literary agency, from my own professional perspective the need to ensure that the best interests of our writers are protected informs everything that we do, and so this report aims to put the author's interests at its heart. This is a minority, and I think privileged perspective to hold in an industry where publishers and booksellers inevitably have priorities that must precede those of the author.

Over the course of my research I hoped to establish whether there was a clear difference in the way a book is received in the Australian market depending on whether it is distributed, or published locally. I also wanted to find out how well the relationship worked in reverse, and whether it has become easier for Australian writers to find a publisher outside of Australia. What emerged quite quickly is that there are so many different stories of great successes, as well as some failures of course, both in local publishing and in the distribution system, and while there are many Australian writers frustrated in their attempts to find international publishers willing to invest in their work, there are also many examples of Australian authors enjoying immense success overseas. So, in this report I've attempted to look at as many of these different examples and options as possible, picking up on both successes and failures, and hopefully identified some key trends and factors that agents in the UK might find useful to take into account not only when making decisions about how best to sell rights to their authors work into the Australian market, but also how to ensure they are aware and familiar with all the other forces, beyond the publishing deal itself, which impact on an author's success in Australia. I've aimed too to shed some light on how we might better be able to sell Australian authors to publishers outside Australia.

This report begins with a very brief account of the history of Australian publishing from 1945 to the present day, in order to provide an understanding of the copyright and territorial laws that have governed and shaped the industry. I then offer some perceptions on the general state and health of the industry today. Following this, I present the various arguments for and against the splitting of rights - firstly by looking at the opinions of UK publishers, both independent and multinational, then at the Australian multinational publishers, and then Australian independent publishers. In order to put these viewpoints into context, I then put forward the opinions of Australian agents, booksellers, the literary media, literary festivals, and funding and industry bodies. I conclude with some ideas about how we might refine and improve our approach when selling rights into the Australian market

The examples, facts and figures I've cited are taken either from interviews I conducted, or relevant publications, all of which I've endeavoured to represent accurately and credit accordingly.

2. History and Current Overview

2.1. History of Australian Publishing post 1945

More than 100 years after the publication of what is thought to be the first 'Australian' novel, *Quintus Servinton*, by the British convict Henry Savery, in 1831, it was still almost impossible for Australian writers to find a quality publisher for their work in their own country, as even halfway through the twentieth century, although local enterprising presses had always existed, there was so little publishing going on that a government inquiry into Australian publishing in 1945 declared that Australia had no publishing industry. By the time the Australian Publishers Association was founded in 1948, only 15% of the books sold in Australia were actually published there. In 1953, Australia constituted 15% of *all* British book exports, and as such was their key export territory.

The monopolisation of Australia as an export distribution market was cemented after the Second World War by the 'Traditional Market Agreement', negotiated between British and American publishers. This effectively carved up the world map into exclusive publishing territories, with Britain maintaining control over its former colonies. The agreement also stipulated that Australian-owned companies could not acquire separate rights to British originated books, so that if a British publisher acquired a book from a US publisher they were automatically granted the British Commonwealth rights and the US publisher was not permitted to continue supplying their edition to the Australian market. Occasionally publishers managed to circumvent this, and as the years went on Angus & Robertson did successfully publish a small number of US titles

themselves, but this was on a very small scale.

It's difficult to hypothesise about the degree to which this system, rather than any other forces, prevented talented Australian writers from gaining publication and recognition for their work in Australia, but what is clear is that in the post-war period, writers left Australia for Europe and America in their droves, as to establish oneself as a writer, one needed to find approval in either London or New York, and then have your work exported back into your own country by your publisher. This was certainly the case with Patrick White; so far Australia's only Nobel Prize winning writer, and many more writers besides him

The distribution system presented a number of drawbacks for Australian authors. From a cultural perspective, it meant that the both the literary value and sales potential of their work was being decided by editors and publishing houses on the other side of the world, and so it helped to maintain the country's sense of itself as subject, and culturally beholden to, it's former colonial masters. From an economic point of view, it meant they were usually earning export royalties on sales of their books in Australia, and so gained far less financially than, say, a British writer would on sales of their book in the UK.

This bind that Australian writers found themselves in the post-war period had begun to loosen by the 1960's with the runaway success, against all the odds, of a number of locally published titles. One of the most famous of these was the wonderfully titled *They're A Weird Mob*, John O'Grady's exuberantly written and unashamedly lowbrow comic novel. Published in 1957 by Ure Smith, a small publisher who had hitherto specialised in art and photography books, by 1960 the novel had sold 250,000 copies and remained in the bestseller lists for much of the decade. The

success of *They're A Weird Mob* highlighted the growing appetite amongst Australian readers for their own stories. Local publishers leapt at the chance to capitalise on this, and throughout the 1960's firms such as Ure Smith, as well as Angus & Robertson, FW Cheshire, and Horwitz published many successful Australian fiction and non-fiction titles. The distribution offices of the international publishing companies followed suit, and began to channel money earned from distribution into the creation of local lists. In 1961 Allen Lane is noted as saying 'My own feeling is that Australia is about to emerge, speaking from a publishing point of view, into a creative phase in place of an absorbent one', and Penguin were certainly the earliest and most successful international publisher to exploit this, publishing their first local titles in 1963.

So Australia's emergent national self-confidence, or what, into the 1970's, was called the 'new nationalism', was reflected in the growth of the local publishing industry, and helped along by the political establishment of the day. Gough Whitlam's tenure from 1972 to 1975 saw massively increased funding to the arts in Australia. And so for the first time in any significant number, writers found they had grants available to them, supportive institutions to belong to, and growing numbers of local publishers ready and willing to launch their careers. Enterprising presses, including McPhee Gribble and The Outback Press, thrived during this period, and helped to launch the literary careers of many of Australia's most respected writers.

The Australian public's demand for homegrown material was accompanied by a growing dissatisfaction with the way books were distributed into Australia by international publishing companies, as well as a sense that the prices of imported books were unreasonably high. It would often take months for books published in the UK and the US to appear in Australian bookshops, and this complacency on the part of publishers of course contributed to the Australian

booktrade's sense that it was still seen as a colonial backwater reliant on decisions made in London for access to the world's cultural information.

The pricing issue came to the fore in the 1960's when it became apparent that publishers were not always being honest about the methods of distribution they were using, and as the discounts offered to booksellers varied according to these different methods, publishers were forced to show their hands. Australian booksellers could either order books direct from UK suppliers using the indent system, where they'd buy books firm sale at the prevailing gross margin of 60%, which would then cover freight, insurance, and the risk of overstocks, or they could order from local stockists at the reduced margin of 33%, but benefit from speed of delivery, freight-free supplies and the option of sale or return. Booksellers who opted for the latter discovered that frequently, due to inadequate stockholdings, local suppliers were actually placing their orders with UK publishers, effectively removing the benefit to booksellers of opting for this. This practice put intense pressure on the relationship between booksellers and local suppliers, and was eventually resolved by the Publishers' Association's invocation, in 1968, of the Australian Copyright Act, which not only made illegal the importation of any US edition of a book if a UK or Australian version existed, but also banned the importation of books from UK wholesalers. Although in reality this practice did continue to an extent, local operators had no choice but to improve their operations by increasing their stockholdings and offering better discounts to booksellers, so on the price and availability level things began to improve.

Although the Traditional Market Agreement ended in 1975, most books not written in Australia, and indeed many books written by Australians, continued to be made available there through the distribution system, as local publishers simply could not compete with the larger publishing

houses in successfully bidding to carve Australian rights away from their traditional owners. Only with the introduction of the 30/90 day rule as part of the Copyright Amendment Act in 1991 were publishers forced to vastly improve their distribution systems. The 30/90 day rule stipulates that the Australian rights holder for any title must make their edition available in Australia within 30 days of the title being published overseas. Failing to do so forfeits their territorial copyright protection over that title, and enables any other rights holder to legally import their edition into Australia. This law has forced UK publishers to work more closely with their sister companies or distributors in Australia in order to co-ordinate their publishing schedules more effectively. It has also greatly strengthened the local printing industry, as many more books are now printed in Australia rather than shipped over, and as a result given rise to the far more cost-effective trade paperback as the standard format for books published in Australia. It has also made Australian publishers adopt a more dynamic approach to acquiring rights to overseas titles - if they do want to acquire the Australian rights to titles they need to pick these up long before the US or UK editions are published in order to ensure they'll be able to bring their edition out within the requirements of the 30 day rule.

2.2. Current Overview

In an address to the Australian Publishers Association in 2003, the Tasmanian novelist Richard Flanagan suggested that the Australian publishing industry was suffering from a lack of self-confidence, and failing to convey its considerable strength and successes to the world. Though in his address he accepts, and criticises the considerable influence of agents and their ever more advance-driven approach to the way they sell rights, he argues that the perception of publishing

as being dominated by 'the greedy house paying a monstrous advance', is far from a true representation of the state of the Australian industry in the 21st century. Over the course of my time in Australia, I came to agree with him.

Having briefly explored the history of Australian publishing leading up to the introduction of the 30 day rule, I'd like now to present a few general observations on the state of the industry today.

Apart from books being distributed in Australia, in 2005, 8,500 books were published there and A\$1.5 billion of revenue was generated by book sales. According to the Australian writer Frank Moorhouse in his article, 'So What the Hell Happened to Australian Writing' published by The Australian Newspaper in 2006, in a country with a population of 20 million, book sales per capita are increasing, and the last ten years have seen sales of Australian titles increase by 66%.

Depending on who you talk to, the proportion of books that are locally published, rather than distributed, varies slightly, but 60% is a reasonable approximation. According to Jeremy Fisher of the ASA (Australian Society of Authors), 78% of books available in Australia are produced there, his figure including the many distribution titles that publishers now print locally. There are currently 140 members of the APA (Australian Publishers Association), but the market is largely held by the five large multinational publishing houses: Penguin (Pearson Group), Random House (Bertelsman), HarperCollins (News International), Hachette Australia, and Pan Macmillan (Holtzbrinck), who collectively control approximately 70% of the market - the distribution of international titles constitutes at least 40% of their business for each of these companies. Allen & Unwin are the largest independent publisher in Australia, and compete effectively with the multinationals, combining local publishing with acting as a third party distributor for several UK

companies. Other independents with a significant market presence include Text Publishing, who have a strong co-publishing arrangement with Canongate Books in the UK, Scribe Publishing, Hardie Grant, the Wakefield Press, and then a number of strong University Presses.

