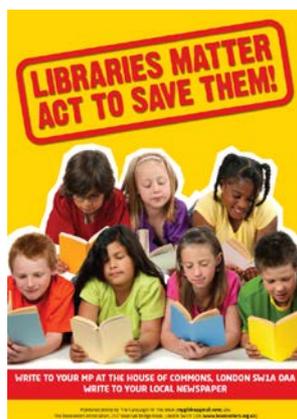




INQUIRY INTO ENGLAND'S PUBLIC LIBRARY SERVICE

SUBMISSION FROM THE BOOKSELLERS
ASSOCIATION TO THE REVIEW PANEL SET UP BY
THE CULTURE MINISTER, ED VAIZEY AND LOCAL
GOVERNMENT MINISTER, BRANDON LEWIS

To: William Sieghart, Esq., Chairman of the Panel



From:

THE BOOKSELLERS ASSOCIATION
6 Bell Yard
London WC2A 2JR

Tel: 020 7421 4640; Fax: 020 7421 4641; e-mail: tim.godfray@booksellers.org.uk
www.booksellers.org.uk

Table of Contents

1.	Introduction	
	Page 3	
2.	Executive Summary	Page 4
3.	What are the Core Principles of the Public Library Service Into the Future?.....	Page 5
4.	Is the Current Delivery of the Public Library Service the most comprehensive and efficient?.....	Page 9
5.	What is the Role of Community Libraries in the Delivery of a Library Offer?.....	Page 11
6.	The workings of the Review Panel.....	Page 11

**To: Members of the English Public Library Service Review Panel:
Library-secretariat@culture.gsi.gov.uk**

- **William Sieghart**, Chair of the Review Panel, Founder of Forward Publishing and the Forward Prize for Poetry;
- **Sue Charteris**, Public Policy Consultant
- **Janene Cox**, President, Society of Chief Librarians and Commissioner for Tourism & Culture, Staffordshire County Council;
- **Luke Johnson**, Chairman of Risk Capital Partners and Entrepreneur
- **Roly Keating**, Chief Executive of the British Library and formerly Director of Archive and Content for the BBC;
- **Caroline Michel**, CEO Peters Fraser & Dunlop;
- **Stephen Page**, Chief Executive of Faber & Faber;
- **Joanna Trollope**, OBE, author.

1 INTRODUCTION

1.1 The Booksellers Association welcomes the opportunity to give its views on the Public Library Service (in England) to the Independent Review Panel, set up jointly by DCMS and DCLG, and chaired by William Sieghart.

BA membership

1.2 The Booksellers Association [the “BA”] is a trade association, based in London WC2, currently with 3,746 bookselling outlets in membership, of which 987 relate to independent bookshops¹.

1.3 Our members cover a diverse range of different bookselling businesses - large High Street chains with mixed businesses (e.g. W H Smith); large specialist bookselling chains (e.g. Waterstones); independents (e.g. Daunts); library suppliers (e.g. Askews); school suppliers (e.g. Heath Educational Book Supplies); specialist internet booksellers (e.g. Eddington Hook); supermarkets (e.g. Tesco); and the two national wholesalers (Bertrams and Gardners).

1.4 BA members sell to all markets (consumer – fiction/ non-fiction/ reference/ children’s; academic – academic/ professional/ school/ English Language Teaching) from terrestrial shops and over the internet in a variety of different formats (hardback, paperback, audiobook and e-book).

1.5 Many of our members have a strong business relationship with their libraries. 546 of all BA members supply libraries with printed books and e-books.

1.6 Apart from supplying books, there are very many wonderful examples of co-operation between booksellers and librarians to promote books and reading in their local communities. Joint initiatives may revolve around Author Events, Reading Groups, Promotion of Books to School Libraries, and individual promotions like the *Summer Reading Challenge*. Many librarians help promote their local bookshops – and vice versa.

The BA

1.7 The BA helps its members to sell more books; operate from a lower cost base; improve competitiveness and productivity; network with others in the ‘book world’ and further afield and, most importantly, to represent their views..... as we are now doing.

