

Report on the Spanish Publishing Sector 2007

**Federation of Publishers' Guilds of Spain
December 2008**

Domestic Trade in Books

Every year since 1999 the Federation of Publishers' Guilds of Spain has had a domestic book market study run on the basis of data facilitated by the publishing houses belonging to the guilds and associations belonging to the Federation.

This report, which covers the sources of around 90% of all publishing income, gives book sector professionals a close-up picture of the production and sales of books published in Spain plus information on subjects such as employment, pocket book publishing, publishing in other media, average prices and marketing channels.

In short, Spain's domestic trade in books can be boiled down to these basic figures:

- 859 private publishing companies belonging to guilds.
- 15,467 direct employees.
- 70,520 titles published (including reprints).
- 357.56 million copies published.
- 5,070 copies per title (average run).
- 369,588 active titles available.
- 250.86 million copies sold.
- 3,123 million euro invoiced in the domestic market.

THE PUBLISHING COMPANY

The study looked at 859 private publishing companies belonging to guilds. Of this total, 32 companies invoice over 18 million euro per year (63.5% of all invoicing by publishing companies). In addition 227 companies (28.4% of all private publishing companies) belong to some business group.

EMPLOYMENT

In 2007 the publishing sector was responsible for directly employing 15,467 persons (1.3% fewer than in 2006, but 37% more than in 1998), distributed as follows:

Publishing production: 32.1%

Sales: 31.8%

Advertising: 3.7%

Administration: 29.1%

Human resources: 1.6%

Foreign trade: 1.7%

Moreover, 85.3% of the companies had outsourced help (an average of 28 outsourced helpers).

PUBLISHING AND ACTIVE TITLES IN CATALOGUES

In 2007 2.3% more titles were published than in 2006 (70,520), and 5.8% more copies were published (357.56 million), with an average run of

5,070 copies per title. In addition, non-university textbooks, literature, social sciences and humanities and children's and young adults' books accounted for 74.9% of the titles published and 65.5% of the copies published.

The language breakdown of the books published was 77.1% Spanish, 15.8% Catalan, 2.3% Basque and 2.4% Galician. The remaining 2.5% of books were published in other languages.

In 2007 24.6% of all publishing houses published something on non-paper media.

The total number of titles publishing houses kept in their catalogues for 2007 came to 369,588, 6.6% more than in the year before. The rise was especially sharp in how-to books, social sciences and humanities and literature.

BOOK SALES IN THE DOMESTIC MARKET

In 2007 book sales in the domestic market earned 3,123.17 million euro in revenues (3.6% more than in 2006, in current euro). With the addition of the 34 million euro earned by publishing houses for copyright sales, revenues came to a total of 3,157.4 million euro, so all in all there was a 3.9% increase in revenue in 2007.

The number of copies sold went up 10% over the year before (250,860,486), and the average price per copy was 12.45 euro.

A look at invoicing percentages by subjects shows that literature holds a 21.2% market share, and textbooks, 25.7%. There have been respectable increases in general information books, scientific/technical and university books and textbooks.

Subject	Invoicing (million €)	%	2006/2007 Variation	Average Price
Literature	663.35	21.2	4.1	9.29
Children/young adults	330.32	10.6	2.1	9.14
Non-university text	803.69	25.7	9.1	16.20
Science/technology	175.78	5.6	8.3	21.52
Social sciences/humanities	354.51	11.4	-3.2	19.21
How-to	184.74	5.9	-3.8	11.64
General information	281.36	9	13.2	8.32
Dictionaries/encyclopaedias	148.80	4.8	-8.1	25.79
Comics	77.05	2.5	-7.2	12.51
Other subjects	103.57	3.3	-68.8	18.77
Total	3,123.17	100	3.6	11.75

The increase over 2006 in terms of current prices was 3.6%; at constant prices, however, there was a 0.6% decline in 2007.

MARKETING CHANNELS

The report has the following findings to show concerning the marketing channels used to sell books:

-Bookstores and bookstore chains handled enough sales to account for 47% of all invoicing. Nevertheless, bookstore sales declined by 992 million euro (1.1%) and bookstore chain sales went up by 4.5% since 2006.

-Hypermarkets boosted their invoicing by 2.3%, and news agencies experienced an even bigger increase, from 170.60 to 272.08 million euro.

-Sales by post and by telephone declined from 2006 levels.