The introduction, in 2001, of the book sales monitoring system, *Book Track* (which became the global system *Nielson Bookscan* in 2002), into Australian bookshops radically changed the way Australian publishers were able to measure the success of their books. Where before bestseller lists were reliant to an extent on the unregulated information provided by booksellers, this technology now allows publishers to access, on a weekly basis, accurate sales figures for all titles available within the Australian market. Arguments about whether *Bookscan* has forced publishers to provide products consumers actually want, rather than self-serving highbrow books with no market, or whether it has meant they've become cowardly trend-followers rather than trendsetters, could fill another Unwin Report, so hopefully someone will write one at some point. For our purposes here, it might suffice to simply state that whatever *Bookscan*'s relative merits or drawbacks, it does at the very least provide us with reliable information about what is selling in Australia at the moment.

Taking a look at the Australian bestseller lists over August and September 2006, overall international titles take precedence over Australian titles. In August 2006 the top ten industry-wide bestseller list featured 7 international titles and 3 Australian titles. 4 of these 10 were non-fiction titles, 5 were fiction, and 1 was a children's book. The figures for independent booksellers only during this period show a heavier weighting towards Australian titles (6/4), but 8 were non-fiction titles and 2 were fiction titles. In September 2006, the proportion of international titles on the industry-wide list increased to 9/1, but the proportion of these that were fiction titles changed

to 7/2, and one children's title. In the same month, the independent booksellers list had 8 international titles and 2 Australian - 5 of these were fiction, 4 non-fiction, and 1 children's book. Though the precedence of international and Australian, and fiction and non-fiction titles fluctuates over these two months, the genres that prevail are pretty consistent: international crime fiction (largely US), commercial women's fiction (US, British, and Australian), and local non-fiction (particularly cricket memoir), the one stand-out literary title being *The Secret River* by Australian novelist Kate Grenville.

The strong presence on the bestseller lists of commercial international fiction and celebrity-led Australian non fiction, most of which is published by the large multinational houses, is not surprising, and might suggest that Richard Flanagan is wrong to suggest that the industry is not entirely dominated by the might of those publishers, especially when you take into account their market share. But as we know, bestseller lists do not account for a whole industry, and though these reflect the prevailing trends of most other bestseller lists across the English speaking world, they don't illustrate the buoyancy and diversity of Australia's publishing market today, which supports not only a wide range of international titles but also a thriving and diverse mix of Australian titles.

3. The Cases For and Against Splitting Rights

3.1. UK Publishers view

Before travelling to Australia, I spoke to representatives from several UK publishers, both multinational and independent, in order to find out about their various relationships with the Australian market. I wanted to understand their position on the established practice of UK publishers acquiring Commonwealth rights, and find out what they thought the future held for the relationship between UK and Australian publishing.

To a significant extent, UK publishing has always relied for its financial viability on the retention of its traditional export markets. Shereen Baig, Export Sales Director for Harpercollins UK claims that Australian sales constitute approximately 1/3 of their total export sales revenue. David Parrish, Export Sales Director for Random House UK says that up to 40% of the income generated from their fiction list is generated by export sales, and Australian sales make up the lions share of this. Toby Mundy, Managing Director of independent publisher Atlantic Books says that export sales can constitute as much as 75% of a publisher's gross margin, and argues that far from their continued insistence on acquiring exclusive commonwealth rights being some sort of post-colonial cultural hangover, the revenue they generate is actually intrinsic to UK publishers' ability to publish the diverse range of books that they do. In his view, the traditional system of

distribution still provides Australian consumers with the enormous benefit of having a range of books available that the Australian industry itself just would not realistically be able to publish locally - in fact, he argues that 90% of the international authors whose books are available to buy in Australia would not be available at all without the system of distribution.

UK publishers are often criticised for hanging on to Australian rights, but then not working hard enough to ensure that all of the books they publish are sufficiently promoted in Australia. The UK publishers I spoke to all disputed this claim, and cited their own extensive knowledge of the Australian market and the close relationships they have with their sister companies or distributors in Australia as being central to their ability to push the right books there.

David Parrish, International Sales Director of Random House UK, believes that as an industry, UK publishing overproduces. 120,000 books are published in the UK every year, and although this figure includes reference and non-trade books, it still demonstrates how crowded our market is. Given that a high proportion of books acquired in the UK are bought with Australian rights, there is clearly no way that a market of Australia's size could provide significant sales for all of these titles, especially as they are competing against all of Australia's locally published titles.

Parrish explained that Random House UK and Random House Australia work very closely together to select those titles they believe, based on their shared knowledge of the market, will have a good chance of success in Australia. Those they perceive to only have moderate potential will still be made available in Australia, but not actively promoted. Parrish argues that if agents began to attempt to split traditional commonwealth territories away from UK publishers, they'd risk compromising those publishers' ability to keep these books in print at all. Given the very slim margins many books depend upon, even moderate export sales can make the difference to a

book's survival.

Shereen Baig said that although she doesn't usually involve HarperCollins Australia at acquisition level when the UK are bidding for a book, her own knowledge of the Australian market enables her to make the right decisions about which books will work in Australia. When I met her in October 2006, HarperCollins had just acquired a new biography of Roald Dahl, so in order to put together accurate predicted sales figures for Australia, she checked Australian Bookscan to find out how well *Boy* and *Going Solo*, Dahl's two volumes of memoir, had sold over the years. She visits Australia at least every 18 months and is also able to rely on a general knowledge of the Australian market to predict what will work there. She cited various examples of genres and themes that tend to appeal to the Australian market, taking into account the huge European and Asian population. These include Irish and Italian memoir - the success of Frank McCourt's memoirs (the third volume of which sold 75,000 copies in Australia) supports this - and fiction with a particularly international slant, most specifically South-East Asian, so novels like *Tokyo Cancelled* by Rana Dasgupta and *The Harmony Silk Factory* by Tash Aw were, according to Baig, initially more successful in Australia than they were in the UK.

Of course when books are successful in the Australian market they constitute greater returns for the publisher than sales in the home market, as the author is earning a lower royalty. So it's interesting that Shereen Baig cited Australian writer Nikki Gemmill's memoir *The Bride Stripped Bare* as an example of how successful a UK acquisition can be in the Australian market. The book was a runaway success in Australia, selling over a quarter of a million copies, but did only moderately well in the UK. As Gemmill's UK agent had sold Commonwealth rights in the book to HarperCollins UK and didn't negotiate a home royalty for Gemmill for Australian sales, she

earned vastly less than she could have done in what turned out to be her book's key market.

Good for the publisher, but not so good for the author. While this example highlights how much authors stand to lose if the most appropriate deal is not secured for them in the Australian market, it's also important to point out that it is an exceptional example, and that many books simply won't have the sales potential to make an Australian home royalty financially viable for publishers, especially taking into account the considerable investment needed to maintain an Australian operation.

The independent UK publishers defend their practice of acquiring Australian rights as passionately as the multinationals do. Stephen Page, CEO of Faber & Faber described how closely they work with Allen&Unwin, their Australian distributors, from acquisition level onwards. He sees their relationship as a mutual publishing arrangement, and says that this is the key to its success. Page argues that for an independent publisher like Faber to successfully sell their list in Australia, they need an 'umbilical' relationship with another publisher, and they've found the perfect partner in Allen&Unwin, whose values and identity as a strong independent publisher in a market dominated by multinationals closely matches Faber's own. His argument is supported by the fact that since switching their relationship from Penguin to Allen&Unwin in 2005, their Australian sales have increased considerably. Though he's opposed to the splitting of rights, Page says he's very willing to offer agents and authors, in collaboration with Allen&Unwin, detailed publishing plans and forecasts for titles in Australia, and once an author has established a reasonable sales record and profile in Australia, he'd be open to negotiating a home royalty for them there. He says that he'd never bid for a book without Australian rights, except in absolutely exceptional cases. There are a number of those exceptional cases on the Faber list though - including Peter Carey, Elliott Perlman, Julia Lee, and James Bradley. Similarly Toby Mundy, who

is equally opposed to splitting rights, is this year publishing four Australian novelists - Richard Flanagan, Torsten Krol, Cate Kennedy and Belinda Burns - having acquired Commonwealth rights excluding Australia. So clearly UK publishers can make books work without retaining Australian rights in some cases.

Lisa Highton, now Deputy Managing Director of Hodder UK, and formerly Publishing Director of Hodder Australia, has a closer understanding of the Australian market than most. She claims that UK publishers do sometimes use Australia just to qualify an initial print run, and then don't follow this commitment through, arguing that the UK don't always treat Australian publishing with the respect it deserves. Interestingly enough, the two publishers I spoke to in Australia who had previously worked as editors in the UK concurred with this view, and said when they worked in the UK they often didn't give Australia much thought, but would rely on the predicted print run there to help make their case at acquisition level. She cited the success of bestselling memoir *Marley and Me*, by American author John Grogan as an example of the right kind of cross- territorial co-operation within international publishing houses. She acquired this book while still at Hodder Australia, in conjunction with Hodder UK. The two sides of the company bought the book together, but offered home royalties in both territories. This effectively gave both the UK *and* Australia ownership of the book, and as the investment made in it was shared, both had the impetus to make it work.

Looking at these arguments, it does seem evident that we don't need to worry about the frontlist titles, or titles with very obvious or proven Australian appeal, as both the multinationals and the UK independents have demonstrated that their combined efforts with their Australian counterparts can and do make these books work in the Australian market, and UK publishers are

willing to negotiate better deals for authors in the Australian market if this success looks likely or is proven. Less clear is whether the unpromoted, or midlist titles available in Australia through the distribution system really are getting enough of a chance to succeed. All of the UK publishers claimed to know what works in the Australian market, so it will be interesting to find out whether their claimed expertise is upheld by the views of Australian publishers and booksellers, or whether their Australian counterparts feel that the UK make incorrect assumptions about books that will work, and neglect to highlight ones that they think won't.

3.2. Australian Multinational Publishers' view

The Australian divisions of the multinational publishing groups inevitably hold a dual position when it comes to their view on the relative benefits of distribution or local publishing. On the one hand they depend for at least 40% of their business on the distribution system (this is as much as 85% for Hachette, 60% for Random House and Harpercollins, and 40% for Penguin and Pan Macmillan), but at the same time all are proud of their local lists and quick to point out that they are local publishers in their own right, and will always look to acquire both international and Australian books for their local lists. Furthermore, they are also in the awkward position of not being able to compete directly with their UK counterparts when attempting to acquire new titles. To acquire a title onto their local list, all of the multinationals confirmed that generally they'd need to guarantee a print run of between 7-10,000 copies. As we well know, this is a lot more than some literary novels published in the UK sell across all of the Commonwealth territories, so of course not all books are going to have enough clear potential to be sold separately in Australia, or at least not to the multinationals.