1.8 But first we highlight in an Executive Summary *overleaf* the key points we are making in this submission.

¹ 1 – 5 outlets.

2 EXECUTIVE SUMMARY

2.1 We would like to put forward to the Review Panel the following 9 recommendations for special consideration.

1. A public library should be aiming also to provide its local community with the 'Right Books' in the 'Right Place' at the 'Right Time' [3.2]
2. It is of paramount importance that '*the Literary Creative Value Chain*' continues to be well funded It is very important, therefore, that the way libraries operate in the future do not end up undermining the sale of books from bookshops, with the result that the funding to this creative sector of the economy is reduced [3.7]
3. Libraries, and indeed all publicly funded institutions, should avoid distorting competitive markets [3.9]
4. The core principles of the Public Library Service should be that the remit of public libraries in the future should be to lend books, by permitting access to copyright material for a limited amount of time – but not to sell books [3.10]
5. We would welcome as many librarians as possible embedding the BA's *Find Your Local Bookshop* web button on their library websites [3.16]
6. With the lending of e-books [3.20]:
 - a. The lending of an e-book should mirror the way a printed book is loaned
 - b. Libraries should only be permitted to loan out an e-book if the rightsholder (publisher/ author) has given prior permission
 - c. One file = one user at a time was the best model out of all those mooted
 - d. Libraries should consider introducing PLR for e-books
 - e. Any e-book lent should be to library users only
 - f. Any e-book lent should be automatically removed from the borrowing device when the loan has expired
 - g. Consideration should be given to involving booksellers in the e-book lending process (as is done in France with Dilicom/PNB)
 - h. Copyright exhaustion rights should not be extended to e-books
 - i. If a National e-book lending website is developed, consideration should be given to some sort of Private/Public Partnership
7. Whoever provides the money to support public libraries should take over the running of the library service – nationally - in the future [4.13]
8. A new Library Development Agency should be formed, responsible for The Strategic Plan – setting the vision; A Business Plan – for delivering the plan; The budget and all the finances; The operations; The marketing; The IT; HR; Premises etc [4.14]
9. Finally, in the interests of transparency, clarification should be given as to whether the Panel Members read all the submissions in full [6.6]

3 WHAT ARE THE CORE PRINCIPLES OF THE PUBLIC LIBRARY SERVICE INTO THE FUTURE?

ACE aspirations

3.1 When assessing the value of the public library service, The Arts Council of England maintained that a public library should endeavour to:

- provide a shared neutral and safe space;
- provide a shared space to facilitate interaction and create a sense of community;
- be an environment for exploration, a point of trusted information and provide breadth and depth of knowledge;
- introduce children to books and reading, firing their imagination and at the same time supporting the development of children and young people;
- provide a learning environment and space for quiet study;
- be inclusive and open to all and provide a non-stigmatising environment.

Objectives for books

3.2 These aspirations from ACE for a public library would seem to us to be eminently sensible. On the books side, we would go further, suggesting that a public library should be aiming also to provide its local community with:

- The 'Right Books'
- In the 'Right Place'
- At the 'Right Time'.

3.3 This is how a book retailer would assess the situation:

- The 'Right Books' = having the books that the 'customers' of the library want to read
- The 'Right Place' = libraries being situated in places that are convenient for the members of the library to visit which may mean the physical premises being relocated in the future to link up with places that report high public footfall
- The 'Right Time'. = being open - ideally - at the hours which the public find most convenient (within funding limitations).

Cross-over between libraries and bookshops

3.4 Libraries and bookshops, in fact, carry out very similar functions when supplying a 'customer' with a printed book or an e-book. Both librarian and bookseller want to be the first point of 'Discovery'. In very broad terms, both:

- Obtain the book/e-book from the publisher, or digital aggregator
- Promote the book
- Offer it for sale or loan
- Obtain customer information
- Log the sale/loan
- Sell or loan the book.

