Group Therapy

Rosann Bazirjian
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GROUP E:
(Submitted by Norman Desmarais, Acquisitions Librarian, Providence College):

We have had most of our monographic standing orders (annuals, irregulars) on direct order. Some years ago, my predecessor went with a serials vendor and we found we were paying higher prices for the items, and getting a service charge. We are now considering transferring these titles to a book vendor. The other day, we got a three-volume set from our book vendor who has been handling that title for several years now. A few days earlier, we received another shipment direct from the publisher. (The reference librarian ordered it over the phone without telling us.) The direct copy was $40 less than the other copy.

Is this a relatively common occurrence? If so, we can’t afford to continue ordering from a vendor rather than ordering direct—even if the vendor increases the discount to 20% which is highly unlikely.

BOOK VENDOR RESPONSE:
(Submitted by John Riley, National Sales Director, Eastern Book Company):

First of all, you would do well to switch your monographic standing orders from a serials vendor to a book jobber. Typically standing orders are treated by serials vendors as serials, with their attendant service charges and lack of a discount. With a book jobber you can look to get a discount on some titles and generally avoid service charges on most titles. One way to compare it is to do a printout of your standing orders and submit it to a book jobber and a serials vendor and see what they quote you for prices.

Now, on to your main question, which really goes to the heart of why you use a vendor in the first place and what you want them to do for you. Without knowing the details of your $40 question I think I can respond in terms that would apply to most situations. Most likely, your vendor did not receive a discount on the three-vol. set that you mentioned. It was most likely a reference work, which publishers generally do not discount, or if they do, it is in the 5-10% range. So your vendor, in order to make a profit and cover his costs, had to charge some percentage above cost. Typically you can expect to pay around a 10% service charge in such a case with some sort of a cap, so that you do not pay 100’s of dollars for a several thousand-dollar set.

You should check with your vendor to see what their terms are for service charges and when those apply. You can ask to have charges show up as a separate line on your invoice so you can keep track of them.

To get back to the question of why you use a vendor, your case is a perfect example. The cost of going direct on your three-vol. set has to include time spent processing an individual invoice, having to deal with a separate customer service dept. if there are problems, perhaps paying exorbitant shipping and handling charges, and finally cutting a check (with its concomitant bookkeeping and auditing, which coincidentally, I have heard quoted at $40 for an individual check, try $400 for the federal government).

In most cases, using your book jobber saves you money, time and effort, but there are still cases where it may save you a little money to go direct. The best advice I have is to stay in communication with your vendors about discounts and service charges and don’t be afraid to negotiate. Service charges, just like discounts, can be negotiable.

And now that I have managed to aggrieve my serials vendor friend and open a can of worms for my bookselling colleagues I should end. I hope this has been helpful.

PUBLISHER RESPONSE:
(Submitted by John Tagler, Director, Corporate Communications, Elsevier Science):

Your request for a response to an ATG “Group Therapy” column query about monographic standing order prices has been forwarded to me.

At Elsevier Science, the pricing of books and book series—through vendors vs. direct from the publisher—is not something that I feel we can contribute to substantially in a dialogue. Our basic philosophy re: book and book series pricing is that the librarian should order from whomsoever provides the best price, service and/or convenience.

We are not competing with booksellers or agents on our pricing and we don’t really monitor what they are charging for books, unless we’re aware of egregious practices (which hasn’t been the case in North America of late). Ordering directly from us is a convenience—if it’s wanted—but there is no sense of price competition on our part.

Our position is pretty simple as stated above and reading more into it would be inappropriate.

SUBSCRIPTION AGENT RESPONSE:
(Submitted by Adrian Alexander, Senior Manager, Strategic Development/Academic Market, The Faxon Company, Inc. and David R. Fritsch, Senior Manager, Sales Development, The Faxon Company, Inc.):

Continuations/standing orders represent the par of the serials world that poses many of the most difficult problems faced by libraries and vendors alike. Variations abound in terms of pricing and ordering policies from publishers, so ensuring reliable fulfillment of these titles is an ongoing challenge for vendors.

