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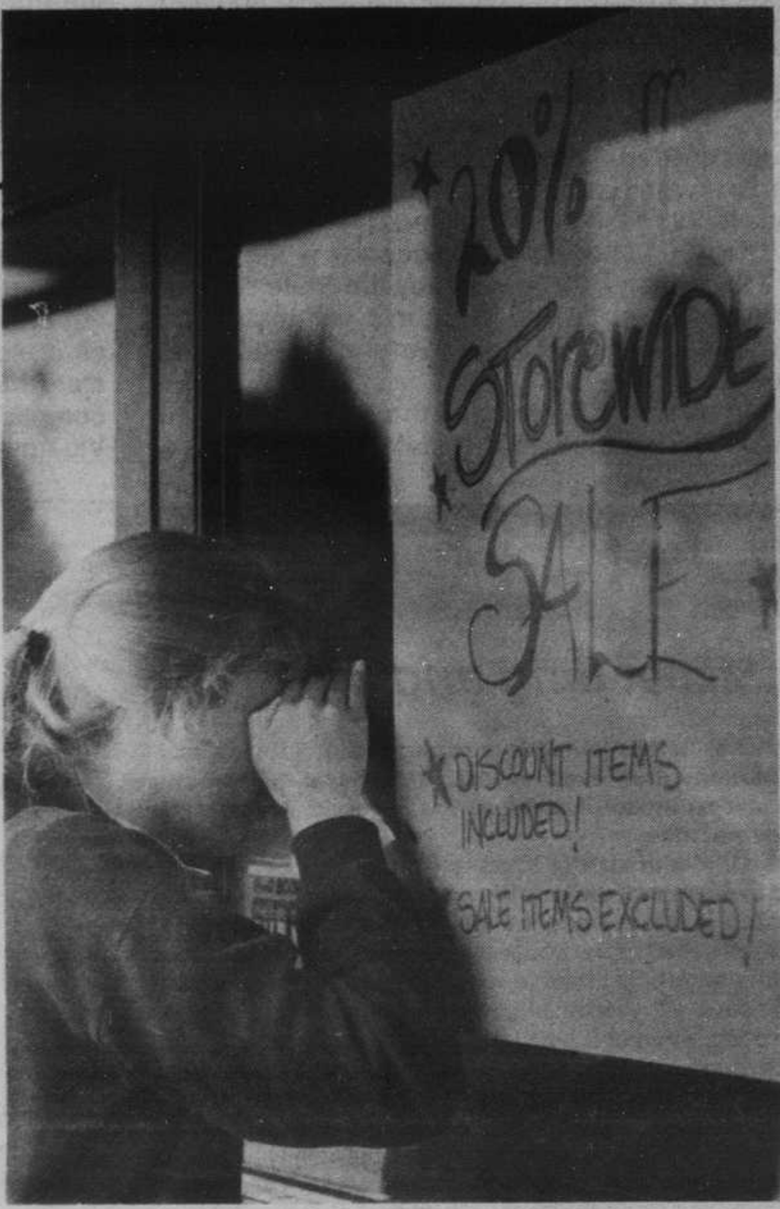
The Bookstore

Is it a monopoly or just a University area business?



Area businesses claim the Bookstore's policies threaten their livelihood.

Owners of University area businesses are unhappy with what they consider unfair advantage, price undercutting and unethical practices by the University Bookstore.

Merchants along 13th Avenue and nearby streets say the Bookstore's tax-exempt status has allowed it to expand to giant proportions, threatening the livelihood of dozens of smaller businesses which sell similar merchandise.

"The small businesses surrounding the campus are threatened by continuous expanding and price-undercutting of the University of Oregon Bookstore," reads a petition filed last fall with the Bookstore's board of directors.

Bookstore manager Jim Williams counters the charges, saying the store's main purpose is to serve its members and its policies are justified by that purpose.

"It should be very carefully thought out before making the implication that (the Bookstore) has this inherent advantage and that we abuse it," Williams says.

The Bookstore, defined as an educational and charitable organization serving University faculty, staff and students, grossed $5.5 million in 1980-81. That figure has grown by $1.3 million since 1979.

No business in the area can compare with those numbers, smaller merchants complain. And no business can compete with the Bookstore's sales — designed to burn excess profits and reduce inventory.

Even the Bookstore's normal prices are difficult to compete against, merchants say.

Business owners are reluctant to talk about the Bookstore, but many say it's a source of frustration and a threat to their business' existence.

"I can't see it being fair," says one merchant, "when the Bookstore can sell things cheaper than we can buy them." The merchant adds that the Bookstore's "20 percent-off everything" sales do irreparable damage to his business. The Christmas sale of that proportion reduces other merchants' income in a crucial season.

"Is it really necessary? Does a store that big have to put the pressure on us smaller businesses the way it does?"

Williams says he understands the complaints from the area businesses, but the priorities of the Bookstore override those concerns.