Differences between bookshops and libraries

3.5 The difference between a bookshop and a library is that the commercial bookseller has to cover costs from the gross margin obtained from the sale, and the business has to stand on its own two feet economically, without financial support from the public sector, or die. The library, on the other hand, is funded by the taxpayer and receives a number of fiscal benefits.

BA key principles

3.6 Because of these private/public sector differences, we believe that two key principles put forward by ourselves should, *inter alia*, be supported by the Review Panel.

BA Key Principle 1

3.7 The first is that it is of paramount importance that ‘*the Literary Creative Value Chain*’ continues to be well funded. Without adequate reward, authors and publishers could not create and bring to market the wide² selection of titles that we benefit from at present. The primary way in which this Value Chain is funded is via the sale of books, whether in printed form or e-book format. Libraries make only a small contribution at present. It is very important, therefore, that the way libraries operate in the future do not end up undermining the sale of books from bookshops, with the result that the funding to this creative sector of the economy is reduced (or a greater burden is placed on the state to fund the creative sector).

3.8 This is critically important, as the creation of the capability to distribute books (and other published materials) has changed the underlying relative economics of selling (ie readers buying books) and lending (ie readers borrowing books). If the rules on selling and lending are not attuned to this new paradigm, there is a possibility that the sustainability of the production process (ie authors and those who transform their output into what readers want to consume) is undermined. This could result in serious consumer harm, albeit almost certainly an unintended consequence.

BA Key Principle 2

3.9 The second is that libraries, and indeed all publicly funded institutions, should avoid distorting competitive markets. Whether an individual book shop survives or thrives, or whether one e-book format or another does well, is ultimately a decision for consumers. Bookshops and bookselling websites play a crucial role in helping consumers discover new titles; were these to be harmed by libraries’ lending practices, then this would directly harm consumers.

Libraries to lend – not to sell

3.10 So as far as books are concerned, we believe that the core principles of the Public Library Service into the future should be that:

“The remit of public libraries in the future should be to lend books, by permitting access to copyright material for a limited amount of time – but not to sell books”.

3.11 Libraries were initially set up at the end of the 19th Century to make books available to the less affluent members of society. They were clearly set up to loan books and not to sell books. *The Royal Charter* makes this clear.

3.12 Up until fairly recent times, there was a clear demarcation between booksellers and libraries. Booksellers were there to sell; libraries to loan. But financial cutbacks from local authorities have put huge pressures on library managers to find new revenue streams.

3.13 One of these is for libraries to sell books. Booksellers have been relatively relaxed about libraries disposing of old stock for money etc, but once libraries start selling books in a serious way, they become undeniable competitors to the private sector and we believe they should lose their privileged status in being funded by the state and receiving other fiscal benefits.

3.14 In view of our position, we would like to see browsers that go into library websites and end up wanting to buy a book to be directed to a bookseller to make the purchase.

²² 170,267 new titles were published in 2012 (excluding self-published books). Source Nielsen Book.

BA's Find Your Local Bookshop Web Button

3.15 The Booksellers Association has developed a *Find Your Local Bookshop button*³ which libraries can place free of charge on their consumer-facing websites. A click-of-the-mouse on the button links the browser through to the BA's searchable database of members (as explained in 1.3, these range from single independents in market towns, to campus bookstores, through to children's and Christian specialists, to large national bookshop chains and supermarkets).



