



Learning From Books

What can the oldest media industry teach us about what media industries might look like in the future?

When people talk about the future of media, the conversation often becomes one about the future of television. At the moment, Australia's television industry doesn't look very like the media industry we're promised. There are very few outlets, most of them are delivered to audiences for free, they're mostly run by Australians and there's quite a lot of government regulation of them.

By contrast the book industry has many of the characteristics of the likely media industry of the future. It's a paradox. Although there is intense debate about whether the traditional products of the book industry will survive far into the future, the structure of the industry which produces and sells them looks very futuristic - much more so than the structure of the television industry, whose products have a durability which is taken for granted.

The book industry:

- produces millions of different products in a huge array of forms. Some of them, like Tom Clancy novels or art books with quality re-productions of famous paintings, are very expensive to produce, but many are produced for relatively tiny amounts of money;
- has very low barriers to entry in all sectors. No spectrum scarcity here. Anyone who can write can be an author, anyone with a computer and a printer can be a publisher of sorts and anyone with a shopfront can be a bookseller. (Being a highly successful player in any of these fields will often have something to do with access to existing institutions with well-developed editorial, production, marketing and distribution skills);
- sells its products directly to 'audiences'. Compare this to advertiser-supported radio and television. The book industry also has a well-

1993 Australian Books - Top 10

- 1 *From Strength to Strength*
Sara Henderson
- 2 *Undone!*
Paul Jennings
- 3 *Schindler's List*
Tom Keneally
- 4 *April Fool's Day*
Bryce Courtenay
- 5 *The Power of One & Tandia Duo*
Bryce Courtenay
- 6 *The Rise & Rise of Kerry Packer*
Paul Barry
- 7 *Rex Hunt's Fishing World*
Rex Hunt
- 8 *Footrot Flats No. 19*
Murray Ball
- 9 *Tandia*
Bryce Courtenay
- 10 *Looking for Alibrandi*
Melina Marchetta

Source: Australian Book Publishers Association

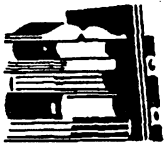
established culture of books as gifts. Compare this to the difficulty the home video industry in Australia has had in developing the 'buying habit' for audiovisual product which audiences are used to 'consuming' ephemerally. (This dependence on retail sales, at least in the 'general' book trade, may be a weakness rather than a strength in an environment where many services are delivered electronically);

- devotes intense marketing efforts towards very small niche markets - a couple of hundred copies of a loose-leaf legal service, a textbook for a highly specialised area of medicine, a book of poetry by a new poet;
- exploits 'back catalogue' extensively, not just by republishing the same book (the CD to replace the favourite LP; the video to keep forever; the old movie screened on

television), but by constantly restructuring and re-presenting texts to capture new kinds of audiences and new audiences across time - illustrated volumes of classic texts, new editor's introductions, newly organised anthologies. Five of the newly released Angus and Robertson 'Tiny Books' series made the top 25 adult hardback fiction titles in 1992, with titles like *Tiny Magic Pudding*, *Tiny Songs of a Sentimental Bloke* and *Tiny Dad n' Dave*;

- is difficult, though not impossible, to regulate through its technology of distribution. (Governments do impose censorship and classification requirements on printed materials but do not license publishing enterprises in the way they do electronic communications activities);
- has, since the invention of paper, faced borderless markets. (Short-wave and satellites introduced this concept to electronic communications much more recently, although Australia's physical remoteness makes the borders still much more real than they are for European or south east Asian states, or North America);
- has been dominated in Australia, since the 1960s, by foreign-owned companies. Compare this to broadcasting, where Australian ownership and control of commercial services has been required by law, and telecommunications, where the wholly Australian Telecom (PMG) and OTC ran the entire business for decades. The proposed takeover of Wesgo, the participation of foreign media organisations in proposed pay TV operations, Canwest's stake in the Ten network, foreign shareholdings in Optus and the granting of the third public mobile telecommunications licence to Vodafone are signs that the growth of communications services in Australia will bring with it increasing foreign involvement; and

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- has, for centuries, developed an institution, the library, to address issues of access to the ever-growing stock of titles. No-one can have a library in their home that holds everything ever published. But societies have developed a place and a profession of people who work in them to cope with this - to collect, preserve, organise and give people access to books and information. By contrast, 'access' on the 'superhighway' tends to be conceptualised as everyone being able to dial up everything from their homes.

This brief look at 'the media industry of the future' suggests two significant policy conclusions about access and the Australianness of new media.

In the book industry, vastly more government money is spent on libraries (access) than is spent on the production of Australian products (Australianness) through the Litera-

'The book industry provides a reasonable model for identifying the challenges (for new media). How do you survive against intense competition from overseas? How do you create for your own market in the face of overseas competition and the smallness of that market? How do you cope with overseas ownership, both inside a multinational organisation and outside as an independent Australian company?'

Brian Johns - Chairman, Australian Broadcasting Authority, Chairman, Broadband Services Expert Group and former Publishing Director, Penguin Books Australia

ture Board of the Australia Council, Public Lending Right and other schemes. The money is also spent primarily by local and state governments, rather than by the federal government.

By contrast, much more of the support for broadcasting and film is provided for production of Australian products (FFC, AFC and ACTF, although a major part of the money goes to the ABC and SBS, which have both production and distribution/access functions). Also, it is provided almost entirely by the federal government.

If access is to be as central a policy issue for the electronic age as it has been for the age of books, it may cost us a lot more than we're used to spending on production-based assistance to the audiovisual industry. Further, local and state governments, even without the constitutional power to regulate electronic communications, are going to need and want to have their say. The superhighway is not just Canberra's concern. □

Government Outlays on Cultural Activities 1991/92 (\$ million)¹

	Commonwealth	State	Local	Total ²	% of Total
Libraries	32	150	276	398	22
Museums	46	71	1	117	7
Other Cultural Facilities & Services ³	130	341	17	481	27
Broadcasting/Film Production	776	9	-	785	44
Total	984	571	294	1781	100

1. Excludes tax expenditures

2. Excludes grants and other transfer payments made by one level of government to another - mainly payments from state to local governments for libraries

3. Includes creative and performing arts and art galleries

Source: Australian Bureau of Statistics & Department of Communications and the Arts: *Cultural Trends in Australia*
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