

Assessing Copyright and Related Rights Systems

Markets for Copyrighted Products and Services

Report on Piloting in Finland

Focus: Literature (Book Publishing Industry)



The logo for Cupore, consisting of the word "cupore" in a white, lowercase, sans-serif font, centered within a solid red rectangular background.

Assessing Copyright and Related Rights Systems: Markets for Copyrighted Products and Services – Focus: Literature (Book Publishing Industry). Report on Piloting in Finland.

This report is the result of the first pilot study implementing Description Sheet 4 – *Markets for Copyrighted Products and Services*, one of the 37 indicators constituting a methodology framework for assessing the operation of national copyright and related rights systems. The methodology framework has been developed at the Foundation for cultural policy research (Cupore) in Finland as part of a project financed by the Finnish Ministry of Education and Culture. The pilot study was conducted by Project Researcher Milla Määttä together with the core project team (Tiina Kautio and Nathalie Lefever) between April and December 2014 and its results were first published in December 2014 on the website of Cupore.

A handbook presenting the methodology framework is available on the website of Cupore at www.cupore.fi.

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Executive summary

This document presents data collected in application of a methodology framework to assess the operation of copyright and related rights systems. More precisely, the information and analysis below correspond to the fourth description sheet presented in the methodology handbook, titled “Markets for Copyrighted Products and Services”, and focuses on describing the market for literature and the book publishing industry.

Based on a desktop study, a large number of organized groups representing different stakeholders in the book publishing industry as well as organizations promoting domestic literature were listed and described. The organizations were classified in five categories according to their activities: organizations representing the authors, organizations promoting and representing the book publishing industry, copyright organizations, organizations promoting domestic literature and other organizations in the field of literature. The relatively high number of these organizations indicates that the Finnish market for books is highly organized considering its size.

From a global perspective, the level of publishing activities in Finland is modest. According to Statistics Finland, in 2012, just under 1 500 persons were working in enterprises engaged in publishing of books. From a global perspective, the average size of Finnish publishing houses (5.2 employees) is rather small; however, even though the number of smaller, more specialized publishing houses has been increasing due to lowered costs of book production, contemporary Finnish literature is mainly published by larger, more high-profile publishers than 10 years ago. The biggest publishers in Finland are now multifaceted media companies.

The Finnish book market is limited by the size of the country’s population and its division in two national languages. In practice, books written originally in one of Finland’s official languages must be translated when sold abroad, and because of the language barrier, books published in Finnish are mainly consumed in Finland. A large number of translations of foreign works are also published in Finland every year.

The price level of books in Finland is high. In 2012, the average consumer price of books was 24.95 euros, which was the third highest average price out of 40 European countries studied by the Council of Europe. The high level of prices is explained partially by the small domestic market and limited language region: since the print runs of domestic publishers are rather small, the average cost of books is high. The price and sales of books is also affected by Finland’s remote location and long distances within its borders, as well as by high taxation.

On average, Finns read more than citizens of most European nations. It has been estimated that in 2013, the number of physical copies of books sold in Finland was 23 million. This means that the number of books sold per adult was 5.2 copies. Despite an increase in the number of books sold per capita, according to Statistics Finland, the household consumption expenditure on books has decreased in recent years.

E-books in Finland are sold mainly by using the Electronic Sell-Through Model: the person purchasing the e-book can download a copy of the work for end-use against a fee. There are also different kinds of subscription services of e-books, where a periodic subscription fee is paid by the end-users in exchange for an unlimited access to the content available in the service, and other business models used for selling books in electronic form. The value of digital publications (other than audio books) sold in 2013 by the members of the Finnish Book Publishers’ Association was 16.2 million euros, representing only a very small part of the total book sales at consumer level.

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Introduction

A. CONTEXT OF THE PILOT STUDY

A methodology framework for assessing the operation of national copyright and related rights systems has been developed at the Foundation for cultural policy research (Cupore) in Finland. It is a collection of tools for achieving a systematic assessment of the functioning, performance and balanced operation of national copyright and related rights systems.

In the methodology, the assessment of the copyright and related rights system is determined through a framework consisting of so-called description sheets and methodology cards. The description sheets constitute guidelines to produce a comprehensive presentation and description of a country's copyright and related rights system and its operating environment. The methodology cards propose the collection of specific sets of data, either quantitative, descriptive or qualitative, that will be used as indicators of the functioning, performance and balanced operation of the system. Description sheets and methodology cards are accompanied by detailed information on the data to be collected, as well as analysis guidelines that will help connect them to each other.

The methodology framework is envisaged to be continuously improved through application feedbacks. For more information, see the Cupore website, www.cupore.fi/copyright.php.

This report presents data collected in application of Description sheet 4 of the framework, titled "Markets for copyrighted products and services". It is the result of the first pilot study applying this indicator in Finland.

This study was conducted by Project Researcher Milla Määttä together with the core project team (Tiina Kautio and Nathalie Lefever), between April and December 2014.

B. PRESENTATION OF THE INDICATOR

The indicator implemented here is intended to present the national context of the copyright system. It is part of the first pillar of the methodology, "The copyright environment", and its second area, "Value Creation and the Markets for Copyrighted Products and Services". It is a description sheet which provides information on the markets for copyrighted products and services in order to support the analysis of the operation of the national copyright and related rights system. This pilot study focuses on literature and the book publishing industry.

As explained in the methodology handbook, the existence of markets is a prerequisite for the copyright system; without a national market of copyrighted products and services, the copyright system has no object. The copyright system is based on market logic.

Copyright provides a legal background for building up economic value of works, products and services. It can ensure economic benefits for copyright holders who expect rewards from the exploitation and transfer of rights or from the sales of products and services, as a compensation for their creative or monetary investments. The economic value of copyright assets derives from end-user markets. Therefore an important starting point for assessing the copyright system is to understand the nature and the characteristics of the markets. Describing the markets will especially make sense if the framework is applied to study the operation of copyright on a specific industry. Licensing markets will be discussed separately under Pillar III of the framework.

Some descriptive information is necessary in order to grasp not only the sizes of the markets, but also their factual characteristics and the infrastructure surrounding them. The study focuses on the structures of particular industries and the organizations representing different actors such as unions and other organized groups. Data on competition will indirectly tell about the stability and profitability in the industry. Other elements to include are the degree of internationalization, the level of participation and consumption by end-users and a description of the most common business models. This indicator complements the results of studies based on Pillars II and III of the methodology framework.

The structure of the markets as well as the architecture of value creation differs between industries. For this reason, the different types of creative activities and creative industries should be analysed separately on these topics. Moreover, the methodology implemented in this study has been designed to be modular: it is possible to apply it to a national copyright system as a whole, or to specific sections of it. This study illustrates the use of the methodology when applied to one area of the copyright system: literature and the book publishing industry in Finland.

The area covered concerns both a specific subject matter and a particular industry. The subject matter selected, "literature", includes both fiction and non-fiction books published in Finland¹. It does not include news publications, journals and periodicals. When analyzing the market for literature from the economic point of view, the focus is on the book publishing industry, including all actors involved into the creation and publication of a book on the Finnish market: typically writers, illustrators, translators and publishers. The distribution channels of books are not analyzed in this study.

Description sheet 4 provides a list of descriptive elements concerning the markets and their infrastructure. The elements can be chosen on the basis of the objectives of each study, or when relevant for the interpretation of the results from studies using the second and third pillars of the framework. In this pilot study, the following elements of the description sheet are covered:

- The level of organization in the industry: existence of organized groups representing its members or some categories of them (such as unions and lobbying groups) and description of their activities
- Competition in the industry and the concentration of the markets: information on the total number of businesses, the numbers of businesses of relative sizes and a list of main actors)
- The level of internationalization of the markets
- The level of cultural participation and/or end-use of cultural products and services
- Average prices of cultural products
- Description of the most common digital business models used in the industries under consideration

The description sheet presenting the indicator can be found in Appendix A of this report.

C. METHODS

This pilot study is part of a package of six pilot studies applying the methodology for assessing the copyright and related rights system with a focus on the literature and book publishing industry. This package includes pilot studies made in application of the following indicators:

- *Description sheet 4. Markets for copyrighted products and services*
- *Description sheet 11. Individual exercise of rights*
- *Methodology card 15. Efficiency of copyright as an incentive to create and invest in creative works*
- *Methodology card 18. Transaction costs in transfer and licensing of rights*
- *Methodology card 19. Terms for transfer and licensing of rights*

¹ When relevant, a distinction has been made between digital and physical material.

- *Methodology card 22. Analysis of stakeholders' opinions*

These studies provide relevant background and complementary information that were used when conducting this study and analyzing its results.

The information collected for this indicator can be found through available national and international information sources. The method chosen was therefore desktop studies. This data was complemented with expert interviews. A list of the information sources used in the course of this research can be found in Appendix B of this report.

SECTION 1. THE LEVEL OF ORGANIZATION IN THE INDUSTRY

The purpose of this section is to give an overview of existing organized groups in the book publishing industry, such as unions and lobbying groups, and describe their activities.

The list of organizations presented below is divided into five sections:

- *Organizations representing the authors.* This section includes professional organizations representing the creators of Finnish literature. In addition to organizations for Finnish authors of different genres, the section presents also organizations representing Finnish translators, illustrators and editors, who all take part in the creative phase of the life cycle of a book.
- *Organizations promoting and representing the book publishing industry.* These industry organizations represent Finnish companies and foundations engaged in publishing activities.
- *Collective management organizations relevant in the field of literature.* This category includes collective management organizations² whose activities are related to literature and the book publishing industry.
- *Organizations promoting domestic literature.* The core activity of these cultural organizations is to promote the development of Finnish literature and different genres as well as promote reading in Finland. Their activities often include distributing different kinds of grants, awards and scholarships.
- *Other organizations in the field of literature.* This category includes organizations that represent other stakeholder related to the book publishing industry, i.e. organizations representing Finnish booksellers, libraries and critics. Their activities are focused on the dissemination of domestic literature in the society.