The BA's Find Your Local Bookshop Button for Library websites

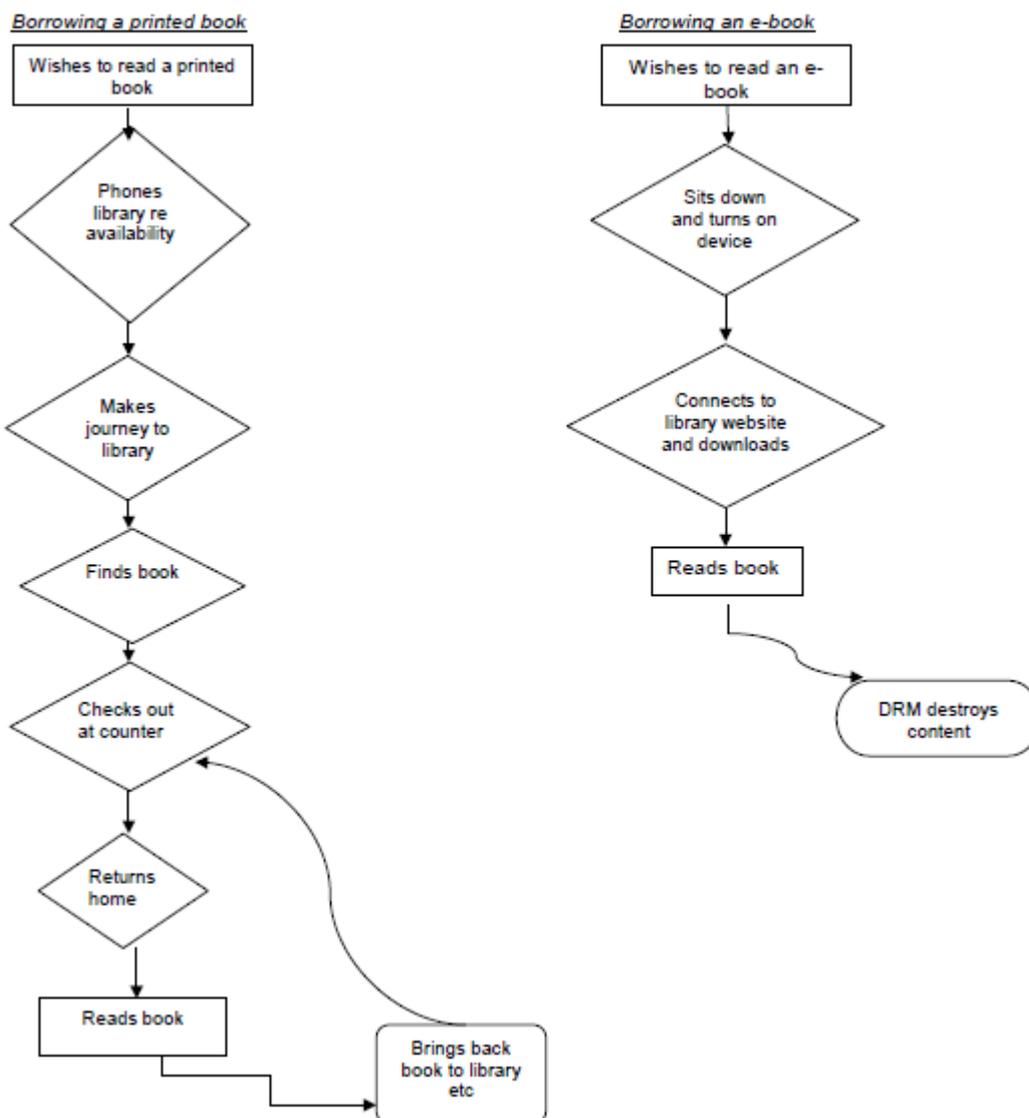
3.16 The functionality gives consumers the choice of obtaining the book from nearly 4,000 outlets. Browsers can search by name of bookshop, or postcode, or town – either for all BA members, chain & independent members, or just independent bookshops. As well as address and contact details, there's a description of the shop, links to Google Maps, and links to Google Streetview. We would welcome as many librarians as possible embedding the BA's *Find Your Local Bookshop* web button on their library websites.

e-book lending – issues for booksellers

3.17 We are particularly concerned about e-book lending by public libraries, believing that e-book lending without controls has the potential to damage seriously the bookselling sector.

3.18 Borrowing a print book from a library is very different from borrowing an e-book, as the flow charts *overleaf* hopefully make clear.

³ The button can be downloaded free by libraries from <http://www.booksellers.org.uk/campaigns/keepbooksonthestreet> and when used in conjunction with <http://www.booksellers.org.uk/bookshopsearch.aspx> - library browsers will be taken to our bookshop search page.