I was interested in finding out what the differences were in how the staff at the Australian companies view these two sides of their business. Is the UK's claim that their sister companies in Australia treat the UK books as their own true? How are decisions on what, on the international list, to promote reached? And whether those UK titles left to languish on the indent system have any real chance of gaining an audience in the Australian market. The other key question I wanted to put to the multinationals was how and when they are interested in acquiring titles to publish locally, and if they claim that having something on their local list would give it a better chance of success in their market, would this effectively contradict their claim that all the titles they distribute are treated with equal commitment and passion as those on their local lists.

3.2.1. How Distribution Works within Australian Multinational Publishing Houses

I wanted to find out as much as I could about how the relationships between the UK and Australian sides of multinational publishers worked on a practical level, and whether the staff in Australia were happy and satisfied that the information provided and co-operation offered by their UK counterparts was allowing them to make successes of those the titles they were distributing into the Australian market.

Taking Random House's approach as an example to begin with, once a year David Parrish travels to Australia and pitches the entire Random House UK list to Random House Australia. Random House Australia will then select the titles they think they can most successfully promote, usually around 8 a month, or 100 per year, and will commit to significant quantities, as well as marketing and publicity budgets for around 25-30 of these titles. The 70 titles not given a

publicity/marketing budget are at least sent out for review and included in their catalogue and will be ordered in quantities of 400-500 copies. The rest of the Random House UK list will be available in Australia through the indent system, whereby these titles are included on reps selling sheets and can be ordered in by booksellers, but Random House Australia make no advance stock commitment. This is the general model that all the multinationals adhere to, and all claim that one of the reasons it works is that both the local and distributed titles are managed by the same Australian sales team, and sold in by the same rep force. Malcolm Edwards, Managing Director of Hachette Australia, explained that their sales force is divided into business divisions, which are list based, rather than divided on local/distribution lines. This means that both Australian and International titles are sold together under the relevant list, whether it be Orion, Little Brown, Hodder, Headline, or Childrens. Decisions on what to promote on these lists are made on a title by title basis, so if one month their lead title is Australian, this will front the list, but the following month it could be a distributed title. Penguin do divide their lists between Penguin Australia titles, Penguin UK titles, and 3rd party distribution titles, but Louise O'Leary, Penguin Account Manager for Penguin UK and their third party UK publishers, explains that as their reps sell across all the lists, they depend on their discretion and intimate knowledge of their accounts to push the relevant titles. She argues that dividing the list up in this way makes it easier for booksellers to identify the books they want, and makes it less likely for distributed books to be lost in amongst local titles, and vice versa.

Most of the multinational publishers use a similarly joined-up approach when it comes to marketing and publicity for the local and distributed lists, although Random House are unique in dividing their marketing and publicity departments up along local and international lines. They argue that rather than subjugating either side of the business to the other, given the size and

range of their lists, this approach allows them to target each book's relevant market more effectively. Bob Sessions, Managing Director of Penguin Australia, claims that they've always championed all the books that come under Penguin Australia's auspices with equal candour and vigour, and claims that their marketing and publicity departments promoting both local and distributed books together is the best way to achieve this. Using this approach, companies can capitalise on the international recognition of imprints within their company to lend weight to their own list. Pan Macmillan, for example, divide their publicity department up into lists, so that both the international and Australian Picador list is promoted by the same publicist and marketing department. Both Australian and international writers therefore benefit from the literary cachet afforded by the Picador brand. Christine Farmer, Head of Publicity at Harpercollins Australia, agrees that certain imprints do still make a difference to Australian consumers' perception of a book. She believes that one of the reasons Amitav Ghosh's last novel, *The Hungry Tide*, failed to take off in Australia was because it was published under the Harpercollins imprint, rather than 4th Estate, which would in her view have given it enough literary weight in Australia to be taken seriously by booksellers and consumers. Tellingly, Ghosh is leaving Harpercollins for his next book. She argues that while they rely to some extent on the influence of brand recognition, their relationship with Harpercollins UK also works well because it is flexible, and she's able to tailor the publicity material she receives from the UK to the Australian market. Fiction accounts for around 80% of what they sell for Harpercollins UK, and she agrees with Shereen Baig that there are certain books that can and usually do work well in the Australian market - novels with an South-East Asian slant, or historical women's fiction, for example. Other genres, such as Black British or African fiction, do less well - I was interested to notice, for example, that Chimamanda Ngozi Adichie's novel, *Half of a Yellow Sun*, published by 4th Estate, was rejacketed in Australia with the black face of the UK jacket removed. Not all

publishers agree on what will work in Australia though, and Louise O'Leary voiced her frustration with the UK's frequent assumption that anything Asian will work in Australia, claiming instead that it's UK and US fiction along more traditional lines that still appeals most strongly to the Australian market.

The Australian multinational publishers then, claim that the only real difference between a book being published, or distributed by them, comes on the editorial level. They argue that the lack of an inhouse editorial champion for a book does not affect the enthusiasm and commitment that the company as a whole will have for a it, as the sales, marketing and publicity teams use not only past sales history but also their own taste and enthusiasm to champion books as passionately as an editor would. Random House cite initiatives such as their 'Makebook' scheme to underline this - every year each department will select a book from anywhere across the Random House lists, and compete to make that book a success. In 2006 the Product team picked *Case Histories* by Kate Atkinson, from the Doubleday UK list, and the book went on to perform well above the targets that had been set for it. Nevertheless, of the vast range of books from the UK that the multinationals distribute every year, schemes like this will only make a difference to a small handful, and given the limited number of books the publishers have space to actively promote, it is clear that for all those that do succeed, many more that might have had a chance fall by the wayside.

Before Australian multinational publishers reach the point where decisions on marketing and publicity are made, a number of complicated negotiations with their UK counterparts need to take place, and it is these that can often have as much impact on a book's success as any other factor. Gavin Schwarcz, Product Manager at Random House Australia, is on the most practical

level the key link between the UK and Australian sides of the business. His team, in collaboration with the Sales team, is able to make informed decisions on a book's potential in the Australian market based on their combined experience and knowledge. One of his most important tasks is co-coordinating the publishing schedules of the two territories, in order to ensure that Australian publication can take place in time to meet the copyright requirements of the 30 day rule.

Szwarcz pointed out that it is this negotiation that can cause the most friction between each part of the company. If the UK acquire a book from the US, its US publication date has little if any relevance to the UK, but of course for Australia it's vital that their edition, which will be coming from the UK (whether actual shipped copies or final files ready for local printing), is available to buy in Australia within 30 days of US publication. RH Australia therefore has to persuade the UK to take this into account when scheduling their books. Although the UK do make efforts to cooperate, Australian copyright will never take priority over UK publication, and there have been occasions when Random House Australia has had to ship in US editions in order to maintain territorial exclusivity, though of course the bigger the stock commitment Australia make, the more likely the UK are to make efforts for them. Louise O'Leary voiced similar frustrations with Penguin UK, and said that the problem is particularly acute for midlist titles. If they are racing to meet deadlines for a frontlist title the UK have bought in from the US, they can usually buy and modify US files and justify the cost of local production given the size of their print run, but for titles with only moderate predicted sales figures, the outlay made on local production makes their profit margin precariously narrow. Andrew Farrell, Product and Operations Director at Pan Macmillan Australia, also criticised the UK over this issue, and said that while they are always consulted by the UK at acquisition level, once rights have been bought, the UK cease to engage with the copyright requirements of the Australian market. He thinks that the 30 day rule has actually been detrimental to the Australian industry because the rise of the trade paperback

edition it induced has greatly diminished their ability to sell hardbacks. Where once they could sell 250,000 copies of Wilbur Smith in hardback, they'll now sell 40,000 and the rest in trade paperback, which for them constitutes a significantly reduced return.

Schwarcz also explained that pricing can be a huge issue for the UK titles they are distributing. As RH Australia buy from RH UK at a fixed discount from the UK RRP, as any other customer would, it's Australia's profits that will fluctuate depending on what they can then retail a book for. The new Ian McEwan novel is a case in point. **On Chesil Beach** is being published in both the UK and Australia in April 2007. The UK has opted to publish the book in hardback format and price it at £12.99. Random House Australia cannot opt to publish a cheaper, trade paperback edition printed locally as they often would do as this book is 128 pages long and does not lend itself to that format - furthermore, Ian McEwan is one of a small number of renowned international literary writers who they can still successfully publish in hardback. So, they have to stick with the UK format, but converted into Australian dollars this would make the book A\$40, a price that is just far too high for it to be a reasonable proposition for their market. As Australia are committing to a significant number of copies of this title, they are hoping that RH UK will be willing to let them sell at a cheaper price.

These sorts of tensions do highlight a need for the UK to be more receptive to the practical needs of their Australian counterparts, certainly if they are to demonstrate that they are making their best efforts to ensure that the books they are distributing in Australia are given as much of a chance to succeed as possible.

3.2.2. Local Publishing in Australian Multinational Publishing Houses

All of the multinationals publish a combination of international and Australian titles on their local lists. Random House Australia publishes around 80 titles a year on their local list, 60 adult and 20 childrens. Most of these are Australia originated, but the list also includes international titles bought in by them. This local list constitutes around 40% of their income. Andrew Farrell says that of the 60% of Pan Macmillan Australia's output which is locally published, international buy-ins only constitute about 5%, while Bob Sessions of Penguin claims that up to 25% of the 120 titles they publish locally each year are international buy-ins. Clearly the impetus to have an international presence on their own lists is far less pronounced for the multinational publishers than it is for the independent Australian publishers, as they all have their distributed titles to give them an international profile.

When I met the publishers commissioning international titles for local lists, they all talked about the frustrating process of trying to encourage agents to sell to them direct rather than selling Australian rights to a UK company. When they've been successful in persuading agents to do this, it has unsurprisingly tended on the whole to have come from the US and Canada.

As discussed earlier, this is in part due to the Australian market increasingly reflecting the US market rather than the UK's, and so certain titles with less UK appeal can be sold from the US direct to Australia in the absence of any UK interest - Julie Burland, Sales Manager at Random House Australia gave me a good example of this in the American crime novelist Lisa Unger. Random House Australia picked up her novel *Beautiful Lies* direct from Random House USA,

the UK having expressed no interest. They went on to sell 28,000 copies and have advance orders of 20,000 for her next title. It is also partly due to the obvious reluctance of UK publishers to acquire a book if they cannot include Australia in their territories. As both UK and US agents largely still value a UK deal over an Australian one, this can mean local Australian publishers miss out on titles that they know they could publish successfully on their own lists, despite, as the sales figures above demonstrate, the right books clearly having the potential to sell as many copies if not more in Australia as they might in the UK.