A. ORGANIZATIONS REPRESENTING AUTHORS

▪ THE UNION OF FINNISH WRITERS³

The Union of Finnish Writers (in Finnish *Suomen Kirjailijaliitto ry*) is a non-profit association established in 1897 for the ideological and professional organization of Finnish-speaking writers of fiction. The purpose of the union is to monitor and develop the artistic, professional and financial interests of writers and to promote Finnish literature. The union acts as a connecting link between its members, provincial and other writers' organizations and educational organizations in Finland and abroad.

In practice, the organization represents writers as a profession. The union strives for the establishment of comprehensive agreements concerning secondary use of literary works. The goal of the union is to defend freedom of speech and publishing and to monitor writers' copyrights by acting for the

² Collective management organizations represent authors and other right holders of certain categories of works and exercise their exclusive rights or rights to remuneration. Collective management organizations act as a contracting party in relation to users of works and collect and distribute the royalties to the authors they represent. For more information on collective management organizations in Finland, see the pilot report on Description sheet 12, *Collective management of rights*, available soon.

³ <http://www.kirjailijaliitto.fi/in-english/>

development of the legislation in the field and by issuing expert statements. In addition, the union provides information and publishing activities, gathers material concerning literature and cultural history and organizes different kinds of events.

The organization promotes creative work by assisting writers financially through managing and enlarging funds established to support the creative process and to guarantee the social security of writers. The union awards its members annual grants for literary work and purchase of working tools. There are also travel and study scholarships available.

▪ **SOCIETY OF SWEDISH AUTHORS IN FINLAND (FSF)⁴**

The Society of Swedish Authors in Finland (FSF, in Swedish *Finlands svenska författareförening*) monitors the financial and copyright interests of Finnish authors writing in Swedish. The goal of the association is also to promote Swedish literature in Finland. FSF has approximately 200 members and it was established in 1919.

The association represents its members in contract negotiations with the Ministry of Education, radio and television broadcasters, publishers and other contractors. The association also submits proposals and statements on trade, cultural and literary issues. In addition, FSF organizes for example school visits, readings, member trips and seminars. The association works closely with the Union of Finnish Writers.

▪ **THE FINNISH ASSOCIATION OF NON-FICTION WRITERS⁵**

The Finnish Association of Non-fiction Writers (in Finnish *Suomen tietokirjailijat ry*) is a cultural and professional organization representing non-fiction writers. The association was founded in 1983, and with over 2 900 individual members it is the biggest writer organization in Finland. The members of the association are writers of non-fiction works such as scientific books, dictionaries, textbooks, manuals, dictionaries and articles.

The aim of the association is to promote Finnish non-fiction, to protect the copyright and financial interests of its members, to provide support for non-fiction writers and to further the professional competence and ethics of its members. The association offers writers detailed advice and assistance in matters concerning publishing contracts and copyright issues. In addition, the organization distributes grants and annual awards to nonfiction and text-book writers. The grants are targeted at creative writing, writing-related equipment, traveling expenses connected with book projects, training and temporary office rental. The grants and awards are financed out of funds channeled to the association through the Finnish copyright organization Kopiosto⁶. The association also administers a register of experts and specialists.

▪ **THE FINNISH PLAYWRIGHTS AND SCREENWRITERS GUILD⁷**

Finnish Playwrights and Screenwriters Guild, founded in 1921, (in Finnish *Suomen Näytelmäkirjailijat ja Käsikirjoittajat ry*) is a professional organization representing both Finnish and Swedish speaking script writers for stage, film, television, radio and new media. The goal of the guild is to serve the needs of

⁴ <http://www.forfattarna.fi/start/>

⁵ <http://www.suomentietokirjailijat.fi/en/>

⁶ Kopiosto is a collective management organization representing Finnish and foreign authors, publishers and performing artists. As a collective management organization, Kopiosto acts as a contracting party in relation to users of works: the organization monitors the reuse of works and performances, administers the necessary copyright licenses and distributes remunerations. The following section C. *Collective management organizations relevant in the field of literature* includes a more detailed description of the copyright society.

⁷ <http://www.sunklo.fi/index.php?lng=en>

Finnish authors and to promote Finnish drama by protecting the professional, copyright and financial interests of its 500 individual members.

In practice, the guild negotiates and issues contracts, develops codes of practice in cooperation with theatres, television channels and producers and works with various artistic, copyright and public affairs organizations. The guild also offers its members advisory services, grants and different kinds of events. In addition, a library of plays by Finnish authors is maintained by the guild.

▪ **KÄSIKIRJOITTAJEN KILTA⁸ (THE GUILD OF PLAYWRIGHTS AND SCREENWRITERS⁹)**

"The Guild of Playwrights and Screenwriters" is a non-profit organization representing Finnish playwrights and screenwriters. The guild works in co-operation with the Finnish Playwrights and Screenwriters Guild, and its goal is to promote the conditions of scriptwriters in Finland and increase the visibility of their work. The goal of the guild is also to increase the appreciation of the scriptwriter profession and to act as a connecting link between professionals. The guild arranges different kinds of events and seminars for its members and participates also in different kinds of international activities.

▪ **THE FINNISH UNION OF AUTHORS WRITING FOR CHILDREN, YOUNGSTERS AND YOUNG ADULTS¹⁰**

The Finnish Union of authors writing for children, youngsters and young adults (in Finnish *Suomen Nuorisokirjailijat ry*) is a non-profit association established in 1946 to act as a nationwide combing a link for its members. The purpose of the union is to develop and deepen children's and youngsters' interest in reading.

In practice, the union promotes publishing activities and awards prizes. The oldest award of the Union, the Topelius Prize, is granted annually for the best youth novel. The Arvid Lydecken Prize is awarded annually for the best children's book. An honorary diploma called Pääskynen is awarded every other year for a person or an institute promoting children's culture.

▪ **THE FINNISH COMICS PROFESSIONALS¹¹**

The Finnish Comics Professionals (in Finnish *Sarjakuvantekijät ry*), established in 1995, is a non-profit association for comics creators. All writers, graphic artists, translators and lettering artists who make comic strips as a profession or are involved in creating comic strips may join the association.

The goal of the association is to protect the rights and interests of its members by offering training and information on taxation, payment collection, artists' social security, pensions, grants and other practical matters. The interest group also issues statements on topics concerning cultural policy, acts as a connecting link between comics professionals and offers its members an opportunity to establish contacts with publishers. The association also organizes exhibitions, seminars, various courses and a comic competition.

▪ **THE FINNISH ASSOCIATION OF TRANSLATORS AND INTERPRETERS¹²**

The Finnish Association of Translators and Interpreters (in Finnish *Suomen kääntäjien ja tulkkien liitto*), founded in 1955, is a non-profit professional association that aims at fostering professionalism and

⁸ <http://www.kkilta.fi/>

⁹ No official name was available in English; translation by the researcher.

¹⁰ <http://www.nuorisokirjailijat.fi/>

¹¹ <http://www.sarjakuvantekijat.fi/en/>

¹² <http://www.sktl.fi/in-english/>

quality in translation and interpreting. The association represents approximately 1 900 professional literary, document and audiovisual translators, court, conference and community interpreters and researchers.

The association monitors the development of the industry intensively and issues expert statements on current topics. The goal of the association is to advance the ethical principles and practices of translators and interpreters by creating operational models for their members. The association also offers its members information on copyright, entrepreneurship and other issues related to translation and interpreting. There are also grants and awards available.

Literary translators have their own division in the association. The division organizes training and different kinds of events, monitors the level of translation rates annually and deals with various issues concerning the working life of translators.

▪ **THE ASSOCIATION OF FINNISH ILLUSTRATORS**¹³

The Association of Finnish Illustrators (*Kuvittajat ry*) aims at improving the conditions of employment for illustrators and the standing of the illustrative arts. The goal of the organization is to support and promote the professional, legal and financial interests of illustrators in Finland for example by providing legal advice and contract model forms. Most of the funding for the organization's activities comes from the Finnish copyright organization Kopiosto as remunerations for photocopying. The association arranges illustration exhibitions and training for its members, distributes grants, administers prizes and hosts a monthly club as meeting point for illustrators. In addition, *Kuvittajat* aims also at establishing a permanent archive of illustration.

▪ **GRAFIA – ASSOCIATION OF VISUAL COMMUNICATION DESIGNERS IN FINLAND**¹⁴

The Association of Visual Communication Designers in Finland Grafia (in Finnish *Visuaalisen viestinnän suunnittelijoiden järjestö Grafia ry*) is a professional organization promoting expertise in and understanding of visual communication design. The goal of the association is to look after the professional, juridical and economic interests of its members. Grafia members work in various sectors within the field of visual communication, including illustration and layout design.

▪ **FORUM ARTIS – THE JOINT ORGANIZATION FOR ASSOCIATIONS OF FINNISH ARTISTS**¹⁵

Forum Artis is the national co-operation organization for Finnish artists' associations. The organization aims at advancing the interests of its member societies and promotes co-operation within the various branches of art. Forum Artis represents approximately 23 000 professional artists from 16 member organizations. The organization promotes the social, financial and professional interests of artists for example by issuing statements on cultural policy, by arranging different kinds of events and by increasing the media visibility of cultural issues.

¹³ <http://kuvittajat.fi/?lang=en>

¹⁴ <http://www.grafia.fi/in-english/about-grafia/>

¹⁵ <http://www.forumartis.fi/english-summary.html>

▪ **THE FINNISH BOOK PUBLISHERS ASSOCIATION¹⁶**

The Finnish Book Publishers Association (in Finnish *Suomen Kustannusyhdistys ry*) is a non-profit organization representing individuals and private corporations regularly engaged in commercial publishing. It is the oldest branch association in Finland, established in 1858. The association promotes the interests of its members as well as publishing activities, distribution of literature, reading and freedom to publish in Finland. The 100 members of the association account for about 80 % of commercially published titles and over 70 % of book sales in Finland.