3.19 e-book lending is as easy as a click of a mouse. As Richard Mollet, Chief Executive of The Publishers Association said: *“In a world in which it is as simple to borrow as to buy, people will borrow, not buy”*.

e-book lending: what booksellers want

3.20 We believe that libraries should lend e-books – even remotely – but we believe that there should be the following arrangements agreed to ensure that bookshops’ sales are not undermined.

- The lending of an e-book should mirror the way a printed book is loaned. This was very much a principle supported by the Sieghart Panel on e-book lending.
- Libraries should only be permitted to loan out an e-book if the rightsholder (publisher/ author) has given prior permission.
- One file = one user at a time was the best model out of all those mooted.
- Libraries should consider introducing PLR for e-books.
- Any e-book lent should be to library users only. In the past, some borrowers were found to be as far away as China. Piracy is not in the interests of anyone in the Value

Chain.

- Any e-book lent should be automatically removed from the borrowing device when the loan has expired.
- Consideration should be given to involving booksellers in the e-book lending process (as is done in France with Dilicom/PNB).
- Copyright exhaustion rights should not be extended to e-books. The rightsholders fear that if e-books had the same exhaustion rights as e-books, libraries would be given great freedom to more or less do what they liked once they had bought the e-book initially, leading to a substantial increase in e-book lending and a fall of bookshop sales. We do not believe that 'exhaustion' should be made a statutory exception, as such a move would fail the celebrated "Three Step Test" in copyright law, as there would be a conflict with the normal exploitation of the work and the legitimate interests of the author would be prejudiced.
- Finally, if a National e-book lending website is developed, consideration should be given to some sort of Private/Public Partnership.

3.20 As the Dutch librarian, Martinjn David, said at a recent e-book lending library seminar⁴ in Paris "We have to find a good balance" so that libraries don't feel they are being deprived and booksellers don't feel they are being undermined by having to compete with libraries. And Maria Martin Prat, the Head of the European Commission's Copyright Unit concluded the seminar by saying: "If there isn't a balance between librarians and commercial booksellers, there will be problems at a later date".

Summary

3.21 So among the Core Principles of a Future Library service should be the stipulation that public libraries should not compete against booksellers by selling books, and that they should stick to their core remit of lending; and not undermine booksellers' sales by inappropriate e-book lending.

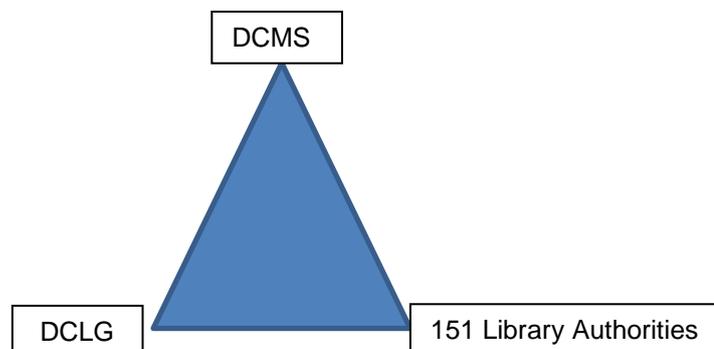
4 IS THE CURRENT DELIVERY OF THE PUBLIC LIBRARY SERVICE THE MOST COMPREHENSIVE AND EFFICIENT?

Divisions of responsibility

4.1 There are 151 separately managed library authorities – many of them keen to be seen to be doing 'their own thing!' The library world is very fragmented, with individual libraries often adopting policies in isolation from other authorities.

4.2 At national level DCMS has a statutory responsibility for supervising the library authorities, but then there are the local authorities – under the control of DCLG - being responsible for the funding, the setting of a balanced budget, and delivery.

4.3 There are three key stakeholders, often having to pull in different directions.



⁴ 6th December 2013

4.4 Small wonder that with this Governance structure initiatives are difficult to progress, and there is seemingly no clear Leadership.