Vendors typically handle continuations in one of two ways:

1. On a “drop-ship” basis as with periodical subscriptions; the volume or piece is shipped directly from the publisher to the library and is billed separately by the vendor;

2. On a “re-ship” basis where the volume or piece is shipped first to the vendor and then re-shipped to the library along with the invoice.

Subscription agents employ Option 1 more often because their computer systems typically are better suited for that, but some agents can and have used Option 2 as well.

As with all products and services, a library’s decision on whether to order continuations through a subscription agent, a book jobber, or direct from the publisher depends on the specific needs of the library. Consolidating continuations with periodicals from a single vendor can be advantageous, for example, when comprehensive management reports are needed and the libraries’ ILS cannot meet that need. Integrated library systems certainly have made tremendous strides in that area, but their capabilities are by no means standardized.

Other libraries have reported a preference for using a subscription agent because they feel billing for both continuations and periodicals consolidated, especially if their materials’ budget is set up to segregate books from serials. Type of publisher involved has also been given as a reason for using a subscrib-
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Subscription agent for continuations. For example, one large academic library reported a preference several years ago for Faxon over its book jobber in fulfilling orders for standing orders from European publishers. The library felt that the subscription agent had a better working relationship with the publishers in question than did the book jobber.

Another factor that plays into this is whether or not the library prefers a full service agent. In the jargon of the trade, most of the major subscription agencies are referred to as “full service catalog agents.” The “full service” part means that the agent will accept and process an order for any serial title for which the publisher will accept the order and payment from an agent, regardless of whether or not the publisher grants the agent a discount.

Book distributors, on the other hand, sometimes specialize by type of material, or subject area (e.g., medical books), and so are not like the subscription agents in this sense. Sometimes book jobbers also do not deal with “net” (no discount) publishers and are not “full service” in this sense.

A large academic research library might well order sufficient numbers of continuations so that it makes sense to have multiple vendors for this type of material. A smaller library may not wish to establish more than one account for this type of material, and, if its subscription agent gives good service on continuations, may well find that ordering everything through the subscription agent is the best solution.

As with most things in the business, there is no single right or wrong answer to this question. The library’s decision should be based on its specific needs and the capabilities of its particular vendors. Continuations and standing orders are a problem for all vendors, but subscription agents can boast their fair share of satisfied customers.

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now acts as consulting editor for Scarecrow (See ATG, v.7#4, September 1995, p. 14). I also enjoyed talking again to Holly Melanson, acquisitions librarian of Dalhousie University. I rely on Holly to make suggestions as to where best I can trace the footsteps of the Acadians whose history has long been a favorite study of mine. I have a letter dated September 16 from Beverly Patacairk, Meetings Manager, announcing “Reinventing Libraries,” the theme for CLA’s June 25-26, 1997 meeting in Ottawa. The conference program and trade show will be housed in the Ottawa Congress Centre and the Westin Hotel. For more information: Canadian Library Association, 200 Elgin St., Suite 602, Ottawa, Ontario K2P 1L5. Phone 613-232-9625. Fax 613-563-9895.

American Booksellers Association
Report by Lyman Newlin (Book Trade Counsellor)

I don’t like to run down an organization of which I have been a member for nearly half a century, especially when the annual meeting was held in my favorite big city, Chicago in June, 1996. In spite of the hype in PW and other media, I think ABA is trying to outsize the Frankfurt Book Fair and I think that’s a horrible mistake. I don’t think that foreign publishers come to ABA to sell or buy rights as they do at Frankfurt.

There are too many stands hawking special writing or other kinds of quirky tools; T-shirt peddlers abounded. Add this to the fact that ABA is deadlocked at law with a large publisher which was not in attendance. Other biggies were absent or threatening to absent themselves. I’m happy that some librarians found the special librarian’s enclave a haven of rest. But there was only one for librarians and one for booksellers. Both were far from the madding crowd. Until McCormick Place emulates Frankfurt with moving sidewalks and lots of jinkies, attendees had better be prepared for two and a half days of fatigue. Perhaps that’s why ABA via Reed’s Association and Exposition Services lobbied a day from the time-honored half week sessions! Postscript — Now Reed owns all of it! Here’s a quote from Bookselling this Week, the ABA newsletter, continued on page 92.