The core activities of the association include monitoring members' copyright interests, maintaining contacts with authorities, organizations and interest groups in the field, distributing information, legal counseling, research support, acting as an expert in legislative work, issuing statements and submitting initiatives at the national level. The association also administers comprehensive statistics and produces information on book publishing.

▪ **SUOMEN KIRJANKUSTANTAJAT RY¹⁷ (THE FINNISH BOOK PUBLISHERS¹⁸)**

The Finnish Book Publishers (previously *Suomen Pienkustantajat ry*) represents especially small and medium-sized Finnish publishers. It is a non-profit organization which actively promotes the interests of its members and aims at improving the situation of publishers. The association also coordinates marketing operations in the industry.

The association monitors the industry, submits initiatives and participates in the debate on the conditions for publishers in Finland. In addition to offering advice, training and general help in publishing matters, the association organizes social events and excursions for its members. The association also has an online bookstore.

▪ **THE FINNISH ASSOCIATION FOR SCHOLARLY PUBLISHING¹⁹**

The Finnish Association for Scholarly Publishing (in Finnish *Suomen tiedekustantajien liitto ry*) represents Finnish corporations and foundations that are engaged in scholarly publishing. The purpose of the association is to monitor the common interests and rights of its members, to promote scholarly publishing and to act as a connecting link between its members and the international scientific community.

The association organizes different kinds of seminars and training sessions and distributes funds collected by Kopiosto as awards and grants to further scholarly publishing and to promote the professional competence of its members. In addition, the association has drafted general model contracts to be applied in the field of scholarly publishing.

▪ **THE FINNISH ASSOCIATION OF TECHNICAL PUBLISHERS²⁰**

The Finnish Association of Technical Publishers (in Finnish *Suomen Tekniset Kustantajat ry*) represents technical publishers with the aim of promoting their interests in general as well as acting as a connecting

¹⁶ <http://www.kustantajat.fi/en/>

¹⁷ <http://www.suomenkirjankustantajat.fi/>

¹⁸ No official name was available in English; translation by the researcher.

¹⁹ <http://www.tiedekustantajat.fi/>

²⁰ <http://www.teknisetkustantajat.fi/>

link between its members. The most important function of the association is to monitor photocopying of copyrighted printed material together with Kopiosto and to distribute the funds collected to its member publishers.

- **KUSTANNUSTOIMITTAJIEN YHDISTYS RY²¹ (THE ASSOCIATION OF PUBLISHING EDITORS²²)**

“The Association of Publishing Editors” represents Finnish publishing editors and works in close cooperation with The Finnish Book Publishers Association. The association organizes trainings and different kinds of social events for its members. The association maintains also a register of freelance editors and grants scholarships for editors and other individuals working in the field.

- **THE FINNISH ASSOCIATION OF SCIENCE EDITORS AND JOURNALISTS²³**

The Finnish Association of Science Editors and Journalists (in Finnish *Suomen tiedetoimittajain liitto ry*) represents professionals involved in science communications. The purpose of the association is to promote science publication and communication activities, the professional skills of science editors and journalists, and the exchange of science information in the Finnish society. The organization aims also at enhancing the status and appreciation of creative editorial work and acts as the co-operative tool for scientific editors and journalists.

In practice, the association organizes different kinds of trips, seminars and training sessions for its members, gives statements and makes proposals on relevant issues, and distributes funds collected by Kopiosto as awards and grants to promote the professional competence of its members and to further other scientific communication activities.

C. COLLECTIVE MANAGEMENT ORGANIZATIONS RELEVANT IN THE FIELD OF LITERATURE

Collective management of rights and collective management organizations operating in Finland have been studied in more details in the pilot study on Description sheet 12 – *Collective management of rights*. In this report, only collective management organizations relevant in the field of literature have been covered.

- **KOPIOSTO²⁴**

Kopiosto is a Finnish copyright organization for authors, publishers and performing artists, established in 1978. The 45 member organizations of Kopiosto represent literature, the press, music, pictures and moving image, among others. Kopiosto represents roughly 50 000 Finnish copyright owners from a variety of fields. In addition, in accordance with the reciprocal agreements made with sister organizations abroad, the organization also represents foreign copyright holders operating on the Finnish markets.

Based on the personal authorizations provided by copyright owners to Kopiosto’s member organizations, Kopiosto monitors the reuse of works and performances, administers the necessary copyright licenses and distributes remunerations. For instance, licenses for the photocopying of copyrighted printed material and for their electronic use are granted by Kopiosto. The remunerations

²¹ <http://www.kustannustoimittajat.fi/>

²² No official name was available in English; translation by the researcher.

²³ <http://www.tiedetoimittajat.fi/in-english/>

²⁴ http://www.kopiosto.fi/kopiosto/en_GB/

are distributed to copyright holders either directly by Kopiosto or by the member organizations as direct remunerations or as grants and awards.

Permissions to reproduce copyrighted works of right holders not represented by Kopiosto are also administered by Kopiosto. These copyright holders are entitled to remunerations which are paid by the organization that granted the permission.

▪ **SANASTO**²⁵

Sanasto is a Finnish non-profit copyright society for literary copyright holders. Sanasto promotes, supervises and manages the rights of literary copyright holders, offers legal counseling, provides information on copyright issues and advice to users of the works, administers the licensing of copyrighted works and delivers the levies collected to the authors of the works or their representatives. In addition, the aim of the foundation is to monitor the development of copyright legislation in Finland and internationally and to influence the public debate on copyright as well as related rights in a manner that is advantageous to right holders of literary works.

Member organizations of Sanasto include the Union of Finnish Writers, the Finnish Association of Non-fiction Writers, the Society of Swedish Authors in Finland and the Finnish Association of Translators and Interpreters. Sanasto's individual clients are writers and translators who have published at least one written or translated work.

On the basis of personal authorizations provided by right holders, Sanasto manages the collection of levies for the use of literary works; these include the compensations paid for Finnish public library lending, for the use of literary works on Finnish radio and television, for textbooks sold on the basis of regulations on compulsory licensing and the compensations paid by the Celia book lending system²⁶. Collected levies are delivered to the authors of the works or their representatives.

▪ **KUVASTO**²⁷

Kuvasto (in Finnish *Visuaalisen alan taiteilijoiden tekijänoikeusyhdistys Kuvasto ry*) is a Finnish copyright organization for visual artists. Kuvasto promotes and supervises the rights of artists to their visual works and aims at enhancing the conditions for visual arts in Finland. In practice, the society grants licenses for the use of copyrighted works, monitors that the rights of their members are respected, offers legal counseling, provides information on rights of visual artists and takes part in the development of copyright legislation both nationally and internationally.

Through VISEK (Finnish visual arts promotion centre), Kuvasto also administers grants that are directed to the production of audiovisual works and digital arts. The grants are funded with the levies collected for the private use of copyrighted works. In addition, Kuvasto is mandated by the Ministry of Education and Culture to administer the *droit de suite*²⁸ royalties.

²⁵ <http://www.sanasto.fi/front-page/>

²⁶ Celia is a national book lending system for the visually impaired. The library is a public service where copies of literary works are provided on the basis of the Section 17 of the Finnish Copyright Act (404/1961) in more accessible formats to those who cannot use the works in the ordinary manner. See: <http://www.celia.fi/>. Visited on 15.10.2014.

²⁷ <http://www.kuvastory.fi/>

²⁸ *Droit de suite* refers to the right for artists to receive a fee on the resale of their works of art.

▪ **THE FINNISH BOOK FOUNDATION²⁹**

The purpose of the Finnish Book Foundation (in Finnish *Suomen Kirjasäätiö*) is to promote Finnish book art and literature. The foundation was established by the Finnish Book Publishers Association and the Ministry of Education in 1983 and is best known for its literary awards. The foundation finances for example the Finlandia prizes, the Little Finlandia, Alvar Renqvist, Eino Leino and Mikael Agricola prizes.

▪ **THE FINNISH LITERATURE SOCIETY, SKS³⁰**

The Finnish Literature Society, SKS (in Finnish *Suomalaisen Kirjallisuuden Seura*) is an international research institute and cultural organization founded in 1831 by Elias Lönnrot³¹, who was the inventor of the Finnish word “kirjallisuus”, literature. The primary functions of the society are the research and promotion of Finnish oral tradition, the Finnish language and literature.

The Folklore Archives, the Literary Archives and FILI – Finnish Literature Exchange are parts of the SKS. The society has also a library, a research department and a publishing house which has published works of both fiction and non-fiction in Finnish.³² The SKS provides grants and awards for the research and advancement of folklore and literature. The society supports also students in these fields. Grants for the translation of literature are awarded by the Finnish Literature Information Centre.

▪ **THE SOCIETY OF SWEDISH LITERATURE IN FINLAND, SLS³³**

The Society of Swedish Literature in Finland (in Swedish *Svenska litteratursällskapet i Finland rf*) is a cultural institution of Finland-Swedish literature, culture and research. The SLS preserves, develops and mediates the Swedish cultural heritage in Finland. The society administers archives and a library, distributes scholarships and has its own publishing and research units. The society also owns and administers the Swedish Cultural Foundation in Finland. The activities are funded mainly by private donations.

▪ **THE FINNISH COMICS SOCIETY³⁴**

The Finnish Comics Society (in Finnish *Suomen sarjakuvaseura ry*) is an association of makers, readers, collectors and researchers of comics. The purpose of the society is to increase appreciation of Finnish comics. The society aims at promoting the awareness and critical reading of comics and gaining respect for the art form.