Recent reports into the Library Service

4.5 This is evidenced by the huge number of reports, enquiries and investigations that have taken place into the public library service over recent years, which have had very little – or no - beneficial effect on the users of the public library service. We know of:

- The Audit Commission Report
- Two CMS Parliamentary Select Committee Reports
- All Party Parliamentary Library Group Report
- Framework for the Future
- Better Stock, Better Libraries
- Blueprint for Excellence
- Library Development Initiative
- Community Libraries Study (undertaken by Locality and published by ACE, January 2013)
- The two year Library Modernisation Review project, set up by the previous Minister and project managed by the DCMS
- The Arts Council Report – Envisioning the Libraries of the Future

4.6 There is also currently a review underway of libraries in rural areas. In addition, there have been many studies commissioned by the professional bodies, the Federation of Women's Institutes, UNISON, library charities and academic bodies such as Cardiff University as well as regional studies such as the London Library Initiative.

4.7 All of these enquiries have been progressed with the best interests of the public library service at heart, but none seem to us to have made a meaningful impact.

Library pressures

4.8 349 public library service points are reported to have closed, and 474 are believed to be targeted for possible closure.

4.9 Libraries are facing huge pressures. By 2014, the Coalition Government cuts have meant that local authorities have had to reduce their operations by 25%; but the cutbacks in expenditure are going to continue, and local authorities generally will end up being 50% smaller⁵.

4.10 This situation is compounded by:

- There being a lack of standardisation within the library world
- Library authorities using different technologies
- Library authorities using different library management and back office systems.

4.11 Very little will happen to introduce change fast unless the governance structure is changed.

4.12 In order to do this, the first question that needs to be asked is: *Who is going to fund the Library Service in the future?*

- The Government?
- Local authorities?
- Some other body?

4.13 Whoever provides the money should take over the running of the library service – nationally - in the future.

⁵ Janene Cox – President of the SCL to BA Council on 20th March 2014

4.14 As we have said to DCMS in previous representations, a new Library Development Agency should be formed, responsible for all aspects of running a national library service, including:

- The Strategic Plan – setting the vision
- A Business Plan – for delivering the plan
- The budget and all the finances
- The operations
- The marketing
- The IT
- HR
- Premises etc.

4.15 Only by a radical overhaul of the governance do we believe the library sector will be able to review how comprehensive the Public Library Service might be in the future; and introduce relatively quickly efficiencies.

5 WHAT IS THE ROLE OF COMMUNITY LIBRARIES IN THE DELIVERY OF A LIBRARY OFFER?

5.1 The consequences of trained librarians being replaced by unskilled volunteers are likely to have a detrimental effect on customer service levels.

5.2 But if communities are faced with a choice of either having a library staffed by volunteers; or having no library at all, the former is absolutely preferable.

6 THE WORKINGS OF THE REVIEW PANEL

6.1 We are grateful to be given the opportunity to provide our thoughts on three specific areas highlighted by the DCMS and DCLG Ministers and we wish this new Panel every success in its endeavours. However, we are concerned over some of the workings of the Panel.

6.2 When submitting our views to the previous Panel chaired by William Sieghart to look into e-book lending, we were told that our representatives would be interviewed by the Panel following our written paper. We received no invitation.

6.3 We were told our submission would be published as an Appendix to the final printed report. It wasn't.

6.4 We eventually managed to secure a bookseller representative on the e-book lending Panel. The new Panel looking into the English Public Library Service consists of virtually the same team that reviewed e-book lending, but there is now no bookseller representative. In view of the fact that 546 booksellers have a business relationship with libraries, this seems a strange decision.

6.5 But as it now seems from e-mails⁶ between DCMS and Library Campaigner, Frances Hendrix, that the Panel will only receive a summary of responses in spreadsheet form, there is a real question mark as to whether the Panel read all the submissions unedited anyway.

6.6 Writing submissions takes individuals and businesses a not inconsiderable amount of time. It would be appreciated if in the interests of transparency, clarification should be given as to whether the Panel Members read all the submissions in full.

6.7 If that doesn't happen, the process should be reviewed.

Tim Godfray, Chief Executive, Booksellers Association, 21st March 2014
tim.godfray@booksellers.org.uk

⁶ 20th March 2014