The Bookstore tries not to compete directly with smaller business, Williams says, but "trying to make (the Bookstore) better as far as what the customers want is our goal."

"I'm not going to say," he continues, "that the Bookstore is perfect. I'm not going to say we're the most moral business in town. I *would* stand on the reputation of the Bookstore."

What the Bookstore sells — not how it sells it — is of greater concern to merchants.

"The only advantage I can gain," one merchant says, "is to have things the Bookstore doesn't." But the same merchant says she's exhausted from trying not to duplicate the Bookstore's inventory. Bookstore employees have entered her store, surveyed the inventory and ordered it for the Bookstore's shelves, she claims.

Another store reports Bookstore employees spending an entire day surveying its operation.

"It's prudent to go and see what's out there," Williams says, acknowledging the surveying. He notes that the surveying is not restricted to the University area. "You have to make (the Bookstore) better. I'm not apologizing for that."

Many merchants feel the Bookstore has expanded into retail areas where it shouldn't, and this has brought the store heavy criticism. But Williams says technically there's nothing the Bookstore can't sell.

The effect new mechandise will have on area businesses is considered by the board, but it takes a back seat to considerations of practicality and profit-margins.

Yet with tax-exempt status and a large advertising budget — $38,839 last year — merchants say the Bookstore stretches itself too far.

Area merchants believe the Bookstore shouldn't cater to the outlying community. The Bookstore agrees.

So does the IRS. The Bookstore is taxed for every purchase made by a non-member. This area has become the largest point of contention that, unwillingly or not, the Bookstore serves a greater clientele than is readily acknowledged.

The recording of non-member purchases is the cashiers' job, but the customer must declare himself a non-member.

A sign near the cash registers requests that all non-members declare themselves but doesn't state that the customer will not be charged extra. Willams notes the sign's wording comes from the IRS, but he says he is planning on new wording.

At the year's outset the University Small Business Association, the campus-area business league, approached the Bookstore with charges of unfair competition. The Bookstore, now a USBA member, pledged "greater sensitivity" to the merchants. But USBA members see that sensitivity dwindling. Williams wonders if the owners are asking too much.

"I feel there is sensitivity," Williams says. The dilemma is, as he sees it, an "impasse of different perspectives."

Story by Brent Walth
Photo by Bob Baker

Hot air causes 'fizzling out' in Oregon Hall

By Ann Portal
Of the Emerald

Don't tell the staff in Oregon Hall they're full of hot air — they already know. And they're hot under the collar about the nine-year-old building's automatic air conditioning system — or rumored lack of one.

"It's a serious problem when you consider that on days that are very nice we're working in 80 to 90 degree temperatures," says Vicki Bockes, financial aid office manager. "If it's automatic, it isn't automatic enough."

Besides protesting high temperatures, Bockes and other staff members complain that the air doesn't seem to move through the building efficiently. The air in the financial aid office frequently turns stale in the afternoons, she says. In the summer, some employees have to come in early to finish the bulk of their work, she says, before the air turns hot and stale after lunch.

Staff in her office complain of headaches, burning eyes and "fizzling out," Bockes says, adding that financial aid employees have "an exceptionally high illness rate."

On the other side of the building, management assistant Bonnie Reed says her office in student affairs also gets hot and stuffy. Last week the temperature hovered around the low 80s, "which to me is bearable," she says.

Even if Oregon Hall's air doesn't circulate properly, speculations about the air system's defects do. Staff suggest a number of reasons for the inadequate air conditioning, including poor building design, Pres. Carter's energy policies, front doors that are propped open and budget problems.

The real cause, according to Harold Babcock, physical plant director, is "most of the above," but mostly the budget.

Babcock says the system is in better shape this summer than last, when petitions and complaints from the Oregon Hall staff surfaced. The problem, at that time, was attributable to a lack of fuel.

In the winter and spring, water from the Mill Race is used in the air conditioning system, which runs year-round. But the water itself can't be cooled, so it can be used only when the weather is cold enough to keep the water temperature down.

In the summer, the physical plant switches to steam-driven coolers for its air conditioning system. Unfortunately, it cost $4,000 a day last summer to run the coolers. The physical plant delayed turning them on, because of a shortage of the hog fuel needed to fuel the coolers. They may have waited a little too long, Babcock says.

"We try not to run them any more than we have to. Every day that we can wait we save quite a bit of money," he says.

This year, the physical plant has repaired one of the two cooler pumps and recently tested both. The system is ready and will be turned on as soon as the weather turns warm, Babcock says.

In response to complaints about stale air, Babcock says that air should be circulating constantly during work hours and that his office has instruments to measure whether the air is moving.

However, shifting of offices and remodeling within the buildings has upset the original air balance, he says, estimating that it will cost $15,000 or more to fix the balance. In the interim, he suggests staff on the sunny sides of the building pull their drapes and shades and keep the front doors closed, to keep hot air from drifting up to the second and third-floor offices.