²⁹ <http://www.kustantajat.fi/en/thefinnishbookfoundation/foundation/>

³⁰ <http://www.finlit.fi/index.php?lang=eng>

³¹ The society funded the excursions of its first secretary Elias Lönnrot to Eastern Finland and Karelia and published his works based on the oral folk poetry collected during these trips: Kalevala (1835, 1849) and Kanteletar (1840). SKS, The Origins of the Society: <http://www.finlit.fi/english/society/history.htm>. Visited on 26.2.2014.

³² Including the first novel to be written in the Finnish language, Aleksis Kivi's Seven Brothers (1870). SKS, The Origins of the Society: <http://www.finlit.fi/english/society/history.htm>. Visited on 26.2.2014.

³³ <http://www.sls.fi/doc.php?category=1&language=eng>

³⁴ <http://www.sarjakuvaseura.fi/fi/in-english>

- **IBBY FINLAND³⁵**

IBBY Finland ry is a non-profit organization established 1957 to promote Finnish children's and youth literature in Finland and abroad. It is a part of the International Board on Books for Young People. IBBY Finland organizes seminars and fairs as well as publishes materials to disseminate information on literature for young people. The organization also grants awards and selects Finnish nominees for international awards and fairs.

- **FILI – FINNISH LITERATURE EXCHANGE³⁶**

FILI – Finnish Literature Exchange is an expert and export organization dedicated to supporting the translation, printing and publication of literature and promoting the awareness of Finnish literature abroad.

The core activities of FILI include awarding grants for promotional activities and the translation and printing of literature, participating in various literary events and international book fairs and acting as a connecting link for publishers in Finland and other countries. In addition to participating in various international projects, the association organizes seminars and other events for translators and international publishers and editors. The association also administers a list of translators who work with the languages of Finland and offers useful information for translators just starting their career. FILI also produces materials about contemporary literature from Finland primarily for publishing professionals and maintains a translation database.

- **THE LITERATURE FOUNDATION OF WERNER SÖDERSTRÖM CORPORATION³⁷**

The purpose of the Literature Foundation of Werner Söderström Corporation (in Finnish *Werner Söderström Osakeyhtiön kirjallisuussäätiö*) is to promote Finnish national literature and literature as a hobby. The foundation distributes grants and awards as well as supports projects promoting reading as a hobby. The foundation also maintains an art collection associated with writers and literature.

- **THE OTAVA BOOK FOUNDATION³⁸**

The Book Foundation of Otava (in Finnish *Otavan Kirjasäätiö*) was established in 1945 to promote and support Finnish literature and literary culture in general. The foundation distributes grants and awards to encourage Finnish authors in their creative work.

- **THE FINNISH READING CENTER³⁹**

The Finnish Reading Center (in Finnish *Lukukeskus ry*) is a literary organization which promotes reading, runs campaigns and produces materials and services for schools, libraries and the general public, for the benefit of children and young people all over Finland. The center is funded by the Finnish government and several Finnish charitable foundations. For example, the center has an extranet author database, and it organizes author visits and different kinds of literature events. The association has provided a widely-used standard fee structure for the visits of authors.

³⁵ <http://www.ibbyfinland.fi/>

³⁶ <http://www.finlit.fi/fili/en/>

³⁷ <http://www.wsoy-kirjallisuussaatio.fi/>

³⁸ <http://otavankirjasaatio.fi/>

³⁹ <http://www.lukukeskus.fi/the-finnish-reading-center/>

▪ **THE KIVI-TALO FOUNDATION⁴⁰**

The Kivi-talo Foundation (in Finnish *Kivi-talo Säätiö*) was established in 1985 to improve the working facilities for writers in Finland and to further contacts between authors and readers. In practice, the foundation manages a small library and offers 14 workrooms for writers in exchange for a minor rent. The Finnish Reading Center operates in the same building where the workrooms are situated.

▪ **NIHIL INTERIT⁴¹**

The Poetry association Nihil Interit is a community of Finnish authors and readers of poems. It aims to further the writing, reading and performing of Finnish poetry, as well as to encourage discussions on poetry related issues. In practice, the association provides different kinds of opportunities for get-togethers, publishes poems and a poetry magazine, maintains a website for digital poetry, organizes different kinds of events and competitions and distributes grants.

▪ **NUOREN VOIMAN LIITTO AND NUOREN VOIMAN SÄÄTIÖ⁴²**

Nuoren Voiman Liitto (NVL), founded in 1921, is one of the oldest and most active non-profit literature organizations in Finland. The association aims at supporting creative writing, encouraging ambitious writers of all ages in their craft, making more people aware of experimental, marginal and cross-disciplinary literature and developing interaction between authors and readers. They also organize literary events and publish a literary magazine *Nuori Voima*.

The operations of the association are supported by a foundation called *Nuoren Voiman Säätiö*⁴³, which also provides financial support to art, art studies and the work of critics as well as education and leisure activities in these fields.

▪ **THE FINNISH INSTITUTE FOR CHILDREN'S LITERATURE⁴⁴**

The Finnish Institute for Children's Literature (in Finnish *Lastenkirjainstituutti*) is a library specialized in children's books, as well as a nationwide centre for information and research on children's literature. The institute provides information to teachers, university students and members of the general public and serves as a connecting link for organizations, researchers and individuals active in the field of Finnish children's literature.

E. OTHER ORGANIZATIONS IN THE FIELD OF LITERATURE

▪ **THE BOOKSELLERS' ASSOCIATION OF FINLAND⁴⁵**

The Booksellers' Association of Finland (in Finnish *Kirjakauppaliitto ry*) is an interest group for Finnish bookstores. The association provides its members counseling, education and information and promotes reading as a hobby. The goal of the association is to further the operational preconditions of bookstores,

⁴⁰ <http://www.villakivi.com/>

⁴¹ <http://nihilinterit.wordpress.com/>

⁴² <http://www.nuoreuvoimanliitto.fi/international/>

⁴³ <http://www.nuoreuvoimanliitto.fi/liitto/saatio/>

⁴⁴ <http://www.lastenkirjainstituutti.fi/in-english/>

⁴⁵ <http://www.kirjakauppaliitto.fi/>

to protect the status of bookstores as a distribution channel for literature and to monitor the benefits of its members.

- **KIRJAKAUPPASÄÄTIÖ⁴⁶ (THE FINNISH BOOKSTORE FOUNDATION⁴⁷)**

The Finnish bookstore foundation "Kirjakauppasäätiö" aims at assisting bookstore personnel in need of outside support, for example with regards to incapacities for work. In addition to this, the foundation promotes and supports the development of Finnish literature and the domestic book market. In practice, the foundation supports financially research related to the industry and grants prizes to authors and booksellers in Finland.

- **THE FINNISH LIBRARY ASSOCIATION⁴⁸**

The Finnish Library Association (in Finnish *Suomen Kirjastoseura*) promotes the ideology of the library. It is a professional body (not a trade union) which accepts also non-librarians as members. In practice, the association organizes theme days and campaigns for the libraries, provides expert information, runs projects with various partners as well as participates actively in public discussion concerning the role of libraries in the society, the development of librarianship and information studies education, and the image and status of library work. Study trips abroad are also arranged for members of the association.

- **THE FINNISH CRITICS' ASSOCIATION⁴⁹**

The Finnish Critics' Association (in Finnish *Suomen arvostelijain liitto ry*) is a professional association of critics in different arts and art forms in Finland. The association promotes arts critics' professional activity and expertise and aims at improving its members' economic, social and judicial status. In practice, the association organizes training and education, provides grants, monitors the professional assets of its members and transmits topical information on conditions and contents of arts critics work. The association has also a specific literature section which organizes topical seminars and discussions held especially in connection of book fairs.

SECTION 2. COMPETITION IN THE INDUSTRY AND CONCENTRATION OF THE MARKETS

The purpose of this section is to provide information concerning the level of competition in the Finnish book industry. The competition in the industry and the concentration of the Finnish book publishing market is reviewed by looking at the number of organizations in the field of book publishing and a list of the main actors in the industry.⁵⁰

- **THE NUMBER OF ORGANIZATIONS IN THE FIELD OF BOOK PUBLISHING**

From a global perspective, the level of publishing activities in Finland is modest. In 2012, the number of new titles published per one million inhabitants in Finland was 2 123, which is internationally a fairly

⁴⁶ http://www.kirjakauppaliitto.fi/?page_id=36

⁴⁷ No official name was available in English; translation by the researcher.

⁴⁸ <http://suomenkirjastoseura.fi/inenglish/>

⁴⁹ <http://www.sarv.fi/2010/index.php?l=en>

⁵⁰ As suggested in the Methodology handbook (Draft version 20.12.2013), the study could also cover the number of businesses with a market coverage of at least 5 % of the total market, the numbers of businesses of relative sizes and the number of new businesses (entry rate) and closed businesses (exit rate) could also be examined. However, information concerning these factors in the industry in question was not found at the time of the piloting.

strong figure. However, if the book sales at consumer level in 2012 (EUR 563 million⁵¹) are compared to the 20 largest publishing markets, the size of the Finnish publishing market can be stated to be fairly small.⁵²

The publisher register maintained by the Finnish ISBN Agency contains some 5 000 publishing houses, but the Finnish Book Publishers Association states that only about 2 500 of them operate actively.⁵³ However, according to Statistics Finland, the number of enterprises in the book publishing industry in 2012 was only 284. This figure includes only enterprises which operated more than six months in the statistical year and employed at least the equivalent of a half-time employee or their turnover exceeded 9 187 euros. The following table 1 presents also the number of other enterprises that were engaged in production and distribution of books in 2012.