Channel	Invoicing in million €	2006/2007 Variation
Bookstores	991.75	-1.1
Bookstore chains	483.47	4.5
Hypermarkets	292.55	2.3
News agencies	272.08	59.5
Companies/institutions	304.37	9.3
Libraries	22.59	-2.6
Credit sales	258.92	2.0
Post	88.90	-11.1
Clubs	116.66	1.2
Internet	20.52	0.2
Subscriptions	77.48	56.8
Telephone sales	77.08	-15.6
Other channels	116.80	-27.2
Total	3,123.17	3.6

PUBLISHERS' COPYRIGHT COSTS

Member publishing houses paid a total of 187 million euro in 2007 to buy up copyrights, while they received 34.4 million euro for copyright sales.

Foreign Trade in Books

For the last fifteen years the Spanish Federation of Chambers of Books has been gathering statistics on Spain's foreign trade in books in order to gain a thorough understanding of the country's book exports and imports.

In 2007 the Spanish book sector exported 554.934 million euro's worth of books, 0.38% less than the year before. This just goes to show that the strength of the euro against the dollar continues unabated, despite the fact that the revenues and market shares of Spanish companies in America have not declined and have in fact done just the opposite. The balance of trade in Spanish books has in fact become consolidated at over 300 million euro, as the net balance in 2007 was 311.15 million euro. The result is even better when the value of exports is phrased in dollars (754 million).

Foreign Trade in Books 2005-2007 (Million Euro)			
	Exports	Imports	Net Balance
2005	452.89	139.11	313.75
2006	557.05	240.23	316.81
2007	554.93	243.78	311.15

Graphic arts accounted for 34.18% of the product exported by Spain. The remaining 65.82% was made up of regular books (39.73%), books sold by instalments and press agency goods (22.32%) and other products (3.39%). Books were the most important graphic arts product, bringing in over 127 million euro and accounting for nearly 23% of the export total.

By geographical areas, the main destination of Spanish exports was the European Union (55.85%). Publishing products accounted for nearly half that figure (44.80%). Approximately 97% of the exports to America were publishing products.

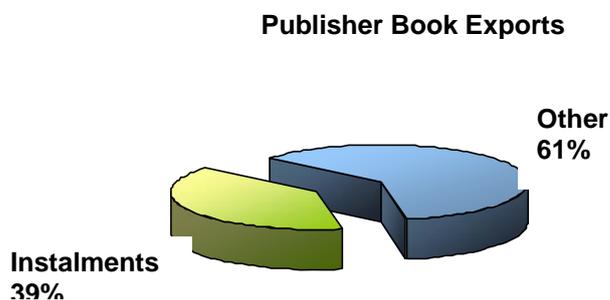
In fact, in 2007 only 1.97% of our book exports went elsewhere than America or the European Union. Shipments of graphics sector goods too were sent overwhelmingly (89.94%) to destinations inside the European Union. There are no more than residual graphics sector exports to America, and exports to Latin America alone brushed the zero level.

Exports by Sectors and Geographical Areas (in thousands of euro)

Area	Publishing Sector		Graphics Sector		Total	
	Euro	%	Euro	%	Euro	%
European Union	138,850	44.80	171,063	55.20	309,913	55.85
Latin America	199,676	96.91	6,369	3.09	206,045	37.13
North America	18,834	70.32	7,951	29.68	26,785	4.83
Rest of Europe	1,746	71.88	683	28.12	2,429	0.44
Africa	2,617	43.33	3,422	56.67	6,039	1.09
Asia	2,358	98.25	42	1.75	2,400	0.43
Oceania	444	33.56	879	66.44	1,323	0.24
Total	364,525	65.69	190,409	34.31	554,934	100.00

Publishers' exports of regular books, books by instalments and news agency materials in 2007 came to a total of 319.66 million euro (38.90% books by instalments and news agency materials and 61.10% books). Nearly 68 million copies were involved (51.58% books).

The most popular subject for exporting in the form of instalments was how-to books, followed by general information. In regular books, the most-exported subjects were social sciences (16.49%), literature (16.22%) and science/technology (15.28%).



Subject	Value
Literature	31,680,556
Children and young adults	22,828,291
Education	16,056,006
Science/technology	29,837,227
Social sciences	32,216,111
Law and economics	2,973,279
Religion	16,079,675
How-to	3,984,470
General information	19,337,643
Dictionaries and encyclopaedias	16,952,709
Comics	1,473,310
Other	1,894,646
Book subtotal	195,313,923
Books by instalments	124,342,833
Total	319,656,756

By countries, exports to Latin America kept growing and accounted for 37.13% of all publishing exports, with 206.04 million euro in 2007. Brazil and Argentina were the countries where sales increased the most. In Brazil sales rocketed from 14.58 million to 21.44 million euro, while Argentina continued its recovery as a market for Spanish sales, with 29.924 million euro, as opposed to 23.94 million in 2006.

