

## **The Italian Publishing Market**

*The report was prepared by Edward Carrington and Barbara Lapini*

### **Introduction**

The Italian publishing market has experienced several years of slow but consistent growth. The Association of Italian Publishers (Associazione Italiana Editori) reported that, in 2005, the overall cover price turnover of the Italian publishing market (including digital publishing) was \$4.93 billion; this figure represents a 0.4% increase from 2004. Italy published over 53,000 titles in 2005, and 63% of these were new titles. The market for titles in English is growing as part of a worldwide trend and, in fact, U.S. book exports to Italy increased by 13 percent in 2006 over the previous year. Reading rates generally remain below those of Northern European markets with only 42 % of Italians considered to be readers (defined as having purchased at least one non-scholastic title over the last year).

### **Market Overview**

The Italian publishing market was valued at \$4.93 billion in 2005, and while that figure represents a 0.4% increase from the previous year, the growth rate was significantly lower than in recent years. Italy's market experienced growth rates of 2.2% in 2003 and 3.1% in 2004. Educational and children's books continued to make up a large part of the publishing market (36%). Over 4,500 educational titles and 2,300 children's books were published in Italy in 2005.

In terms of distribution, bookstores traditionally account for roughly 28% of all books sold in Italy. In 2005 bookstores sales rose by 0.8% and were valued at \$1.41 billion. Other key distribution channels included the Internet, newsstands, and large-scale distribution (supermarkets and department stores) all of which experienced significant growth. Internet sales grew by 28% while newsstands and large-scale distribution both grew by approximately 12%. Another growth area was the sale of books bundled with newspapers and sold at newsstands. Income from these package deals grew by over 11% and sales brought in over \$680 million in 2005. However, this growth rate is significantly lower than the preceding years indicating that this segment of the market may be reaching maturity.

Of Italy's literate population (people over 6 years old) only 42% bought at least one book to read in 2005. This is an increase of 0.95%, but the overall percentage still lags behind that of other EU countries. The reading rate in the north of Italy (50%) is significantly higher than that in the south (30%).

### **Competitive Environment**

Italy continues to have a large appetite for translated works although this market has seen a slow decline over the last five years. In 2005, over 22% of all titles published

were translated (down from 25% in 2000). Titles translated from English made up over half of that statistic with 14.2% of the 53,000 titles coming from original English works. The majority of the remaining percentage was translated from French, German, and Spanish, respectively.

Italy maintained a positive trade balance with \$53.7 million in exports and \$38.7 million in imports of books. However, the value of imports was significantly higher in 2005 than in recent years and represented a 32.7% increase over 2004.

### **Best Prospects**

The spending of Italian families on the aggregate content industry (publishing, music, TV, films) reached \$18 billion in 2005. Almost \$5 billion of that was on publishing products and 36 percent of this amount was on school books or other educational materials.

One bright spot, in a country with a generally low number of readers (42% of total population) and a declining number of school kids, is the relatively high rate of reading among children. Since the mid-eighties that rate has been climbing and reached a peak of 71% in the late nineties. The number has fluctuated somewhat over the last five years going down and then up again. In 2006, 59.4% of school-age children read at least one non-school book putting them in the “reader” category. This puts children almost 18 percentage points over the general population in terms of reading rates. The preferred books by Italian children are adventure stories (29%), fairy tales (26%), comic books (17%), fantasy (9%), horror (7%), coloring, cutout and construction books (5%), and crime and mystery novels (4%).

### **Market Access**

As a member of the European Union, Italy applies the EU common external tariff to goods imported from non-EU countries. However, no tariffs or import duties are levied on books entering EU countries from the United States. A Value Added Tax (VAT or IVA) of 20 percent is assessed on products based on their Cost, Insurance, Freight (C.I.F.) value, plus the import duty at the port of entry.

On July 1, 2003, a European Union Directive relating to Value Added Tax (VAT) on digital services came into force. The legislation now requires any seller of electronically supplied services and broadcasting services from a non EU member state to charge and collect VAT on those products and services sold online to EU private consumers. This would include e-books and other publications delivered online. For additional information please contact the U.S. Mission at the European Union in Brussels or visit [http://europa.eu.int/comm/taxation\\_customs/taxation/ecommerce/vat\\_en.htm](http://europa.eu.int/comm/taxation_customs/taxation/ecommerce/vat_en.htm)

Another issue publishers should consider is the protection of intellectual property. Despite the implementation of the 2000 Copyright Law and increased enforcement

actions, piracy and counterfeiting rates in Italy remain among the highest in Western Europe. Piracy continues in virtually all copyright-based sectors.

Italy is a signatory of both the Berne Convention and World Trade Organization's (WTO's) Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS). Therefore, the author or creator of any original intellectual work is protected in Italy, even without registration. However, U.S. copyright registration is advisable. U.S. registration through the U.S. Copyright Office of the Library of Congress provides documentation of date and originality and is an important safeguard in case infringement occurs and legal action is necessary. In Italy, copyright protection is automatically provided for during the life of the author plus 70 years after his or her death.

For works created in Italy, authors and publishers can register copyrights in Italy with the Italian Society for Authors and Editors (SIAE). See Key Contacts section for contact information.

## **Market Entry**

When approaching the Italian market, there are a number of key questions U.S. publishers must face. The first is translation for print media or localization for multimedia products and, therefore, building a strong relationship with an Italian publishing house is key. Ideally, this will be a partner that is experienced in translations and has an established distribution network. Issues to be negotiated will include the licensing of texts, images, and graphics as well as licensing fees, advances, and royalties. It is strongly advised that publishers seek local legal counsel before entering into an agreement. In the Italian publishing field, perhaps the best place to identify an international partner is the Bologna Children's Book Fair, the world's largest fair for the children's publishing industry held every year in Bologna. Another key venue is the Turin Book Fair, Italy's largest event covering the entire publishing industry held every Spring in Turin. Many Italian publishers also attend and exhibit at the Frankfurt Book Fair in Germany. See Trade Events section for more information.

Publishers may also consider exporting English language titles to Italy to take advantage of the global trend of increased reading of original English language works. U.S. book exports to Italy rose 13 percent in 2006 over the previous year for a value of \$6.7 million. In this case, publishers may want to work through some of the large international book distributors either based in the U.S. or Europe supplying the English language bookstores and English sections of large retail chains. In Italy, Feltrinelli, Marzocco, and other booksellers have stores dedicated to foreign language works with much of the shelf space dedicated to English titles.

## **Key Contacts**

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## **Trade Events**

Bologna Children's Book Fair  
April 2008  
Bologna, Italy  
Website: [www.BolognaFiere.it/BookFair](http://www.BolognaFiere.it/BookFair)

Turin Book Fair  
May 2008  
Turin, Italy  
Website: [www.fieralibro.it/](http://www.fieralibro.it/)