Profile-Tim Coates
their rental plan work? Will libraries be able to rent T & F books for lending to students?

TC: We have been publicizing the T&F deal because they are the first large publisher to permit rentals of this kind. Most of T&F’s books are academic and of the kind that one would use at university — so this is a way of helping students to have access to books that normally they would only find in a faculty library. We anticipate that other publishers will begin to make the same facilities possible, and the range of books available will become much less specialized and of more general appeal to library patrons. This is what Jo Butler and I mean when we talk about taking one step at a time to get to where we want to be.

ATG: Currently, you can only purchase items from Bilbary if you are U.S. based with a U.S. registered credit or debit card. When will readers outside the U.S. be able to buy from Bilbary?

TC: The site should open to people outside the U.S. in June. We will gradually introduce languages and currencies as we go along.

ATG: You have opened with approximately 340,000 publishers’ distribution titles. What are these titles, and what are the publishers?

TC: The distinction between “distribution” titles and “agency” titles has been in the press recently. If a publisher wishes to sell its books through an “agency” agreement, the retailer (ourselves, Amazon, etc.) acts as the publisher’s agent. The publisher sets the price, and the retailers must all sell at that price. The alternative to the “agency” method is a “distribution” agreement in which the retailer acquires the right to sell the book from the publisher — and can then determine the price at which it wants to sell.

Most publishers use the distribution method. However, about six of the very large publishers, with the most popular titles have, for the last year or so, preferred to use the “agency” method.

Curiously, for us, the biggest difference is about how sales taxes are handled in the different states of the U.S. If we act as a publishers’ agent we have to collect the sales tax — which means understand our tax-collecting with the more popular agency titles — it is the “distribution” titles first and then followed by the “agency” titles. What are these titles, and what are the publishers?

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Curiously, for us, the biggest difference is about how sales taxes are handled in the different states of the U.S. If we act as a publishers’ agent we have to collect the sales tax — which means understanding our own tax obligations, which can vary from state to state and even within states. It is complicated, and in order to do it properly we need precise systems. That is why we put up the “distribution” titles first and then followed with the more popular agency titles — it is about gathering taxes. Our tax-collecting system is being tested now, which means that the agency titles will come on the site in the next few weeks.

ATG: From what you are saying it appears that most publishers prefer using the distribution method and that the six major publishers are outliers preferring the agency model. Correct? Was this a problem before the advent of eBooks?

TC: As far as I know the agency model for book selling was only invented about 18 months ago when there was discussion about the price of eBooks and who should set it and at what level. This is the case that is being examined at present by the Department of Justice and has been widely written about in the press.

ATG: It appears that most of your titles are focused on the “popular market.” Do you have plans to expand into the academic/scholarly market? What about eTextbooks?

TC: We hope to be very active in the educational and scholarly book market and shall be launching student programs in the fall — we think that is the area in which book rental will become a major feature. We will specialize in the kinds of books one would expect to find in a college or university library. Textbooks are a different subject — there are other people who specialize in school and university textbooks, and that won’t be a priority at present.

ATG: According to a recent article in Publishers Weekly, “self-published titles will be limited” in Bilbary. If so, what are Bilbary’s criteria for accepting self-published works?

TC: There was some confusion about this. What I meant was that we will accept any books — and I was referring to self-published books.