Mexico was still the number-one Latin-American importer, with 69.39 million euro in 2007, slightly below its 2006 figure of 69.47 million. In fact, on the full list of importing countries, Mexico was outranked only by France, which imported 123.41 million euro of products in 2007 and 121.85 in 2006.

Argentina's recovery is still holding the United States in third place on the list of importers throughout America. Sales to the US came to a total of 24.66 million euro, as opposed to 23.10 million in 2006, although the US market is settling into a position as a major importer of Spanish books.

**Export Summary, Major Countries
1997-2007 (million euro)**

	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
France	45,527	47,883	62,079	45,995	86,254	82,320	76,075	78,748	84,243	121,854	123,413
Mexico	45,617	57,625	57,018	80,698	95,314	106,090	82,043	70,216	61,015	69,478	69,390
UK	37,100	43,754	43,597	59,512	61,743	67,851	63,525	74,709	57,084	66,462	60,788
Italy	9,135	12,110	20,344	35,105	42,122	35,582	43,689	38,796	39,889	42,761	39,329
Portugal	23,295	21,510	26,427	32,929	25,869	23,166	35,564	33,056	27,292	32,474	36,112
Argentina	56,339	59,578	51,849	55,305	44,908	5,754	6,806	11,927	16,459	23,949	29,927
US	17,994	18,920	21,943	29,522	33,539	24,330	22,444	20,390	18,323	23,106	24,666
Brazil	57,162	30,159	10,548	10,740	13,101	8,309	3,520	3,102	5,380	14,586	21,444
Netherlands	3,462	5,746	7,230	12,297	9,580	7,647	6,581	8,906	13,178	22,166	20,477
Venezuela	10,662	14,701	13,535	18,529	26,429	18,288	4,541	6,530	10,983	17,414	16,850
Germany	18,577	27,773	26,384	40,292	34,233	20,704	29,575	39,321	28,886	22,087	14,402
Colombia	19,058	18,139	14,106	14,803	16,740	17,714	11,248	9,247	10,817	13,486	13,609
Subtotal	343,928	357,898	355,060	435,727	489,832	417,755	385,611	395,948	373,549	469,823	470,407
Other countries	79,756	86,857	81,648	95,429	112,994	96,826	84,169	81,006	79,345	87,229	84,527
Total	423,684	444,755	436,708	531,156	602,826	514,581	469,780	476,954	452,894	557,052	554,934

Imports came to a total of 243.78 million euro in 2007, more than the 240.23 million registered in 2006.

To these figures we must add the amount invoiced in services, which generated 116.40 million euro in exports and 30.09 million euro in imports, making the positive net balance 86.40 million euro.

Book-Reading and Book-Buying Habits

According to the Book-Reading and Book-Buying Habit Barometer, the index of readers in 2007 was 56.9%, nearly 22 million people, which is above the average of the last few years. When asked, 41% of readers declared themselves frequent readers (reading books on a daily or weekly basis) and 15.9% regarded themselves as occasional readers (reading sometime every month or quarter), while 43.1% of the population said they never or almost never read.

Dividing frequent readers by types, the highest percentages are found amongst women, people under age 44, secondary school or university graduates, and employed or student residents of cities that have a population of over a million inhabitants.

The leading occasional readers are people under age 34, secondary school graduates, students, and residents of cities having 500,000 to 1,000,000 inhabitants.

Amongst the non-readers, the percentages are significant amongst men and amongst persons over age 55 who have a primary school education and live in habitats having fewer than 50,000 inhabitants or who are housewives or retirees.

By sexes, women read more than men. The readership percentage is 60.3% amongst women and 53.5% amongst men.

In connection with reading and age, the readership rate is found to decline as age increases. The readership percentage hits its highest level amongst young persons age 14 to 24 (73.3%), followed by persons age 25 to 34 (65.4%), persons age 35 to 44 (62.2%) and persons age 45 to 54 (59.1%). After that come readers age 55 to 64 (51.3%), and lastly, readers over age 65 (31.8%).

Reading frequency and education are closely related. The higher the level of education, the higher the percentage of readers. The readership index peaks at 84.5% amongst university graduates, declines to 66.2% amongst people with a secondary school education and drops to 35.2% amongst people with a primary school education.

The readership rate is higher for women than for men in all age brackets except after age 65, where the percentage of men readers surpasses the percentage of women readers.

Looking at readership percentage by educational levels, at every level women show a higher percentage than men. The difference is greatest in the population segments that have a secondary school education and declines in the segment of university graduates.