Tim Whiting, Non-Fiction Publisher at Random House Australia, explains that not only does he need to get in early before UK publishers in order to try to secure Australian rights, he also has to try to convince agents, usually from the US, that a separate Australian deal is an attractive prospect. When I met him, he'd just lost out in a bid to secure rights to a biography of Pablo Escobar, which was being represented by a US agent. He'd suggested to the agent that he separate Australian rights out, but eventually the agent opted to sell British Commonwealth rights to Hodder UK, despite this interest coming after Tim's.

Malcolm Edwards explained that Hachette Australia are not really interested in acquiring UK titles for their local list, as this would be counter to their position within the global Hachette group, and to the aims of the company as a whole, and so they are similarly focussed on the US and Canada when looking to buy-in international rights. For this reason they use scouts in the US, but not in the UK, and almost all of their meetings at Frankfurt are with US publishers.

Nikki Christer, then Publisher at Picador Australia, agreed that she tends to look more towards the US and Canada when acquiring international titles. She says she'll sometimes be asked by

Picador UK to help contribute editorial enthusiasm along with the predicted sales and marketing plans offered by Macmillan Australia when Picador UK are bidding for a book, and she's happy to do this if she feels sufficiently excited about a book, but otherwise unless a UK agent is specifically looking for a separate deal, it's unlikely she'd pursue one. Last year Colm Toibin's new collection of short stories, *Mothers and Sons*, was published by Christer on the Picador Australia list, as his agent, Peter Straus, specifically sought a separate deal for him. Andrew Farrell claims that they were willing to agree to this as Toibin is such an important author to them, but the initial print run for this title was only 4,000, lower than the 7,000 they'd usually insist on to justify a separate deal. The book has been successful, and gone into reprint, but he argues that it hasn't sold any more successfully than it would had it been distributed by them. Even if this is the case, the deal has, nevertheless, earned more money for Toibin.

Ben Ball, Publisher at Penguin Australia, is listed in the brochure for the 2007 London Book Fair as being one of the most important people under the age of 40 in global publishing. In this brochure, he claims that his mission at Penguin Australia is to take the 'local' out of Australian publishing. When I met him, he argued that while most of the titles he's likely to buy in are US or Canadian, he's also willing to buy UK titles, and though he is bound by the traditional territorial claims over these titles by Penguin UK, he's able to circumvent the usual rights path by making sure he gets in before they do. He recently acquired Australian rights to US title *Fish On Your Plate* by New York journalist Paul Greenberg. He describes this as a *Fastfood Nation* for the fisheries industry, and as therefore having a very obvious Australian market. Penguin UK eventually acquired this too, but if they'd shown interest at the same time as him or ahead of him, he'd have had to acquiesce to their commonwealth offer. Essentially, Ball believes that it's worth Australian publishers while acquiring separate rights to a title if they can make an editorial

difference to the book and therefore make it a better prospect for the Australian market. If not, Penguin may as well distribute the title, as this would make more money for the group as a whole.

Harpercollins have devised a new approach which they hope will overcome the frustrating business of attempting to separate out Australian rights for their local list, and are trying instead to co-ordinate their group efforts globally to identify the titles they know they can succeed with across territories, and acquire these titles collectively whilst offering the authors what amounts to a separate deal in each country - many Publishers in Australia have adopted similarly flexible systems to the same end. Harpercollins Australia can push to do this if a title meets one of three criteria: if the author is from Australia or New Zealand, if the book is set in Australia or New Zealand, or if the book clearly has strong sales potential in Australia and/or the author already has a proven sales track record there. Lionel Shriver is one of the first authors they've acquired to have been offered this particular deal. She's contracted to Harpercollins for her next book, and her agent insisted on having a separate deal in Australia as she's enjoyed significant success there so far. Shona Martin, Publisher at Harpercollins Australia, explained that the deal Shriver accepted amounts to more than just a full home royalty in the Australian market; it also means that Harpercollins Australia will have as much editorial input into her work as their UK and US counterparts, and crucially Martin will be able to be much more aggressive in reprinting books as they'll be costed at local, rather than distribution prices. Martin argues that this system offers authors the best of both worlds as it allows them to benefit from the global reach and co-operation of a multinational publisher, without suffering financially by earning export royalties in their key markets. She doesn't see this new arrangement as running counter to the traditional system of UK acquisition and Australian distribution, quite the opposite. It will only be available

to the few authors who do meet the above criteria, and being able to offer this bespoke deal should help Harpercollins Australia to acquire authors they know they can succeed with. To this end, she wants to actively encourage UK agents to submit books directly to them before submitting in the UK - not in order to sidestep the UK, but so that if she recognises a book's Australian potential, she can then bring her UK and US counterparts on board in order to make a strong enough offer to win them the book. It also means that if the UK and the US are not interested in a title she brings to the table, she may be able to acquire Australian rights independently, which would save her from missing out on books turned down in London because UK editors don't recognise their Australian potential.

While none of the Publishers at the multinational houses claimed that a book would necessarily be more successful if published on their own lists rather than distributed, clearly many are open to being approached by UK agents as well as US agents, and though the window of opportunity for UK titles to be bought separately by multinational publishers is relatively narrow, it does seem that on occasion it could be worth considering submitting separately to these publishers. While multinational publishers can and do make distributed books work without any editorial input, the added in-house engagement an editor can provide a book can do nothing but help to build its chances of success.

3.3. Independent Australian Publishers' View

Independent publishers control approximately 30% amount of the market in Australia, and cover a diverse field of publishing styles and genres. Some of these companies combine local publishing with acting as the Australian distributor for overseas publishers, and some only publish books

with State, or Australia-specific content - books which have little or no relevance in the international market. Many however, combine their local non-fiction lists with books that have wider potential appeal, whether this is Australian fiction, international fiction, Australian non-fiction with international appeal, or international non-fiction. What is evident is that in the current climate, niche publishing aside, in order to compete today most independent Australian publishers need to publish books that they can sell rights in overseas, and they need to buy overseas titles in to publish themselves. All of the independent publishers I spoke to agreed that they would be willing to acquire a title onto their local lists even if it had a predicted initial print run of less than 5,000 copies, a significantly lower figure than that cited by the multinational publishers. I was interested in finding out what kinds of international titles they have been acquiring onto their local lists, and well as which of their own titles they are successfully managing to sell overseas.

3.3.1. Allen&Unwin

Allen&Unwin started life as the Australian distribution office for the British publishers George Allen & Unwin, who decided that they needed more presence in the Australian market in order to ensure that their diverse list, including most notably the very lucrative JRR Tolkien titles, was performing to it's full potential, and so sent Patrick Gallagher to open an office in Sydney in 1976. In 1986 the UK company merged with Bell and Hyman, and four years later the Unwin Hyman company was sold to Harpercollins. The Australian office however, had been building a locally published list under the Allen&Unwin imprint since 1979, and was therefore very much opposed to being swallowed up by HarperCollins as proposed. So in 1990, the management team of Patrick Gallagher, Paul Donovan, Rhonda Black and Peter Eichhorn orchestrated an MBO

(Management Buy Out) and though the Unwin family retained a 40% share (which has now been bought back by the business), they became an independent Australian publisher, but one whose business model has, to an extent, remained faithful to the UK/Australian distribution system.

Allen & Unwin became the Australian distributors for Orion after establishing their independence in 1990, but had meanwhile represented Bloomsbury since its establishment in 1986. Over the subsequent 20 years they've established their reputation as being very effective distributors for a range of quality British publishers, including Granta, Profile, and most recently Faber. In the financial year of July 2005 - June 2006 this operation constituted approximately two thirds of their business, excluding the phenomenal success of Harry Potter (Richard Smart of the APA claims that a new Harry Potter adds another A\$30 million to their A\$60 million turnover).

Paul Donovan, Managing Director of Allen&Unwin underlines passionately that they do not see their role as being distributors, but as being the Australian publishers of these books. He argues that when Allen&Unwin take on a list, they sell that whole list, rather than simply cherry picking the lead titles they know they can do well with, and so they'll work hard to sell the indent titles as well as the frontlist titles. Donovan claims that Allen&Unwin work much harder at selling indent titles than any multinational would, as they'd see sales of 100 copies of a title with very limited appeal as a success and so strive to achieve these sales, whereas he argues that the bigger companies view anything below 500 copies as a failure, and so make little or no effort to sell these titles. Andrew Hawkins, Publicity Director at Allen&Unwin, also argues that he's in a better position to promote international midlist authors to the Australian media as they respond better to independent publishers who have less titles to promote and so are more likely to offer focussed and relevant information. Furthermore, he claims he's able to have a closer relationship

with the international authors he's publicising than a publicist at an Australian multinational house would have, as international authors published by independents are more accepting of the fact that they'll need to have relationships with different people across territories, while authors published by multinationals are more likely to expect to only have to deal with one person.

Donovan also cited their success with international frontlist titles as demonstrating their ability to compete with the multinationals at both levels. Following the acquisition of Orion by the Hachette group, Michael Connelly made it clear that he wished to continue with Allen&Unwin as his Australian publishers after Orion's list moved across to Hachette. Similarly, when a book they've successfully published locally has also done well internationally, they have been able to persuade agents to honour a separate Australian deal for subsequent titles because they've demonstrated how well they can publish these books on their local list. Their long-established status as the Australian publishers of Minette Walters and Jodi Picoult, and more recently Sarah Gruen, are good examples of this.

I was interested in finding out how Allen&Unwin balance the needs of the UK publishers they distribute for with those of their own local list, and Donovan conceded that while they're actively working to expand their own publishing operation, both with Australian and international titles, they need to be sensitive to how this could potentially affect their relationship with their UK counterparts. They would not bid for Australian rights to a book that they knew any British publisher they work with was also already bidding for. One side-effect of this is that, as with the multinational publishers, much of their focus when looking to acquire international rights is towards the US and Canada. This doesn't mean they are entirely subservient to the decisions of the UK publishers they work with, but rather that they've had to become far more proactive

when looking for new titles to acquire for their own list. Annette Barlow, Publisher at Allen&Unwin, gave me an example of this in their recent acquisition of a US novel, *The Guernsey Literary and Potato Peel Pie Society*. This book came to her attention before any publisher in the UK, so she was able to bring Bloomsbury on board and collectively acquire the book, with its own separate Australian contract. Had Bloomsbury picked up the book before her, she wouldn't have been able to do this.