Table 1. Enterprises engaged in production and distribution of books in 2012⁵⁴				
Industry⁵⁵	Enterprises	Staff	Turnover EUR 1,000	Wages and salaries EUR 1,000
Production and distribution of books	716	2 959	663 687	111 210
<i>Publishing of books</i>	284	1 479	338 799	69 231
<i>Binding and related services</i>	38	106	7 680	3 055
<i>Wholesale of books</i>	25	300	112 827	10 852
<i>Retail sale of books</i>	201	958	190 346	26 647
<i>Second-hand bookshops</i>	134	102	9 943	1 115
<i>Retail sale of books, music and video recordings via mail order houses and net commerce</i>	34	14	4 092	310

According to Cultural statistics 2012 of Statistics Finland, the publishing industry (including the publishing of books, magazines and newspapers) employed around 17 230 persons in 2012.⁵⁶ However, only 1 479 persons were working in enterprises engaged in publishing of *books* that year.⁵⁷ On the basis of this information it can be calculated that the average number of employees per publishing enterprise was 5.2 persons. As a comparison, Eurostat has stated that the average number of persons employed per enterprise in publishing of books in Finland was in 2007 6.9 which was just above the European average of 6.3 persons. However, in US the average number of employees per firm in the publishing

⁵¹ Statistics Finland, Culture & media statistics: Mass media market volume in Finland 2002 – 2012. <http://www.tilastokeskus.fi/til/jvie/tau.html>. Visited on 12.12.2014.

⁵² Rüdiger Wischenbart: IPA Global Publishing Statistics. Available at: http://www.internationalpublishers.org/images/stories/MembersOnly/STATS/2012/IPA_Global_Publishing_Statistics_2.pdf. Visited on 20.4.2014.

⁵³ The Finnish Book Publishers Association. Kustantaminen. Kustannusalan lukuja ja muuta tietoa: <http://kustantaminen.fi/mita-kustantaja-tekee/kustannusalan-lukuja-ja-muuta-tietoa/>. Visited on 19.4.2014.

⁵⁴ Source: Statistics Finland, Business Register. Culture and media enterprises by industry 2012: http://www.tilastokeskus.fi/til/klt/tau_en.html. Visited 20.4.2014.

⁵⁵ The 2008 classification of industries of Statistics Finland (TOL2008).

⁵⁶ Statistics Finland: Employment in cultural activities weakened from 2010, published in 23.8.2013. http://www.stat.fi/til/klt/2012/01/klt_2012_01_2013-08-23_tie_001_en.html. Visited 20.4.2014.

⁵⁷ Statistics Finland, Business Register. Culture and media enterprises by industry 2012: <http://www.tilastokeskus.fi/til/klt/tau.html>. Visited 20.4.2014.

industry in 2007 was over 100, which indicates that the average size of Finnish publishing houses is rather small from a global perspective.⁵⁸

▪ MAIN ACTORS IN THE INDUSTRY

European publishing ranges from small enterprises of only a few employees to enormous international businesses employing many thousands of people.⁵⁹ The situation is the same in Finland, where the biggest publishers are multifaceted media companies that are accompanied by a large number of smaller publishing houses. Most of the biggest publishing houses in Finland have been established in the 19th century.⁶⁰ Technological development has lowered the costs of book production, which has also increased the number of smaller, more specialized publishing houses in Finland in recent years.⁶¹ However, contemporary Finnish literature is mainly published by larger, more high-profile publishers than 10 years ago.⁶² Furthermore, it should be noted that books are not published only by publishing companies, but also, for example, by different kinds of associations, universities and research organizations as well as by the Finnish government.

The concentration of the markets can be described on a general level by looking at the members of the Finnish Book Publishers Association: according to the association, their 103 members account for about 80% of commercially published titles and over 75% of book sales in Finland.

The largest publishing entity in Finland is the **Sanoma Group**, one of the largest media and learning companies in Europe, which is comprised of three reporting divisions: Media, News and Learning. In 2011, the educational publishing programmes of Tammi and WSOYpro were merged into a single company, **Sanoma Pro**, which is a part of Sanoma's learning segment. Sanoma Learning is a leading European provider of learning materials and solutions in print and digital formats, and thanks to this leading position, Sanoma was one of the world's 60 largest book publishers in 2012 (ranked 41st).⁶³ Sanoma Magazines Finland also owns **Egmont Kustannus**, which is the largest comics publisher in Finland. Egmont publishes among others books based on Disney characters, which enjoy very high sales volumes in Finland.

Bonnier Books Finland Ltd owns today Werner Söderström Osakeyhtiö (WSOY), Kustannusosakeyhtiö Tammi, ReadMe and four Finnish book clubs. The domestic book publishing market was dominated by WSOY and its subsidiaries up until 2011, when the international media group Bonnier acquired WSOY's general publishing business from the Sanoma Group. Together with Otava, both WSOY and Tammi (also acquired by Bonnier in the 1990s) used to be the three largest book publishers in Finland. Hence, by acquiring Tammi and WSOY, Bonnier has become the largest book publisher in Finland today.⁶⁴

There are also two long-established general publishing houses operating independently in the market. Finland's oldest general trade publisher **Gummerus** has been operating without interruption since 1872.

⁵⁸ Eurostat. Cultural statistics, 2011 edition: http://epp.eurostat.ec.europa.eu/cache/ITY_OFFPUB/KS-32-10-374/EN/KS-32-10-374-EN.PDF. Visited on 10.5.2014.

⁵⁹ The Federation of European Publishers. About publishers: <http://www.fep-fee.eu/The-profession,16>. Visited on 19.4.2014.

⁶⁰ Statistics Finland. Books in Finland: A Success Story: http://www.stat.fi/tup/suomi90/huhtikuu_en.html. Visited on 20.4.2014.

⁶¹ Koistinen, Jaana (2007): Kotimaisen kirjallisuuden juhluvuodet. In Tarja-Liisa Hypén (ed.): Kirjan matka tekijöiltä lukijoille. Tampere University Press, pp. 45-64.

⁶² FILI – Finnish Literature Exchange. FAQ – Frequently asked questions about Finnish literature and translation: <http://www.finlit.fi/fili/en/fili-en/faq-frequently-asked-questions-about-finnish-literature-and-translation/>. Visited on 20.4.2014.

⁶³ Publishers Weekly, Global Publishing Leaders 2013: Sanoma (19.7.2013): <http://www.publishersweekly.com/pw/by-topic/industry-news/financial-reporting/article/58339-global-publishing-leaders-2013-sanoma.html>. Visited on 12.8.2014.

⁶⁴ In practice, WSOY's general publishing business and Tammi have continued to operate as separate publishing companies, but their communications divisions and direct-sales operations have been merged in 2012.

Otava Group, founded in 1890, is the second largest publisher in the graphic industry. Otava publishes also magazines and runs the oldest book club in Finland.

Edita Publishing, subsidiary of a leading communications group in the Nordic region, Nordic Morning, is an important publisher of learning material.

The key Finland-Swedish publishing house is **Schildts & Söderströms**. However, Otava has also made the decision in 2012 to begin publishing textbooks in Swedish, which is going to change the Swedish-language publishing landscape in Finland.⁶⁵

Another larger publishing house to be mentioned is **Lasten Keskus ja Kirjapaja Oy**. Lasten Keskus and Kirjapaja used to be two separate publishing houses, but in 2012 the companies merged, becoming the eight largest publishing house in Finland.

SECTION 3. THE LEVEL OF INTERNATIONALIZATION OF THE MARKETS

In this section, the domestic markets for literature are reviewed by looking at the level of internationalization of the Finnish book markets. The section presents the volumes of imports and exports of books by looking at the figures concerning the number of translations of foreign works published in Finland and the number of translations of Finnish books published outside Finland.⁶⁶

▪ **VOLUMES OF IMPORTS AND EXPORTS OF BOOKS**

There are certain factors which make the Finnish book market unique and also affect the operations of book publishing businesses in Finland. Similarly as other national markets for copyrighted goods and services, the Finnish book market is limited by the size of the country's population – 5,4 million in 2012 – and its division in two main languages (Finnish and Swedish). In practice, books written originally in one of Finland's official languages must be translated when sold abroad and because of the language barrier, books published in Finnish are mainly limited to the Finnish market. In addition, a large number of translations of foreign works are published in Finland every year.⁶⁷

According to the Mass media statistics of Statistics Finland, the share of domestic production of literature as a proportion of all titles published in 2012 was 77 per cent.⁶⁸ In 2012, a total of 2 585 translations of foreign titles were published in Finland. On the basis of the statistics of the National

⁶⁵ FILI – Finnish Literature Exchange. Finland. Cool. The Finnish Publishing Industry. <http://medienarchiv.buchmesse.de/download.do?documentId=38926&format=9>. Visited on 20.4.2014.

⁶⁶ The level of internationalization of the markets for copyrighted products and services could also be analyzed by looking at, for example, the number of foreign businesses operating on the national market and the number of international co-productions. However, at the time of the piloting, this information concerning the book publishing markets was not available.

⁶⁷ The level of domestic production of books and the number of translated books published in terms of titles have been reviewed in Pilot report on methodology card 2: *Volume of domestic production of copyrighted products and services*.

⁶⁸ Finnish Mass Media. Share of domestic production in different sectors of mass communication. Statistics Finland, 2014. E-publication, available at: http://www.stat.fi/tup/julkaisut/tiedostot/julkaisuluettelo/yklt_jvie_201300_2013_10433_net.pdf. Visited on 21.10.2014. The corresponding figure in 2009 was 83 per cent; see Finnish Mass Media. Share of domestic production in different sectors of mass communication. Statistics Finland, 2012. E-publication, available at: http://www.stat.fi/tup/julkaisut/tiedostot/isbn_978-952-244-370-0.pdf. Visited on 21.10.2014.

Library of Finland, it can be stated that the share of translated titles in all titles published in Finland in 2012 was approximately 18 percent.⁶⁹

The number of translations of domestic works published outside Finland in 2012 was 254. According to FILI, the number of translations of domestic works has been increasing in recent years.