In readership intensity we find that the percentage of the over-14 population that read more than one book in the last year is 55.4%. An average of 8.6 books were read per year, up to 14.2 books per year for frequent readers. Frequent readers declared that they spent about 5.8 hours a week reading books (an average of 49 minutes' reading per day). Also, readership was highly concentrated: 18.9% of the reading public accounted for 56.7% of the books read.

As far as subject matter goes, literary work aroused the greatest interest in the reading public. Of the readers interviewed, 80.7% mentioned that the last book they read was literature (fundamentally novels and short stories). The next most important subject was humanities and social sciences, with 12.2%.

Amongst the readers who read novels and short stories, preferences went to the historical and adventure genres, while the least popular genres were horror, romance and science fiction/fantasy.

Books were read primarily for fun (87.8%), although amongst young readers age 14 to 24, 24.8% read for school and 75.8% read for fun.

Most readers preferred reading at home (95.1%), followed by reading while in transit (11.9%), in a park or outdoors (7.1%). The other places where interviewees generally read were at work (5.3%), in a library (2.9%) and at school (1.8%).

The language people read in was Spanish (93.1%), followed by Catalan (4%), Basque (0.4%) and Galician (0.3%). In addition, 1.1% of the readers read in English, and another 0.2% read in French.

By autonomous communities, in Cataluña 21.6% of readers usually read in Catalan. In País Vasco, 6.4% employed Basque as their regular reading language, and in Galicia 4.9% of readers usually read in Galician, while 1.9% of Comunidad Valencia's readers read in Valencian.

The percentage of people who read more books while on holiday was higher than the percentage of people for whom holidays meant fewer

books. There was a 20.3-point difference between those who read more and those who read less.

Lack of time (63.1%) was the main reason given by the people surveyed for not reading more regularly, although 13.6% of those surveyed declared that they did not like reading and 19.4% preferred to spend their free time on other types of entertainment. Leading amongst this latter group were men, younger persons and students.

Children under age six were read to in 73.2% of the homes where there were children in that age bracket, and they were read to an average of 3.0 hours per week (25.7 minutes per day).

Children age six to 13 were read to in 79.2% of homes, and children in this age bracket spent an average of 3.5 hours a week (30 minutes per day) reading themselves. These figures were not obtained directly from the children, but from the adults in the family who were surveyed.

The latest book people had read was generally bought (54.0%), borrowed (17.5%) or received as a gift (18.5%). Lending libraries were the source of 5.1% of the books read.

As regards book sources, there were different types of behaviour for different age groups. The youngest group surpassed the average percentage in borrowed books read; the eldest group read a higher-than-average percentage of gift books; and the in-between group (ages 35 to 54) read the highest percentage of bought books.

On the subject of book purchases, the report states that in the last year 56.2% of the persons interviewed bought books. Amongst frequent

readers the percentage climbed to 77.3%, and amongst occasional readers, it was 65.0%, while 32.9% of the non-readers bought books. Of the persons surveyed, 37.2% had bought 1 to 10 books, 12.6% had bought 11 to 20 books and 6.4% had bought more than 20 books. It was also found that 44.7% of the persons surveyed had bought books that were not textbooks.

Literature took the lion's share of sales (74.6%), and within literature, sales were fundamentally novels and short stories (92.7%). The biggest selling of the remaining subjects were humanities and social sciences, with 11.7%.

The best-selling novels were historical novels (29.5%) and adventure novels (26.5%). The study found a much lower percentage for science fiction/fantasy novels (12.7%), mystery/thriller novels (9.8%) and romance novels (9.4%).

The subject of the book, other people's recommendations, the author and the title were the main factors that influenced book purchasing.

When asked, 61.2% of book buyers cited bookstores as the place where they regularly bought books other than textbooks, and 48.4% made their last purchase in a bookstore. The strongest venues in other book-purchasing channels were department stores, book clubs, chain bookstores and hypermarkets.

According to interviewees, 48.4% of buyers made their latest non-textbook purchase in bookstores. This percentage has been slowly shrinking in recent years. Department stores and chain bookstores have increased their share.

Textbooks were purchased mainly in bookstores (69.3%). The second most important purchasing venue was schools/parents' associations, with 12.2%, followed by department stores (6.8%) and hypermarkets (6.3%).

The most widely read book in 2007 was Ildefonso Falcones' *Cathedral of the Sea*, followed by Ken Follet's *The Pillars of the Earth*, while *The da Vinci Code*, by Dan Brown, which had clung to the number-one spot for the last three years, descended to third place.