In a seminar on the Australian Publishing Industry held at the Frankfurt Book Fair 2006, Patrick Gallagher, Executive Chairman and Publishing Director of Allen&Unwin claimed that recent years have seen rapid growth in the sale of Australian rights overseas, as well as in physical export. He explained to me that Allen&Unwin are attempting to increase their activity on both these fronts, and have strong relationships with publishers in the UK and US who distribute their list for them, as well as a rights team who attend the international book fairs. Angela Namoi, Rights and International Sales Director at Allen&Unwin, said that while they're having considerable success selling rights in their children's list, and some rights in their adult lists to European publishers, the most difficult market to penetrate is still the UK. Overseas licences, and export sales still only constitute 5% of Allen&Unwin's turnover, but their aim to expand this is reflected in the aims of the other independent publishers I look at in the next section. It's clear that independent Australian publishers are not only increasingly internationalising their own lists, but also attempting to export their local titles more effectively. All the independent publishers I spoke to expressed frustration above all with the UK when trying to do this, and many are therefore forging stronger links with other territories, or changing the way they deal with the UK, in order to succeed in these aims.

3.3.2. Text Publishing

Following the sale of McPhee Gribble to the Penguin group in 1989, Text Publishing was founded by Diana Gribble and Eric Beecher, former editor of the Sydney Morning Herald and the Melbourne Herald. Initially jointly funded by the Reed Publishing group, Text's first successes were in the field of commercial non-fiction, though this changed quite quickly and by 1993 they'd dissolved their increasingly fraught relationship with Reed, and with Michael Heyward taking editorial control and Chong Weng Ho as their designer, they began to develop their identity as the publisher we know today, defined by Anne Halligan in *Paper Empires* as publishing 'interesting, intelligently written books, both fiction and non-fiction, with a balance between innovation and financial viability'.

When I talked to Michael Heyward, he said that he quickly realised that in order to compete with the well-established multinational publishers in Australia, Text had to combine building a distinct Australian brand with a strong presence on the international rights scene. To this end, he says that Text have always prized overseas rights sales over relying on distribution. Today, Heyward claims that an impressive 20% of their revenue comes from international rights sales. Text will always acquire world rights to a book if they can, and have built strong relationships with publishers across the world in order to maximise the possibilities for selling these rights. In this respect, he argues that Text effectively removes the author's need for an agent, as the publisher acts as a global representative for their author's work.

Whilst Text do look often look towards the US when buying titles in, Heyward has also

capitalised on the fact that few Australian publishers have been publishing much literature in translation, and so some of his early successes were in that arena. He picked up the rights to Niccolo Ammaniti's *I'm Not Scared*, and Carlos Ruiz Zafon's *Shadow of the Wind*, for example, both of which have gone on to be bestsellers not just in Australia but across the English-speaking world.

Rather than turning their attention away from selling rights in the UK, Text sought to strengthen their chances of penetrating the UK market by agreeing an unprecedented publishing arrangement with the independent Edinburgh-based publisher Canongate Books in 2003.

Canongate bought a significant stake in Text, thereby establishing a co-publishing arrangement that appears to have provided several mutual benefits for both companies. Firstly, it has enabled two independent publishers who previously only had a presence through distribution or the occasional rights sale in the other territory to act as partner publisher for the other company. In practice, this means that when appropriate, they can make joint bids for books across territories, drawing on the expertise and specific knowledge of each other's own markets to strengthen their hand. Both Text and Canongate argue that this approach offers the author a far better deal than a multinational could. Though acting together financially, books they have jointly acquired will be treated by both companies as local acquisitions, and so given a local royalty, and given the same editorial, marketing and publicity commitment as anything else on their local list. These select titles will be published under their own imprint in each country, so benefit from the local consumer's recognition and relationship with that brand. The success of Scottish author Louise Welsh in Australia, and Australian author Kate Grenville in the UK, are good examples of how well this has worked.

Heyward explained further that the relationship works *because* of its flexibility, in contrast to the catch-all ties of multinational publishers whose obligation to promote too many distributed titles undermines, in his view, the chances of those titles with real potential getting through. Text and Canongate understand each other's distinct identities, and so will come together when appropriate, but otherwise are free to publish and bid for books independently of one another. Text are not obliged to sell UK rights to their books to Canongate, or vice versa, though both will when appropriate, so a non-fiction book like the Australian climate change expert Tim Flannery's *The Weather Makers*, one of Text's biggest successes of the past two years, was sold to Penguin in the UK rather than Canongate, as it was a book that would sit far more easily on their list than on Canongate's. Similarly, their forthcoming, much-vaunted Swedish novel *Let the Right One In*, by John Ajvide Lindquist, sold to Quercus in the UK rather than Canongate.

Clearly this arrangement has reaped rewards for both companies and for many of the authors they have published together, and Heyward is resolute in his view that the traditional model of UK acquisition and distribution into the Australian market should no longer be a justifiable proposition for authors. He argues that UK publishers' insistence on acquiring Australian rights is built on a number of indefensible claims, and couldn't resist citing the first as being Britain's continuing love affair with the idea of Empire. Cultural sniping aside, he accuses UK publishers of relying on export markets to effectively subsidise the intense discounting pressed upon them by UK booksellers in an increasingly volume driven market. He questions why authors should be funding this activity by accepting the minimal returns gained from export royalties, and suggests that most authors probably do not even realise that they are earning an export, rather than home royalty, in Australia. He lays down the gauntlet for challenging the status quo firmly at the feet of literary agents, who he says have a responsibility to their authors to fight for a better deal in the

Australian market. He argues that UK literary agents should begin to submit simultaneously in the UK and Australia, claiming that if Australian publishers are given the opportunity to match or better the Australian constituent of a UK publisher's offer, there's no reason why we shouldn't think seriously about selling rights separately in Australia.

3.3.3. Scribe, and other Independent Publishers

Many other independent publishers are lending their voices to this cause. Henry Rosenbloom, head of Scribe Publishing, also Melbourne-based, cites a similar combination of a strong local list with carefully chosen bought-in international titles as the formula for the company's success in recent years. Though Scribe do not have a reciprocal publishing relationship with another company as Text do with Canongate, his attitude to the acquisition and sale of rights into and out of Australia reflects Heyward's.

In 2007, Scribe will publish 45 titles. 17 of these are international buy-ins, a figure Rosenbloom says is high for a company of their size. 11 of these buy-ins are US titles, though there are also some Canadian, UK, and a New Zealand title. This US focus is a deliberate circumvention of the traditional route in which rights are sold. Across the spectrum of publishers and booksellers I spoke to, all agreed that the Australian market, despite its territorial ties with the UK market, actually reflects the US market more closely than the UK's, and that many US titles with little or no UK appeal have huge potential within the Australian market. This is particularly true of non-fiction, and is where, until recently, Rosenbloom had focussed his attention. He argues that Australian publishers have had to learn to act very quickly in identifying US titles with Australian potential, and then attempt to acquire these either before the UK has noticed them and

will therefore try to buy out the Commonwealth rights, or pick up titles the UK have passed over.

Aside from buying rights in, Scribe, like Text, are very active in selling overseas rights, and again Rosenbloom cites the US as key to the process. Last year Scribe published a (very brilliant) debut collection of short stories, *Dark Roots*, by Australian writer Cate Kennedy, and their success in selling overseas rights in this title is a case in point. Arabella Stein of the Abner Stein Agency represents the Scribe list in the UK, and she suggested that they try to place a story from the collection in a US magazine ahead of the Australian publication date. Happily, the New Yorker bought one of the stories, and the attention this focussed on the book won them a US publisher, Grove Atlantic. Subsequently, they sold UK rights to Atlantic in London. Rosenbloom argues that the UK jumped because the book had gained enough recognition in the US to convince them of its worth. He says he'll always seek to find a US publisher before a UK publisher. Obviously US publishers are less concerned than their UK counterparts about acquiring a book without Australian rights, and when they do and the UK then express interest, he suggests that this proves that UK publishers' claim over Australian rights is unjustified. That's to say, if a UK publisher really wants a book, they'll buy it without Australia.

Rosenbloom is even more vehement in his criticism of UK publishers than Heyward, and when I asked him what he thought agents should be doing to make UK publishers more accountable for their actions within the Australian market, his response was: 'make the bastard's pay!'. Like Heyward, he blames UK publishers' capitulation to the demands of UK booksellers for their continued insistence on retaining their export markets, and claims the ferociously mean contracts he's received from UK publishers whenever he has dealt with UK publishers proves that theirs is an industry under intense pressure. He puts it thus: 'if you depend for your business on a market

that is fraught and not your own, you're building your house on sand'.

Rosenbloom carries his opposition to the model of distribution into Australia over into his attitude to the export distribution potential of his list. That's to say, he doesn't have a UK distributor, as to do so would undermine his line on the issue, and obviously as they are distributed by Macmillan within Australia, neither do they act as 3rd party distributor for any international publishers. His view, that there is no future in distribution, is shared by another independent publisher, the Adelaide-based Wakefield Press, a company who nevertheless still rely very much on their role as distributor for UK and US publishers for a considerable share of their income.

The Wakefield Press is unusual amongst independent Australian publishers (Allen&Unwin aside) in that they have their own distribution warehouse, and currently distribute for around 20 international publishers. Publisher Stephanie Johnston says that although 3rd party distribution constitutes around 1/3 of their revenue, they are actively attempting to pare this back and concentrate more on expanding the percentage of buy-ins on their own list - currently they publish about 50 titles a year, and usually between 10 and 20 of these are international. Unlike Scribe and Text, Johnston is less focussed on trying to sell rights in Wakefield's books overseas - in any case a large proportion of their local list is intentionally state-oriented. She argues that expending energy attempting to sell overseas rights to predominantly hostile markets is futile, and so while her focus at Frankfurt used to be in this direction, as well as trying to pick up 3rd party distribution deals, she now attends bookfairs in order to acquire titles that will work on the Wakefield list. Often these will come from other independent publishers, such as the quirky literary cookbook *Kafka's Soup*, which she licensed from Libri Publications in London, or

Execution Blunders, a gory account by Geoffrey Abbott of state-sanctioned murders gone-wrong, acquired from tiny Summersdale Publishers in Chichester.