The volume of imports and exports of books in Finland has been reviewed in more detail in Pilot report on methodology card 3 – *Volume of exported and imported copyrighted products and services*.

SECTION 4. PRICE LEVEL, CULTURAL PARTICIPATION AND END-USE OF BOOKS

The purpose of this section is to provide information on the price level of cultural goods, the level of cultural participation and end-use of cultural products and services.⁷⁰ The price level is described by presenting estimates on average prices of books in Finland. The level of cultural participation with regards to literature is reviewed by looking at the frequency of reading in Finland. End-use of cultural goods is measured through figures concerning the number of books sold per capita and the household consumption expenditure on books.

A. PRICE LEVEL

The price level of books in Finland is rather high: according to Council of Europe's ERICarts Compendium of Cultural Policies and Trends, the average consumer price of books in 2012 was 24.95 euros. Out of the 40 European countries studied, only in Denmark (44.20 euros) and Sweden (25.83 euros) the average price of books was higher than in Finland.⁷¹

As presented in the Cultural Price Index on Goods and Services (Council of Europe/ERICarts), the level of cultural industries consumer prices in Finland was at 139 per cent of the level of the OECD Purchasing Power Parity in 2012. As compared to the median of consumer prices in the Cultural Price Index on Goods and Services (CUPIX, where 11.83 euros = 100 %), the Finnish median of cultural industries consumer prices ranks at 150% (17.80 euros). Only in Denmark the prices of cultural goods (CDs, books and films) were higher.⁷²

The high level of prices is explained partially by the small domestic market and limited language region. As mentioned earlier, books written originally in one of Finland's official languages must always be translated when sold abroad and books published in Finnish are mainly consumed in Finland. For these reasons the print runs of domestic publishers are rather small, which increases the average cost of books.⁷³

⁶⁹ The National Library of Finland: Legal Deposit and Publisher Statistics: <http://www.nationallibrary.fi/publishers/statistics.html>. Visited on 28.2.2014. Based on data from the national bibliography as classified by subject under Finnish literature. Statistics compiled according to Unesco recommendations (see Unesco Statistical Yearbook). Small publications (5–48 pages) are included in the figures.

⁷⁰ Cultural participation has for example been studied by Eurostat through modules analyzing trends and patterns relating to cinema and live performance attendance, visits to cultural sites, involvement in amateur cultural activities and reading. End-use of cultural goods can be measured through figures such as the number of movie tickets sold per capita, the number of books sold per capita.

⁷¹ Council of Europe/ERICarts Compendium of Cultural Policies and Trends 2013. CUPIX - Cultural Price Index on Goods and Services, 2012: <http://www.culturalpolicies.net/web/statistics-markets.php?aid=237&cid=76>. Visited on 22.4.2014.

⁷² Council of Europe/ERICarts Compendium of Cultural Policies and Trends 2013. CUPIX - Cultural Price Index on Goods and Services, 2012: <http://www.culturalpolicies.net/web/statistics-markets.php?aid=237&cid=76>. Visited on 22.4.2014.

⁷³ See also Pilot report on Description sheet 1 – *National Context*.

The price and sales of books is also affected by Finland's remote location and long distances within its borders, as well as by high taxation. As presented in the pilot report on Description sheet 1 – *National Context*, as of 2013, the value added tax in Finland amounts to 24 % (the general rate), which is applied to the supply of digital books. However, a reduced VAT rate of 10 % applies, among others, to the supply of books published in print.⁷⁴

B. THE LEVEL OF CULTURAL PARTICIPATION AND END-USE

▪ READING OF BOOKS

Finns are well-educated and the level of literacy is virtually 100 per cent. Despite the small language region, a majority of Finns have a sufficient knowledge of other languages in order to enjoy foreign culture.⁷⁵ Reading is also promoted in many ways, and Finns have a reputation for being enthusiastic readers. Public libraries charge no fees for borrowing, and literature is available to everyone.⁷⁶ The bookstore network is also one of the most extensive in the world, and some book clubs owned by the largest publishers still operate in the domestic market.⁷⁷

In the time use survey by Statistics Finland, 75 percent of Finns over 10 years old had read at least one book during the past year (in 2009).⁷⁸ Comparably, the most recent *Suomi Lukee* (Finland Reads) study, conducted in 2008, showed that a fifth of Finns who took part in the survey had not read any books during the past month.⁷⁹

Finns read on average more often than citizens of most European nations. For example, in 2007, only in Sweden was the percentage of persons in the age group 25–64 years who had read at least one book in the last 12 months (84 %) higher than in Finland (just under 80 percent).⁸⁰

According to Statistics Finland, the proportion of women who had read books during the past 12 months was larger (81 %) than the corresponding figure concerning men (68 %).⁸¹ As table 2 indicates, women read also slightly more frequently than men: in 2009, 26 percent of Finnish women read on a daily basis,

⁷⁴ This 10% value added tax rate also applies to pharmaceutical products, services creating opportunities for physical exercise, passenger transportation, accommodation, the remuneration received by Yleisradio Oy from the TV and radio fund and by Ålands Radio and TV based on the TV licence fees, the entrance fees to cultural and recreational events, the supply and import of works of art in certain situations, the subscriptions of newspapers and periodicals and the remuneration relating to a copyright where received by an organization representing the copyright owners. Finnish Tax Administration: [http://www.vero.fi/en-US/Precise_information/Value_added_tax/Changes_in_VAT_on_1_January_2013\(25751\)](http://www.vero.fi/en-US/Precise_information/Value_added_tax/Changes_in_VAT_on_1_January_2013(25751)). Visited on 20.4.2014.

⁷⁵ A more detailed descriptive overview of the national copyright environment can be found from Pilot report on Description sheet 1 – *National Context*.

⁷⁶ According to Finnish Public Library Statistics, Finns borrowed on average 13 books per person in 2013. However, only approximately 38 per cent of the country's inhabitants were active borrowers in public libraries that year. In 2013, there were over 960 public libraries (central, branch and mobile libraries; at least one in each municipality) operating and a total of 33 million books available. Finnish Public Libraries Statistics. Basic statistics: <http://tilastot.kirjastot.fi/en-GB/basicstatistics.aspx>. Visited on 3.5.2014.

⁷⁷ Hälbig, Bianca (2007): Kirjakauppa Suomessa. In Tarja-Liisa Hypén (ed.): Kirjan matka tekijöiltä lukijoille. Tampere University Press, pp. 65–90.

⁷⁸ Statistics Finland. Time use survey 2009. Reading of books during the past 12 months: http://www.tilastokeskus.fi/til/akay/2009/03/akay_2009_03_2011-05-17_tau_044_fi.html. Visited on 26.4.2014.

⁷⁹ The Booksellers' Association of Finland. Tilastotietoja: http://www.kirjakauppaliitto.fi/?page_id=29. Visited on 26.4.2014.

⁸⁰ Data was not available for all member countries. See: Eurostat (2011): Cultural statistics: http://epp.eurostat.ec.europa.eu/cache/ITY_OFFPUB/KS-32-10-374/EN/KS-32-10-374-EN.PDF. Visited on 10.5.2014.

⁸¹ Statistics Finland. Time use survey 2009. Reading of books during the past 12 months: http://www.tilastokeskus.fi/til/akay/2009/03/akay_2009_03_2011-05-17_tau_044_fi.html. Visited on 26.4.2014.

whereas only 14 of Finnish men read books every day. The majority of Finns read books less frequently than once a month, and eight percent of the population does not read books at all.

Table 2. Frequency of reading of books in Finland in 2009, percentage of population⁸²						
	Daily	Several days a week	Once a week	1 to 3 times a month	Less frequently	Never
Total population	21	15	10	15	31	8
<i>Men</i>	14	13	10	14	37	12
<i>Women</i>	26	18	10	15	26	5

According to the *Suomi Lukee study*, the most popular genre for Finnish readers was fiction (see the following table 3). In addition, 13 percent of the people who took part in the survey had also read books in foreign languages (other than Finnish or Swedish) during the past year.⁸³

Table 3. The most popular genres for Finnish readers (who had read books during the past month)⁸⁴	
Domestic fiction	32 %
Translated fiction	31 %
Home economics, food, cookery	25 %
Detective stories	22 %
History and memoirs	22 %
Children's books	20 %

▪ **BOOK PURCHASES BY END-USERS**

According to a publication “Finland Reads - Facts” published by the Ministry for Foreign Affairs, the number of physical copies sold in 2013 has been estimated to be 23 million copies. The number of books sold per adult that year was thus 5.2 copies.⁸⁵

According to the most recent *Suomi Lukee study*, conducted in 2008, the number of printed books bought by Finnish readers (age range 15–79 years) during the past year was 22 million copies, of which 14 million were bought for their own use. This figure does not include learning material.⁸⁶

The study also showed that 77 percent of Finns had bought at least one book during the past year. On the contrary, 16 per cent of Finns had bought over ten books during the past year, and the purchases of these people accounted for 54 percent of the total book sales that year. The number of Finns who had

⁸² Source: Statistics Finland. Time use survey 2009. Frequency of reading: http://www.tilastokeskus.fi/til/akay/2009/03/akay_2009_03_2011-05-17_tau_045_fi.html. Visited on 26.4.2014.

⁸³ The Booksellers' Association of Finland. Tilastotietoja: http://www.kirjakauppaliitto.fi/?page_id=29. Visited on 26.4.2014.

⁸⁴ Source: The Booksellers' Association of Finland. Tilastotietoja: http://www.kirjakauppaliitto.fi/?page_id=29. Visited on 26.4.2014.

⁸⁵ Ministry for Foreign Affairs (2014): Finland Reads – Facts: <http://view.24mags.com/publication/formin/011541bcd4e043dfa2fba77e1cac0f2#/page=1>. Visited on 9.5.2014.

