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Subject: A 91472 Magazine publishers of Australia submission

Categories: Submission

A 91472 Magazine Publishers of Australia SUBMISSION

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The MPAs proposed trial is self serving, and not a genuine attempt to assist newsagents as they claim.

Magazine distributors are paid to distribute magazines and process the returns. They are paid for each magazine distributed, not on magazines sold.

The publisher who pays them on this basis are not being served well when you consider that the sell through rate is only about 50%, in my experience. This is a terrible waste.

My returns are consistently around half of my invoices for magazine stock. That is 50% sell through.

This is despite the magazine distributors having daily accurate electronic records of exactly which titles and how many I sell. I have to pay a yearly subscription for this Xchangit service which seems to be almost totally ignored by the distributors who set it up.

If I could go online and specify quantities and titles I am certain our returns would be much lower.

But that is not possible, and if **we have to continue to accept whatever the distributors decide to send us, we need to be able to early return.**

We need to be able to early return so that we are not used as a "bank" by the distributors.

Imagine being able to send a customer any stock you decide, not allow them to early return it, and then bill them for it on a 20 day account.

I cannot afford to have the stock sitting around waiting for the due date to return it. I cannot afford to pay my 20 day account and then wait weeks to have the returns processed and credited. I should have this money in my bank account working for me; not in the Magazine Distributors bank account working for them.

The conditions in this proposal puts newsagents at a disadvantage compared to deals currently in place with convenience outlets, petrol stations and the two majors.

Yours faithfully
Bruce Giddings
Narangba Valley News