Not all independent publishers are turning their gaze away from Australia in order to bolster their lists. Melbourne publishers BlackInc, and the Western Australian Fremantle Arts Centre Press, have both maintained entirely Australian lists, with the latter publishing only material originating from, or engaging with Western Australia. FACP is bound to this remit by the generous state funding contributed to their business, but Black Inc is an entirely commercial venture, owned by Morry Schwartz. Though Schwartz does publish international titles through another imprint (Schwartz), Black Inc is entirely composed of Australia-originated material. Chris Feik and Sophy Williams of Black Inc argue they can survive without having to buy-in titles as there's a gap in the market for intelligent Australian non-fiction that they have identified and are successfully servicing. Although both companies have kept their own lists Australian, they are equally ambitious in their attempts to sell overseas rights in their books, but talk, as do so many of the other publishers, of the endless obstacles in doing so.

3.3.4. The University Presses

Though the University of Queensland Press have a long and successful trade publishing history, most of the other university presses traditionally kept their focus small and academic. In recent years however, some of them have begun to actively attempt to compete in the trade arena, and are adopting similar strategies to the successful independent houses in order to achieve these aims.

When I visited UQP's publisher Madonna Duffy in Brisbane, she explained that in the four years since she joined the company, they've very deliberately begun to focus on actively selling overseas rights to their titles, and though traditionally their identity was built on publishing quality Australian fiction and non-fiction, they've also now started buying in non-fiction, mostly from the US and Canada, to serve what she sees as a gap in the market for this sort of material.

Like Rosenbloom, Duffy cites speed as the determining factor in successfully acquiring international titles for their list. Last year they published American war correspondent Sarah Chayes' book on Afghanistan, *The Punishment of Virtue*. They identified the book before any UK publisher, and so were able to carve away Australian rights before Portobello Books picked up on it and acquired for the UK. She also successfully bid for *Down to This*, Canadian journalist Shaughnessy Bishop-Stall's account of living in a tent city for a year, published by Random House Canada, because she came in before anyone in the UK noticed.

The success of this approach is in direct contrast to the difficulty Duffy says UQP have had in trying to sell rights to their own titles overseas. She'll always try to acquire world rights from an agent if she can, usually for a term of 12 to 18 months in order to give selling rights her best efforts, but unsurprisingly, she cites the UK as being the most resistant to buying in any of their titles, despite their often having what she perceives as a real chance in the UK market. So tough has the market been to crack that they've mutually agreed with Isobel Dixon at the Blake Friedman Literary Agency in London, who used to represent the whole UQP list, that it isn't worth either of their while working together any longer when their efforts have borne so little fruit.

The novels Duffy thought should have stood a good chance in the UK included the Tasmanian writer Heather Rose's *The Butterfly Man*, a fictional continuation of the Lord Lucan story, in which the fleeing aristocrat settles in Tasmania, and Tara June Winch's debut, *Swallow the Air*. Both had glowing reviews in Australia, have garnered a few rights sales in Europe, and sound as if they'd certainly have a good chance of working well in the UK literary fiction market, but despite being widely submitted in London, both were turned down by everyone, with publishers often citing the impossibility of acquiring a literary title with only moderate sales potential without being able to control their key export territories.

When she has been successful in selling rights overseas, Duffy says she's now much keener to work with independent publishers than with larger multinationals, as in her view their values and approach is more likely to resonate with UQP's own, and so she's working to strengthen her relationships with these publishers across territories. UQP are not the only University Press trying to do this. The Melbourne University Press have strengthened their trade presence significantly over the past couple of years, again through publishing a combination of intelligent Australian non-fiction with strong commercial appeal - the politician Mark Latham's diaries being the most notable example of this in last year; with carefully selected international buy-ins - for example last year they acquired Gore Vidal's *Inventing a Nation* and Michel Onfroy's *Atheist Manifesto*. MUP publisher Elisa Berg explained that their ability to do the latter has been helped in a few cases by an informal arrangement they've established with Granta Books in the UK, where they can call on Granta to join with them in offering for an international book if their own offer for Australia and New Zealand rights only isn't strong enough to win them through. Similarly, The University of Western Australia Press, who are attempting to expand the focus of their previously very state-focused list, bought their first international fiction title in from

Black&White Publishing in Scotland last year, Euan Morrison's *The Last Book You Read*, and Black&White are reciprocally considering publishing some of the Australian novels on UWP's own list.

4. Contexts: Beyond the publishing deal

An author's success in any market is dependent on the strength of their publisher's relationship with booksellers, the media, literary festivals and all the other areas surrounding publishing, so given the wide-ranging and conflicting views of both multinational and independent publishers on how best to serve an author's interests within the Australian market, it's vital to look at all of these areas and try to measure how well those various arguments stand up in practice.

4.1. Australian Literary Agents

Although there are a number of successful literary agents in Australia, the Australian market is not yet as dominated by agents as the UK or the US, and around 50% of locally published authors are unagented. As Australian agents are on the whole focussed on representing Australian

authors, both in the Australian market and overseas, I wanted to find out whether they were finding it harder to place their authors' work in the Australian market, given that many publishers are keen to increase the proportion of international buy-ins on their lists. I was also interested in discovering whether the frustrations expressed by Australian publishers in finding overseas publishers for Australian titles was mirrored by their own experiences.

Inevitably, all the agents I spoke to agreed that the UK was the hardest territory to sell into, and, in accord with Henry Rosenbloom at Scribe, many said that they'll always look for a US sale ahead of a UK sale, as not only are they more likely to find a publisher in the UK once a US deal has been secured, they are also finding that their books, particularly non-fiction, are more likely to have a market in the US.

Most agents also said that they were more open to selling world rights to those Australian publishers who have demonstrated their ability and eagerness to sell those rights in recent years, citing Allen&Unwin, Text and Scribe as examples.

Literary Agent Barbera Mobbs argues that Australian authors, publishers, and agents have long been too obsessed with penetrating the UK market. Mobbs suggests that it's perfectly reasonable for a UK publisher to be more likely to publish a relatively good novel by a writer based in the UK, than one based in Australia, as they'll have a much greater chance of succeeding with that author, given that they don't live halfway across the world. She says that she accepts that only a few books will work overseas, so there's no point in continually pursuing UK publishers with books that might only have a moderate chance of working. Mobbs' pragmatism was echoed by Lyn Tranter and Wenona Byrne of Australian Literary Management, who said they were increasingly likely to sidestep the UK and focus their efforts on securing a US publisher for their

authors. It's interesting to note that Inkwell Management, a New York agency, now have an agent, Katherine Drayton, based in Sydney, whose remit is to better represent the interests of their US authors in the Australian market, so clearly the US are beginning to respond to the growing synergy between the Australian market and their own.

Jenny Darling, of Jenny Darling Associates, suggests that in coming years it might become impossible for Australian agents to exist. She argues that currently Australian publishers are more likely to respond to approaches from US or UK agents than from Australian agents, as in her view the cultural cringe is alive and well, and Australia still looks outwards for direction and importance. As US and UK authors are increasingly waking up to the possibilities of selling rights separately in Australia, they're unlikely to engage an Australian agent to act as subagent for them if they know they can get as good a deal, if not better, by approaching a publisher direct. Her fears were highlighted while I was in Australia when a hotly contested auction was conducted by Curtis Brown UK agent Elizabeth Sheinkman, who successfully sold the Australian rights in a debut novel by US-based Australian Stephen Tolz to Penguin Australia, for a reputed six-figure sum.

4.2. Booksellers

There are a number of key differences between the UK and Australian bookselling market, the two most notable being the absence of an Australian based Amazon, and the far less pronounced

hold that supermarkets have over the trade. Amazon are yet to find a practical way to establish a stockholding warehouse in a country of Australia's size, and although many Australian consumers do buy from the Amazon UK and US sites, the cost to the consumer in postage and time taken for books to arrive does help to limit Amazon's influence. It is impossible to measure exactly how much trade Australian booksellers lose by consumers shopping on Amazon's international sites as Australian publishers don't have access to Amazon's data about who is buying what from where. However, figures show that 65% of visits to bookselling websites by Australian consumers were to Amazon's various international sites, and only 10% of visits were to Australian bookselling websites. Meredith Drake, Buying Manager at Dymocks, Australia's second biggest bookselling chain (after Angus&Robertson), estimates that they lose between A\$20-A\$50 million per year to Amazon.

The DDS (Discount Department Stores) do exert a significant influence over the success or failure of frontlist titles, but they are yet to position themselves as the supermarkets in the UK have done as the absolute makers or breakers of books. Australian publishers have been able to protect themselves against this partly because of the health and competitiveness of the two major chains, Angus&Robertson and Dymocks, as well as the US-owned Borders chain, but also because independent booksellers have managed to retain an important presence in the market, constituting up to 20%. Many of the independents have defended themselves by organising into the 'Leading Edge' group, which comprises 150 independent booksellers who act as a group when negotiating with publishers and so are able to secure more significant discounts than they'd be able to if acting alone. It's also because they've successfully defined their role as offering a different kind of service to the chains or the DDS stores, an achievement backed up by the fact that the separate independent bestseller list is often composed of completely different titles than

the bestseller lists which cover the chains and DDS stores.

I was interested in finding out what differences booksellers perceived in the ways publishers sold their local, and distributed books to them, and whether they felt they were being given enough opportunity to discover books beyond the frontlist titles. Meredith Drake, Buying Manager at Dymocks, told me that while it was easier to have input over publishers decisions over jackets and marketing for books published on their local lists, Australian publishers do treat their frontlist distributed titles as their own, and will also respond to their input over these titles. She said that while their sales of general fiction are still dominated by overseas titles, though traditionally this would have been UK focussed because of the distribution system, it's increasingly US titles, regardless of whether they are locally published buy-ins or coming via UK publishers, that are selling well, which confirms the industry wide claim that US trends rather than UK trends seem to be more relevant to the Australian market.

John Page of Pages&Pages, an independent bookshop in Mosman, Sydney, claimed that they can also influence publishers' decisions when they demonstrate real enthusiasm for books. Last year he persuaded the Australian publisher of US thriller writer George Pelecanos to bring forward the Australian publication date of his most recent book, *The Power of Dog*, in order to make it available in time for Australian Father's Day, and went on to sell over 100 copies, a significant figure for a writer yet to establish a wide profile in Australia. Similarly, Mary Dalmau of Readersfeast, an independent bookshop in Melbourne's city centre, said that last year their bestselling novel was the very literary *Gilead* by US author Marilynne Robinson, a title distributed by Penguin Australia. When the Penguin sales rep presented this title to them, no other bookseller had demonstrated much enthusiasm, and Penguin had only ordered in 250

hardbacks. The Readersfeast buyer was so passionate about the book that they decided to promote it and eventually sold over 600 copies. Dalmau refuses to discount any of their stock, and claims the reason that they are able to compete against the chains is because all of their buyers have been there for at least 11 years, and have built a loyal customer base who haven't come to expect reduced prices, and are willing to pay the cover price for a book because they know that the range of stock available in their shop is tailored to meet and excite their diverse expectations, and is far greater than anything a chain could offer.