⁸⁶ The Booksellers' Association of Finland. Tilastotietoja: http://www.kirjakauppaliitto.fi/?page_id=29. Visited on 3.5.2014.

bought at least one book during the past year has increased since the similar studies conducted in 1995 (69 %) and 2003 (76 %).⁸⁷

The value of digital publications (other than audio books) sold in 2013 by the members of the Finnish Book Publishers' Association was 16.2 million euros.⁸⁸ The sales statistics of the Finnish Book Publishers Association include the number of books sold from the member publishers of the association to retailers as well as publishers' direct sales to customers whose primary intention is not to resell. This figure does not necessarily correspond to the actual end-user sales of digital literature but it indicates that the market for digital publications represents only a very small part of the total book sales at consumer level (563 million euros in 2012, including digital sales⁸⁹). However, although a reduced VAT rate of 10 percent is applied to the supply of books published in print, the general VAT rate of 24 percent is still applied to the supply of digital books, which might have hindered the popularity of digital sales of Finnish literature.

Despite the increase in the number of books sold per capita, according to information gathered in the household budget survey of Statistics Finland, the household consumption expenditure on books has decreased in recent years. Compared to the level of 2006, the amount of money spent on books per consumption unit in 2012 had decreased approximately by a fifth: the average amount of money spent on books that year was 60.4 euros.

Statistics Finland has also provided average values concerning the household consumption expenditure on books by socio-economic status and division as well as in reference to the person's age. As table 4 indicates, the upper-level white-collar workers spent clearly the most (137.3 EUR) on books in 2012. Still, even though the unemployed consumed the smallest amount of money on books out of all socio-economic groups that year, the amount they spent in books (17.6 EUR) had increased compared to the level of 2006.

Students were the socio-economic group that spent the second largest amount of money (64.9 EUR) on books in 2012. The two age groups with the largest expenditure on books in 2012 were 45–54 and 55–64 years olds (see table 5).

⁸⁷ The Booksellers' Association of Finland. Tilastotietoja: http://www.kirjakauppaliitto.fi/?page_id=29. Visited on 3.5.2014.

⁸⁸ The Finnish Book Publishers Association, sales of ebooks: <http://tilastointi.kustantajat.fi/PublicReporting/Yearly.aspx?reportName=YearlySalesEurDigital.xml&language=FIN>. Visited on 12.12.2014.

⁸⁹ Statistics Finland, Culture & media statistics: Mass media market volume in Finland 2002 – 2012. <http://www.tilastokeskus.fi/til/jvie/tau.html>. Visited on 12.12.2014.

Table 4. Household consumption expenditure on books by socio-economic status, EUR (at 2012 prices)⁹⁰		
Consumption unit⁹¹	2006	2012
Farmers	43.4	46.9
Other own-account workers	111.1	63.6
Upper-level white-collar workers	179.7	137.3
Lower-level white-collar workers	66.8	62.3
Blue-collar workers	60.5	49.0
Students	59.0	64.9
Pensioners	40.4	27.0
Unemployed	< 5	17.6
Others	49.1	18.4
Total population	75.8	60.4

Table 5. Household consumption expenditure on books by reference person's age, EUR (at 2012 prices)⁹²		
Consumption unit	2006	2012
<i>17-24 years</i>	73.0	54.4
<i>25-34 years</i>	69.1	56.7
<i>35-44 years</i>	93.9	55.1
<i>45-54 years</i>	130.8	87.3
<i>55-64 years</i>	58.2	85.9
<i>65-74 years</i>	45.2	41.7
<i>75- years</i>	24.4	18.7
Total population	75.8	60.4

⁹⁰ Source: Official Statistics of Finland (OSF): Households' consumption: http://www.stat.fi/til/ktutk/tau_en.html. Visited on 22.4.2014.

⁹¹ Income and consumption expenditure calculated per consumption unit can be used to compare households of different sizes and structures with each other. Household Budget Survey uses the OECD's adjusted consumption unit scale recommended by Eurostat, where the first adult of the household receives the weight 1, other over 13-year-olds receive the weight 0.5 and children receive the weight 0.3 (0 to 13-year-olds). The selected consumption unit scale has a significant effect on income levels and on placement of different population groups in the income distribution.

⁹² Source: Official Statistics of Finland (OSF): Households' consumption: http://www.stat.fi/til/ktutk/tau_en.html. Visited on 22.4.2014.

SECTION 5. BUSINESS MODELS

This section includes a description of the most common business models used in the book publishing industry. In this case, the description focuses on digital business models, since the basic model of publishing, where the author transfers the right to the publisher and the publisher produces the final printed product, has been described in the Pilot report on Description sheet 11 – *Individual exercise of rights*.⁹³

▪ ELECTRONIC SELL-THROUGH OF E-BOOKS

E-books in Finland are sold mainly by using the Electronic Sell-Through (EST, also called as Download-to-own) model. This means that the person purchasing the e-book can download a copy of the work for end-use against a fee.⁹⁴

▪ SUBSCRIPTION SERVICES

There are also subscription services of electronic books available on the Finnish market (e.g. Luekirja Otava⁹⁵, Satukirjasto⁹⁶). In this model, a periodic subscription fee is paid by the end-users in exchange for an unlimited access to the content available in the service. Some services also include the possibility to use a limited number of books offline. Typically access to the contents requires registration and a personal user name/account.

▪ BUNDLING

Some e-books have also been bundled with hardware used for reading e-books. Bundling in this case means that the consumer buys hardware which includes already licensed content or access to a service that provides electronic books.

▪ BOOK CLUBS

Another subscription model are electronic book clubs⁹⁷ (“book of the month”). In this model the consumer pays a periodical subscription fee for the service and receives access to a new book or a number of new books each month.

▪ LIBRARY E-BOOK LICENSE

When an e-book is licensed for public lending, the library buys a license from the publisher for a limited time period to provide access to the book for third parties.⁹⁸ The end-user either streams the content by using Internet connection or downloads a DRM-protected copy of the book, which can be read with no Internet connection. These practices may also apply to other types of organizations providing e-books to a limited group of users.

⁹³ Typically, the author grants a publisher the exclusive right to reproduce and to publish a literary work as a printed version, a recorded book or a digital book. After the publishing right to a work has been transferred, the author provides the publisher a manuscript which is then edited by the publishing editor assigned by the publisher. Generally, the contract grants the publisher also the rights to decide on the outlook, the name and the pricing of a book. In addition, the publisher is obliged to market the work.

⁹⁴ See examples of Finnish e-book stores: <http://www.sahkokirjat.fi/sahkoiset-kirjakaupat/>. Visited on 4.9.2014.

⁹⁵ Otava. Luekirja.fi: <http://www.luekirja.fi/kirjasto/>. Visited on 4.9.2014.

⁹⁶ Sanoma Media Finland. Satukirjasto: <https://www.satukirjasto.fi/>. Visited on 4.9.2014.

⁹⁷ Book Clubs are organizations supplying books to their members on the basis of subscriptions.

⁹⁸ VTT, Sähkökirjojen kirjastolisensselvitys: http://virtual.vtt.fi/virtual/nextmedia/Deliverables-2011/D_1_1_1_3_Part1_sahkokirjojen_kirjastolisensselvitys_v_1_1_01.pdf. Visited on 21.10.2014

▪ **LEARNING ENVIRONMENTS AND RELATED CONTENTS**

Virtual learning environments are also becoming more common in Finland. Some publishers produce and license works to be offered as a part of a service produced by another party. Moreover, there are, for example, educational organizations that provide their own learning environments and also produce the electronic learning materials for their own services.

▪ **INFORMATION SERVICES / DATABASES**

There are also different kinds of information services and databases where Finnish literature is being published and distributed as a part of an online service. In these kinds of subscription services the consumer also receives access to works included in the services in exchange for a periodical subscription fee.⁹⁹

⁹⁹ See for example Edilex: <http://www.edilex.fi/>. Visited on 4.9.2014.

Conclusions

A. ANALYSIS AND SUMMARY OF THE RESULTS

▪ THE LEVEL OF ORGANIZATION IN THE INDUSTRY

After a desktop search conducted on the Internet, a large number of organized groups representing different stakeholders in the book publishing industry as well as organizations promoting domestic literature were listed and described. The organizations were classified in five categories according to their activities:

- Organizations representing the authors
- Organizations promoting and representing the book publishing industry
- Copyright organizations
- Organizations promoting domestic literature
- Other organizations in the field of literature.

Organizations representing the authors include different professional organizations promoting the interests of the creators of Finnish literature, who all take part in the creative phase of the life cycle of a book: Finnish authors of different genres, translators, illustrators as well as editors. These associations provide detailed advice and assistance in matters concerning contract-making and copyright issues, award their members grants and scholarships, organize different kinds of events and monitor writers' copyrights by acting for the development of the legislation in the field and by issuing expert statements.

Organizations promoting and representing the book publishing industry promote the interests Finnish companies and foundations engaged in publishing activities. These publishers' associations monitor the copyright interests of their members, provide legal counseling and general help in publishing matters, issue statements and submit initiatives, administer statistics and produce information on book publishing, among other activities.

In addition, different kinds of cultural *organizations promoting the development of Finnish literature* and different genres were presented. Their activities often include distributing different kinds of grants, awards and scholarships.

There are three Finnish *copyright organizations*, whose activities are related to literature and book publishing industry. These collective management organizations represent copyrights owners by monitoring the reuse of works and performances, administering copyright licenses, distributing remunerations, offering legal counseling and providing advice to users of the works.

There are also other organizations related to the dissemination of domestic literature in the society operating in Finland. These include for example organizations representing Finnish booksellers, libraries and critics.

