

1st September 2022

How the UK's £6.7 billion publishing industry can support the new government's priorities

I am writing to you as one of the final candidates to be the next Prime Minister, on behalf of the UK's world-leading publishing industry.

UK publishing is a global success story. We export more books than any other country, generating £3.8 billion in exports and flying the flag for British culture and language across the world. At home, publishing supports 70,000 jobs and fuels creativity across the rest of the UK's world-leading creative sectors, with Harry Potter alone worth approximately £4 billion to the economy through books, films, tv, theatre, and tourism.

Academic publishers bring cutting-edge British ideas to global audiences, cementing our science superpower status and supporting our research output. Education publishers engage learners of all ages with evidence-rich content – from early years through to Further and Higher Education – and gave £43 million worth of resources away for free during the pandemic to aid an education system under strain. Consumer publishers help people to enjoy themselves and get inspired, with fiction selling particularly well in recent times.

As a sector we are in a prime position to drive much-needed job creation in the creative industries and to seize new global opportunities to share Britain's values and ideas abroad. We ask that you agree to the following pledges to secure the ongoing economic, cultural, and social contribution of UK publishing:

1. Protect the UK's gold-standard copyright and IP regime

The UK publishing industry's global success is built on our high standards for intellectual property, ensuring authors, researchers and creators are rewarded for their efforts. IP laws are a true area of comparative strength for the UK and they are the bedrock of our vibrant creative industries. There are two topical decisions being taken by the Intellectual Property Office (IPO) that threaten this strength.

Firstly, a decision on the UK's copyright exhaustion regime is due by March 2023. A change to this regime would remove copyright protections that stop the unauthorised importing of international copies of books into the UK, undercutting the domestic market. This would fundamentally undermine the industry, flood the UK with content tailored to different markets, and cost the UK up to a projected £2.2 billion in lost revenue.

Secondly, a radical, wide-ranging copyright exception for text and data mining (TDM) is being proposed for any purpose, anywhere, which would cause a wholesale transfer of value from British rightsholders to mostly foreign tech firms, wiping out a £335 million industry and undermining future investment in UK content for reading or mining. Both decisions are entirely avoidable, and we hope that the importance of a strong IP system will continue to be a strategic priority under the new government.

2. Build on publishing's successes in international trade

Exports are crucial to all sectors of publishing, and we welcome efforts to secure new international trade deals. The UK exports more books than any other country. Just as it is crucial in a UK context, we ask that the UK's gold-standard IP regime, which underpins the global success of the creative sector, is maintained in these negotiations. For example, trade talks with India represent improved access to an important market, but copyright enforcement must continue to match UK levels. In parallel, we urge the government to be ambitious in its support for publishers breaking into new and emerging markets through export support packages. Industry and government have a long history of working together to maximise British exports and we hope this continues in an expanded form.

3. Scrap the last tax on reading, audiobook VAT

As rightly stated in the March 2020 Budget, reading and knowledge are fundamental rights and should not be taxed. That's why physical books have always been VAT exempt and VAT on ebooks was scrapped. This leaves audiobooks as the only form of book still subject to VAT – discriminating against those who find audiobooks more accessible and harming reading for pleasure and learning. We estimate that VAT collected in 2021 on audiobook sales would have been worth approximately £22 million and the move would benefit a huge number of readers, including those in harder to reach areas and demographics.

4. Ensure DfE's future curriculum body does not wreck a vibrant free market

The Department for Education is attempting to create a new arms-length body, the 'future curriculum body', which risks undermining the UK's flourishing free market in education publishing. Undercutting the existing market with taxpayer-funded resources will drive investment out of the education publishing sector, leading to a decrease in teacher choice and educational outcomes. We ask that this body is proportionate and allows a commercial education resources market to continue to serve schools and children across the country. A DfE-run publisher for school resources is a fundamentally risky idea that could waste public money and cause huge damage to commercial competition and investment.

5. Promote fair competition in the Digital Markets, Competition and Consumer Bill

The Digital Markets, Competition and Consumer Bill is vital to ensuring the digital market for books operates on a level-playing field. The Bill must be prioritised for parliamentary time and the Digital Markets Unit should accelerate and expand its investigations. Technology firms and digital markets have expanded readership and connected publishers to global audiences in a way that has been great for the UK book sector. However, great power should come with great responsibility and this legislation is the route to ensure thriving competition and fair online marketplaces for UK publishers and readers.

We look forward to working with the new Prime Minister to guarantee the ongoing success of UK publishing and help deliver on the new government's aims.

Yours sincerely,



Dan Conway
CEO, Publishers Association