Independent booksellers in Australia clearly do have the ability to pick up and break books beyond the frontlist titles that publishers promote, whether these are local or distributed titles, and all pride themselves on their ability to do this. David Gaunt of Gleebooks in Sydney, cited an example of how booksellers can not only discover and push midlist titles, but actually be the catalyst for an international book finding an Australian publisher. When US author Lynne Freed was scheduled to appear at the Sydney Writers Festival, Gaunt contacted Harcourt US, her publisher, to order stock of her book, *Reading, Writing, and Leaving Home*, which was only available as a US hardback. Harcourt refused to supply these copies as they didn't have the right to distribute in Australia, and the author's UK agent had the book out on submission to UK publishers, offering Commonwealth rights. Eventually Harcourt agreed to supply Gleebooks with 100 copies, and when these sold out, Henry Rosenbloom at Scribe decided to buy ANZ paperback rights to the book given that the author's profile and sales potential in Australia had been established.

Overall, the booksellers I met didn't suggest that publishers placed more or less importance on their distributed titles or their own local titles, but some warned that they'd be willing to

circumvent their relationships with Australian publishers in order to supply the books their customers wanted if Australian publishers had seriously failed to meet the requirements of the 30 day rule. Given that, as we've seen, many publishers local lists now include a high proportion of bought-in international titles, this is as relevant to local lists as it is to distributed lists, but also draws attention to the need for multinational publishers in the UK to take the needs of their Australian counterparts seriously when co-ordinating their publishing schedules. The Australian government has recently expressed some interest in remaking the case for Australia to become an open market for books, as it now is for music. While Australian publishers are on the whole very much opposed to this move, and successfully defeated an attempt to introduce it in 2001, Australian booksellers argue that it probably wouldn't make any difference in terms of which books succeeded in the Australian market, but would force Australian publishers to be absolutely competitive in terms of speed as well as price.

4.3. Media

The three principal Australian broadsheets, The Sydney Morning Herald, The Melbourne Age, and The Australian, all have books sections, which combine news and literary features with book reviews. In addition to this, there are a handful of trade magazines, including The Bulletin and The Monthly, which cover books and literary issues. There are also a number of small literary journals, including the Australian Book Review, The Australian Literary Review, Heat, Meanjin, Griffith Review, WetInk, The Sleepers Almanac, Southerly, and Voiceworks, whose circulations are limited but who are committed to publishing new fiction and intelligent non-fiction, both from Australia and further afield.

I wanted to find out from the people running these sections and publications whether publishers were successfully marketing an interesting enough range of books and authors to them, or focussing on a handful of titles and making it difficult for them to discover books beyond these titles. Jason Steger, literary editor of *The Melbourne Age*, voiced his frustration with publishers who he says will on occasion actively discourage him from running reviews of books that they haven't committed to making available in any significant number in the Australian market. He sees his role as helping to present new authors to Australian readers, as well as providing information on authors they're already familiar with, and so defends his right to do so. Geordie Williamson, international fiction reviewer for *The Australian*, agreed that it wasn't always easy to find new international authors to review, as publishers are often resistant to interest in those titles that they haven't invested publicity or stock commitment in. He, and his counterparts at the *Sydney Morning Herald* and the *Age*, all expressed an interest in hearing about new authors and relevant books that might not have been highlighted to them by Australian publishers.

Frank Moorhouse laments the decline of coverage books receive in the media now, comparing the number of book reviews run by *The Sydney Morning Herald* in November 1964 (142), with the number they ran in November 2004 (only 88). Given the inevitably limited space Australian newspapers have to cover the locally published, as well as the distributed titles available in Australia, it's not surprising that the smaller literary journals see their role in promoting new voices and nurturing new talent as vital. What I found particularly interesting was that while all of these publications are committing to showcasing new Australian talent alongside established Australian writers, many are also interested in featuring international writers too. While this sometimes means that they'll buy Australian rights in high profile international writers' work - as Julianne Schulz, editor of the *Griffith Review* did with Martin Amis's acclaimed *'Age of*

Horrorism' essay, which was far too long to be publishable in any of the mainstream newspapers - it does also mean that they are willing to feature less well known international writers. Louise Swinn and Zoe Dattner, joint founders of the Melbourne based annually published journal Sleepers Almanac, set up in 2005, argued that it was important to include international writers in the Almanac in order to demonstrate that the Australian writers they do publish are good enough to appear alongside writers from overseas. It does seem a shame that the energy and commitment displayed by these small magazines is not capitalised on by publishers, but it also presents agents with the opportunity to engage with them directly. When I returned to the UK, I submitted, and sold, short stories by UK authors John Burnside and Will Eaves, to the Sleepers Almanac, to be included in their next issue. Whilst the Almanac currently only has a modest circulation of between 1000-2000 copies, these two authors, whose books are distributed in Australia by Random House and Macmillan respectively, and neither of whom have been actively promoted in Australia, will at least through appearing in the Almanac be given a greater presence in Australia, and hopefully begin to build an Australian readership from there.

4.4. Australian Literary Festivals

Australia's Literary Festivals enjoy a deservedly excellent reputation internationally. Because of the tyranny of distance, in many ways festivals are more important there than they are in the UK, as they provide Australians with the opportunity to see a range of international authors they don't have access to for most of the year. They can also make a huge difference to an author's profile and sales in Australia, so publishers are understandably keen to persuade the festivals to feature writers whose books they want to push, though they are also keen to point out that they won't necessarily be the deciding factor in breaking an author out, so are similarly anxious to

manage the expectations of international authors when they are invited to attend. Last year A\$250,000 worth of books were sold at the Sydney Writers Festival, and Michael Campbell, Director of the Brisbane Writers Festival told me that the 2nd and 3rd bestselling authors at last year's festival were Sebastian Barry, and Lionel Shriver. Barry was the surprise hit of the festival, and the sales he enjoyed as a result speak volumes about how valuable these events can be. Rose Wight, Director of Adelaide Writers' Week said that last year the British poet Simon Armitage had similar success, and they sold out all of his books they'd brought in. Creative programming ensures that established Australian authors often share platforms with less well known international writers, so that, for example, at last year's Adelaide Festival, Abdulrazak Gurnah, the UK-based Tanzanian author was introduced by David Malouf, one of Australia's most famous, and cherished authors. This gave Gurnah an audience of 2000 people, and given Malouf's generous comment to the audience, that Gurnah's novel *By the Sea* was 'perhaps the best novel he'd read in the past ten years', one would assume that many went on to buy and read his work.

I wanted to find out whether festival directors felt that publishers responded effectively to the suggestions they made about writers they wanted to promote, or whether they felt that writers they wanted to invite were not always getting their invitations. Of course publishers need to feel confident that their financial contribution to a writer's appearance at a literary festival is going to translate into sufficient sales to justify their investment. However, literary festivals shouldn't only be about the publisher's bottom line, and should be as much to do with allowing people to discover new writers as they are to do with satisfying the demand for writers with established readerships. Wendy Were, Director of Sydney Writers' Week says that their festival is resolutely not publisher-led, and Rosemary Cameron, director of the Melbourne Writers Festival agreed

that their festival should not be a vehicle for simply promoting someone's latest book, and should be about presenting a range of interesting writers of both fiction and non-fiction, from Australia and overseas, whose writing presents ideas and themes that will excite and engage audiences, regardless of whether they've just published a new book. Cameron has a programming committee of authors, booksellers, and other key figures involved in the literary world, who together decide on the writers they'd like to invite. Rose Wight has a similar approach, and like both Cameron and Were, claimed that her efforts to invite international writers were often frustrated by publishers who in turn try to push them towards the writers they do want to promote. It's alarming to think that international writers that festivals have invited via their Australian publisher are not always receiving these invitations. While publishers *do* contribute funding towards the cost of bringing international writers to Australian literary festivals, the festivals themselves can usually cover the essential costs (standard airfares, accommodation etc), and beyond this there are some limited funds available from embassies and related funding bodies, so authors ought to at least be given the opportunity to decide for themselves if they would like to attend. To this end, I encouraged all the Festival Directors I spoke to to contact author's agents if they weren't having any success with publishers.

4.5. Industry and Funding bodies

The Australia Council for the Arts offers a number of services and funding important to publishing. Many of the publishers I spoke to lauded their VIP Programme (Visiting International Publishers Programme), which annually funds a number of publishers and agents from across the world to attend and participate in the Sydney Writers Festival, and forge closer links to

Australian publishers. Given that many Australian publishers still complain that their market and industry is misunderstood internationally, schemes like this clearly have enormous value. Apart from grants and funding provided to Australian writers and publishers, the Australia Council for the Arts also, vitally, offer grants of A\$4000 a time to international publishers to encourage them to publish Australian writers. These are often taken up by non-English language publishers as they can help to cover translation costs, but they are also available to English-language publishers. As we've seen, UK publishers will often turn down books by Australian writers if they can't also acquire Australian rights, so it's important that they are made aware of these funds available to them, as a grant in excess of £1000 might often cover the loss of export income they'd otherwise factor into their decision on a book's viability. It's also worth noting that they offer grants to contribute to the cost of Australian writers' travelling overseas in order to promote their books, and so can be applied to by UK publishers for this as well.

The British Council have some funds available to contribute to the cost of funding British writers to attend literary festivals, but as Grainne Brunson, from their Sydney office, explained, these funds are subject to the clear remit they've been given, which is to promote British writers who will appeal to the 18-35 year old Australian market, so while it's useful to know that money can be applied for to help get an international author to Australia in the absence of sufficient publisher support, this will only be helpful if a writer's potential appeal to that market can be demonstrated.

5. Conclusion

For a report that claims to put the author's best interests at its heart, it might have been noted by this point that I'm yet to describe in any detail the views of authors, either Australian or international, on this issue. Many authors were kind enough to share their opinions on the industry and expectations for their work with me, and although I'd have liked to give more prevalence to their views in this report, I also felt it was important to be sensitive to how easily existing relationships between authors and their publishers and agents can be compromised, and so while the areas I chose to investigate were often prompted by questions raised by authors, I hope that in presenting my own understanding of those issues, I have offered agents and publishers some useful insights into how to better respond to their authors' concerns.

In this report, we've seen many examples of how well the various publishing options available to authors within the Australian market can work, whether this is by selling British Commonwealth rights to a multinational UK publisher who, in conjunction with their Australian counterparts can make a book work across territories with their collective effort and input, selling British Commonwealth rights to an independent UK publisher with a strong distribution partner company in Australia, or withholding Australian rights from UK publishers and selling these direct to Australian publishers. What I hope to have highlighted are the factors that might help us to decide which of these options is most appropriate to the specific needs and requirements of different books and their authors.

Multinational and independent UK publishers are right to defend their approach of only promoting in Australia a select number of those titles they've acquired Australian rights in, as there is of course no way that the Australian market could support the volume of books published in the UK market, nor would many of those titles have much potential to succeed

there. I do think however, that these publishers need to be much more honest, at acquisition level, when it comes to their expectations for a book in the Australian market. If they think a book has little or no potential in the Australian market, and are fairly sure that they're unlikely to commit to actively promoting it there, it does seem unreasonable that they insist on acquiring Australian rights anyway. Agents ought to be much more proactive in expecting publishers to make their expectations of a book's potential in Australia explicit. If publishers *do* claim that a book is likely to do well in Australia, we can and should bind them to this forecast contractually. This can mean negotiating a better royalty for Australian sales, but should also go further than this, and lay out a publisher's commitment in terms of marketing, publicity, etc.

All publishers of course hope that their books will go on to exceed their expectations. For those cases where a book's potential is unproven or unclear, shouldn't we bind publishers contractually to reward authors in the event that their book goes on to succeed in Australia? To this end, if UK agents do agree to sell British Commonwealth rights in a book to a UK publisher, there is I think a strong case for them to insist that Australian sales are accounted separately, and to insert contractual obligations for the initial export royalty to be renegotiated more favourably specifically for Australia when sales there have reached an agreed level. Some agents do already do this, and some, but not many, publishers already account Australia separately, but I see no reason why this shouldn't become standard practice.

Furthermore, if a book has been published by a UK publisher and distributed into Australia but hasn't broken through, this shouldn't and doesn't mean it is too late for a book to succeed there. Should any other Australian publisher express interest in any such book, agents should be open to the idea of encouraging the UK publisher to sublicense the rights to them, rather than hanging on to them and ensuring the book doesn't get the profile it might deserve.

Our ability to successfully sell rights separately to Australian publishers is dependent entirely on us really engaging with, and understanding the market there. Most of the examples I've given of books which have been successfully acquired independently by Australian publishers have been US and Canadian titles. This is largely because of the growing demand for US titles in Australia, but on some level it might also be partly due to UK agents failing to push those UK titles that might feasibly succeed on local lists, and Australian publishers driving US titles more aggressively on their local lists. It would be impossible to prove this conclusively, but given that many Australian editors did express frustration not just with US agents' unwillingness to sell Australian rights separately, but also with UK agents failing to consider submitting separately in Australia, it would appear that Australian publishers do feel that they could push certain UK books more effectively if they were published on their local list. Although this would only be the case for a small number of titles, there's no reason why we shouldn't think about submitting those titles simultaneously in Australia when we are submitting them in the UK. In doing this, a UK publisher may still present the best overall offer for a book dependent on them acquiring British Commonwealth rights, but it will have given Australian publishers the opportunity to demonstrate what they think they could do for a book, and in turn force UK publishers to be honest and competitive about the Australian potential of the book they are bidding for.

In order to sell Australian writers more successfully to UK publishers, I think we do need to alert publishers to the minimal but important funding that is available to contribute to the cost of publishing a book by an Australian writer overseas, as well as to bringing an author to the UK to publicise it. Given the growing synergy between the UK and US markets, I do also think it is sensible to try to secure a US publisher for an Australian author before attempting to sell their work to a UK publisher.

Improving our relationship with the Australian market is not just about getting to know publishers there and making the right decisions about how to sell rights there most effectively, it's also about building our own relationships with Australian booksellers, literary festivals, the media, and funding organisations in order to help an author's chances of success there. All UK agents have strong relationships with these forces in the UK, and we all recognise how significant these relationships are when we are trying to build and maintain an author's profile, so if we are to expect and demand success for our authors within the Australian market, we need to ensure that once we've secured the best possible publishing deal available for them in Australia, we need to pay as much attention to what happens outside the publishing house, after the contract has been signed.

Endnotes

¹ **Coldwater**, Mardi McConnochie, Harpercollins Australia, 2002

¹ 'Cultural Cringe' - this phrase was coined in 1950 by Australian academic and critic A.A. Philips, and refers to Australia's tendency to 'reflexively identify Australian literature and art as inferior to work produced overseas, particularly in Britain and the United States' (see: **On the Cultural Cringe**, AA Philips, MUP, reissued 2006)

¹ pp3-6, *After the War*, by Craig Munro and John Curtin, from **Paper Empires: A History of the Book in Australia 1946-2005**, edited by Craig Munro and Robyn Sheahan-Bright, UQP, 2006

¹ pp26-27, *After the War, Case Study: They're a Weird Mob and Ure Smith*, by David Carter, *ibid*

¹ pp8, *After the War*, by Craig Munro and John Curtin, *ibid*

¹ *Book Industry Forum, Australian Publishers Association, Keynote Address*, Richard Flanagan, 2003.

¹ *So What the Hell Happened to Australian Writing*, Frank Moorhouse, The Australian Newspaper, December 2006

¹ Figures from **Bookseller & Publisher Magazine**, Summer 2006/2007

¹ pp114, *Into the Global Era, Case Study: Text Publishing*, by Anne Halligan, from **Paper Empires: A History of the Book in Australia 1946-2005**, edited by Craig Munro and Robyn Sheahan-Bright, UQP, 2006

¹ Figures from **Bookseller & Publisher Magazine**, Summer 2006/2007

¹¹ Note that in March 2007 Borders announced that they were scaling back their operations in the UK and Australia, though they claim this is due to declining profits in the US, rather than elsewhere.

¹ *So What the Hell Happened to Australian Writing*, Frank Moorhouse, The Australian Newspaper, December 2006

Appendix 1.

List of Interviewees

Ana-Maria Rivera – Penguin UK
Andrew Farrell - Product and Operations Director, Pan Macmillan Australia
Angela Namoi - Rights and International Sales Director, Allen & Unwin
Annette Barlow - Publisher, Allen & Unwin
Ashley Hay – Literary Editor, The Bulletin
Barbara Mobbs – Barbara Mobbs Literary Agency
Ben Ball - Publisher, Penguin Australia
Bernadette Foley - Publisher, Hachette Livre Australia
Bernadette Neubecker - Head, ABC Audio
Carol Davidson - Sales and International Publishing Director, Random House Australia
Cassie Nacard – UK Account Manager, Hachette Australia
Cath Keenan – Literary Editor, Sydney Morning Herald
Chris Feik - BlackInc
Christine Farmer - Publicity Director, HarperCollins Australia
Clive Newman - Fremantle Arts Centre Press
Daniel Ruffino - Penguin Australia
David Gaunt - Owner, Gleebooks
David Parrish – Export Sales Director, Random House UK
Elisa Berg - Publisher, Melbourne University Press
Fiona Gruber – Gerts Sunday Salon
Fiona Inglis - Curtis Brown Australia
Foong Ling Kong - Associate Publisher, MUP
Gavin Schwarcz - Product Manager, Random House Australia
Geordie Williamson – Fiction Reviewer ,The Australian
Grainne Brunsdon - British Council Australia
Helen Morgan - Author of 'Blue Mauritius'
Henry Rosenbloom - Publisher, Scribe
Ian Britain - Meanjin
Ivor Indyck - Heat Magazine and Giramondo
Jane Cameron - Literary Agent, Cameron Cresswell Agency
Jane Novak - Publicity Director, Pan Macmillan Australia
Jason Steger - Literary Editor, The Melbourne Age
Jeremy Fisher – Australian Society of Authors
Jo Munro - Marketing Manager, International Books, Random House Australia
John Page - Pages & Pages Booksellers
Jose Borghino - Editor, New Mathilda

Josie Emery - Director Literature Board, Australia Council for the Arts
Julianne Schulz - Editor, Griffith Review
Julie Burland - Head of Sales, Random House Australia
Katherine Dorrington - Programme Manager: Words and Ideas, Perth International Arts Festival
Katie Crawford - Sales Director, Pan Macmillan Australia
Laurine Croasdale - Product Manager, ABC Audio
Lee Brackstone - Publishing Director, Faber&Faber
Lisa Highton - Deputy Managing Director, Hodder & Stoughton
Louise Swinn - Sleepers Almanac
Lyn Fraser - General Sales Manager, Key Accounts Team, Penguin Australia
Lyn Tranter - Literary Agent, Australian Literary Management
Madonna Duffy - Publisher, UQP
Malcolm Edwards - Managing Director, Hachette Livre Australia
Malcolm Knox - Author, former Literary Editor of the Sydney Morning Herald, and Editorial Consultant for Pan Macmillan Australia
Mark Rubbo - Readings Bookshop, Melbourne
Mary Dalmau - Readers Feast Bookshop, Melbourne
Mel Cox - Publishing, Contracts and Royalties Manager, Random House Australia
Meridith Drake - Buying Manager, Dymocks
Michael Campbell - Brisbane Writers Festival
Michael Heyward - Text Publishing
Miranda Van Asch - Imprint Manager (Bloomsbury, Faber, Granta, Orion, Profile, W&N), Allen & Unwin
Murray Waldren - Literary Editor, The Australian
Nicola Evans - Literature Dept, Australia Council for the Arts
Nikki Christer - Publisher, Picador Australia
Paul Donovan - Managing Director, Allen & Unwin
Richard Smart - Australian Publishers Association
Robert Sessions - Publishing Director, Penguin Australia
Rose Wight - Director, Adelaide Writers Week
Rosemary Cameron - Director, Melbourne Writers Festival
Sadie Chrestman - Literary Agent, Cameron Cresswell Agency
Shereen Baig - Export Sales Director, HarperCollins UK
Shona Martyn - Publishing Director, HarperCollins Australia
Sophie Hamley - Literary Agent, Cameron Cresswell Agency
Sophy Williams - BlackInc
Stephanie Johnston - Director, Wakefield Press
Stephanie Johnston - Publishing Director, Wakefield Press
Stephen Page - Managing Director, Faber&Faber
Susan Morris Yates - Commissioning Editor, ABC Books
Terri-ann White, University of Western Australia Press
Tim Whiting - Publisher, Random House Australia
Toby Mundy - Publishing Director, Atlantic Books UK
Wendy Were - Artistic Director, Sydney Writers Festival
Wenona Byrne - Literary Agent, Australian Literary Management

Appendix 2

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