▪ COMPETITION IN THE INDUSTRY AND CONCENTRATION OF THE MARKETS

From a global perspective, the level of publishing activities in Finland is modest. According to the Finnish Book Publishers Association, about 2 500 publishing houses operate actively in Finland. However, according to Statistics Finland, in 2012 there were only 284 enterprises which operated more than six months in the book publishing industry during the statistical year, and either employed more than half an equivalent full-time employee or had a turnover exceeding 9 187 euros.

According to Statistics Finland, in 2012, nearly 1 500 persons were working in enterprises engaged in publishing of books, and the average number of employees in a publishing enterprise was 5,2 persons.

As stated by Eurostat, this figure was 6,9 in 2007; this was just above the European average (6,3 persons). However, from a global perspective, the average size of Finnish publishing houses is rather small.

The biggest publishers in Finland are multifaceted media companies. Although the number of smaller, more specialized publishing houses has been increasing due to lowered costs of book production, contemporary Finnish literature is mainly published by larger, more high-profile publishers than 10 years ago. It should be noted that different kinds of associations, universities, research organizations and the Finnish government also actively publish Finnish literature.

The concentration of the markets was described on a general level by looking at the members of the Finnish Book Publishers Association: the 103 members account for about 80 percent of commercially published titles and over 75 percent of book sales in Finland. The main actors in the industry are Bonnier Books Finland Ltd (owner of WSOY, Tammi, ReadMe and four Finnish book clubs), Otava Group, Sanoma Group (including Sanoma Pro, Egmont Kustannus), Gummerus, Edita Publishing (subsidiary of Nordic Morning), Schildts & Söderströms and Lasten Keskus ja Kirjapaja Oy.

▪ THE LEVEL OF INTERNATIONALIZATION OF THE MARKETS

The Finnish book market is limited by the size of the country's population and its division in two national languages. In practice, books written originally in one of Finland's official languages must be translated when sold abroad, and because of the language barrier, books published in Finnish are mainly consumed in Finland. A large number of translations of foreign works are also published in Finland every year.

According to Statistics Finland, a total of 2 585 translations of foreign titles were published in 2012 on the domestic market. This was approximately 18 percent out of all titles published in Finland that year.

According to FILI – Finnish Literature Exchange, the number of translations of domestic works has been increasing in recent years. In 2012, the number of translations of domestic works published outside Finland was 254.

▪ PRICE LEVEL, CULTURAL PARTICIPATION AND END-USE

The price level of books in Finland is high. In 2012, the average consumer price of books was 24,95 euros, which was the third highest average price out of 40 European countries studied by the Council of Europe. The high level of prices is explained partially by the small size of the domestic market, limited language region and small print runs of domestic publishers. The price and sales of books is also affected by Finland's remote location and long distances within its borders, as well as by high taxation.

The Finnish population is well-educated and the level of literacy is virtually 100 percent. Reading is also promoted in many ways, and literature is available to everyone. As a result, in 2009, 75 percent of Finns over 10 years old had read at least one book during the past year. Finns read on average more often than citizens of most European nations.

The majority of Finns read books less frequently than once a month, and eight percent of the population does not read books at all. Finnish women read books more frequently than Finnish men: in 2009, 81 percent of women and 68 percent of men had read books during the past 12 months. The most popular genre for Finnish readers is domestic and translated fiction. In 2008, 13 percent of the people who took part in the *Suomi Lukee* (Finland Reads) study had also read books in foreign languages (other than Finnish or Swedish) during the past year.

It has been estimated, that in 2013, the number of physical copies of books sold in Finland was 23 million. This means that the number of books sold per adult was 5.2 copies.

The number of Finns who had bought at least one book during the past year has actually increased during the past 20 years. According to the most recent *Suomi Lukee* study conducted in 2008, 77 percent of Finns had bought at least one book during the past year. However, 16 per cent of Finns purchased 54 percent the books sold in the domestic market that year.

Despite the increase in the number of books sold per capita, according to Statistics Finland, the household consumption expenditure on books has decreased in recent years. The amount of money spent on books per consumption unit in 2012 (60,4 euros) had declined by a fifth compared to the level of 2006. The upper-level white-collar workers and age groups 45–54 and 55–64 year olds spent clearly the most on books in 2012. However, even though the unemployed consumed the smallest amount of money on books out of all socio-economic groups that year, the amount they spent in books had increased compared to the level of 2006.

On the basis of sales statistics provided by the Finnish Book Publishers' Association it can be seen that the sales of digital publications have increased since 2007 but it indicates that the market for digital publications represents only a very small part of the total book sales at consumer level. However, although a reduced VAT rate of 10 percent is applied to the supply of books published in print, the general VAT rate of 24 percent is still applied to the supply of digital books, which might have hindered the popularity of digital sales of Finnish literature.

▪ **BUSINESS MODELS**

The description of the most common business models used in the book publishing industry focused on digital business models. The following seven different digital business models applied in the Finnish market were described shortly:

- Electronic Sell-Through of e-books
- Subscription services
- Bundling
- Book clubs
- Library e-book license
- Learning environments and related contents
- Information services / databases.

E-books in Finland are sold mainly by using the Electronic Sell-Through model: the person purchasing the e-book can download a copy of the work for end-use against a fee. There are also different kinds of subscription services of e-books, where a periodic subscription fee is paid by the end-users in exchange for an unlimited access to the content available in the service. In electronic book clubs the consumer pays a subscription fee and receives access to a new book each month. Some e-books have also been bundled with hardware used for reading e-books.

E-books are also licensed for public lending, and in these models the end-user either streams the content by using Internet connection or downloads a DRM-protected copy of the book, which can be read with no Internet connection.

Virtual learning environments, where the service includes learning materials, are also becoming more common in Finland. Furthermore, Finnish literature is distributed online through different kinds of information services and databases based on subscriptions.

▪ **THE FINNISH MARKET FOR BOOKS – GENERAL REMARKS**

Altogether, the market for books in Finland is rather small due to the size of the country's population and its division in two national languages, but active compared to the size of the population. The book

industry is very organized considering the large number of professional and representative organizations. The market is also competitive with a relatively large number of publishing companies of all sizes, but production of books has become more concentrated over the last years.

Finnish people are enthusiastic readers, despite the high price of books compared to price levels in other European countries. E-books are sold through various business models, the most commonly used of these being the Electronic Sell-Through model. Finally, because of the language barrier, books published in Finnish are mainly consumed in Finland; however, a large number of translations of foreign works are also published in Finland every year.

B. METHODOLOGICAL FINDINGS

▪ LIMITATIONS

The area of the description sheet is broad and the scope of the study is limited by the time and resources available. One challenge was to find a balanced way of presenting the operation of an industry from different angles, yet keeping the report sufficiently compact.

▪ GUIDELINES FOR FUTURE RESEARCH

The data should offer a thorough but focused picture of the industry in question. In the case of Finland, data on book publishing industry was relatively easily available. This might, however, not be the case with other industries.

Since the methodology is designed to be internationally applicable, it is important to use sources which are official or widely recognized. All sources should be listed and, as much as possible, widely available for consultation by international researchers.

In the case of Finland, the workload for collecting data and drafting this report could be evaluated at three weeks of full-time work. With the help of an already-made list of useful references, this time could be reduced.

Appendices

A. DESCRIPTION SHEET

Description sheet as presented in the Methodology Handbook, version 20.12.2013.

Description sheet 4. Markets for copyrighted products and services	
<p><i>These descriptive elements concerning the markets and their infrastructure should be studied when relevant for the interpretation of the results from studies using the second and third pillars of the framework.</i></p> <p>Briefly describe and characterize the markets focusing on different industries separately. Description and characterization of:</p> <ul style="list-style-type: none"> - The existence of organized groups supporting or opposing copyright policy and administration - The level of organization inside the industry: existence of organized groups representing its members or some categories of them (such as unions and lobbying groups) and description of their activities - Competition in the industry and the concentration of the markets: For each industry, information on the total number of businesses, the numbers of businesses of relative sizes (consider for example the mean and median values together with the values of lower and upper quartile), the number of businesses that have a market coverage of at least 5 % of the total, the number of new businesses (entry rate) and closed businesses (exit rate) as well as a list of main actors) - The level of internationalization of the markets (consider for example the number of foreign businesses operating on the national market, the volume of imports and exports and the number of international co-productions) - The level of cultural participation and/or end-use of cultural products and services¹⁰⁰ (figures divided by age groups, gender and socio-economic status) - Average prices of cultural products (as compared to the general price level in the country) <p>Description of the most common business models used in the industries under consideration. If applicable, consider digital business models separately; possible digital business models to consider¹⁰¹:</p> <ul style="list-style-type: none"> - Electronic Sell-Through (EST, also called as Download-to-own), of unlimited access/end-use against a fee (such as iTunes) - Electronic rental, where end-users get access for a limited period of time against a fee (such as Video on Demand, VOD) - Subscription services, where end-users pay a periodic subscription fee (such as Subscription Video on Demand, SVOD) - Free on Demand (FOD), where on-demand access is provided with no direct costs to end-users; mostly advertising-supported 	
Guidelines for data collection	Information can be collected as a combination of a desktop study (using available national and international information sources, statistics and industry data) and interviews, focus group studies or surveys.
Definitions	
Limitations of the indicator	TBD

¹⁰⁰ Cultural participation has for example been studied by Eurostat through modules analyzing trends and patterns relating to cinema and live performance attendance, visits to cultural sites, involvement in amateur cultural activities and reading. End-use of cultural goods can be measured through figures such as the number of movie tickets sold per capita, the number of books sold per capita.

¹⁰¹ List inspired by The Canadian Film and Television Production Association (CFTPA) (2010). *Towards a framework for digital rights*. Available on The Ontario Media Development Corporation website, <http://www.omdc.on.ca/AssetFactory.aspx?did=6928>.

International:

- Council of Europe/ERICarts Compendium of Cultural Policies and Trends 2013. CUPIX - Cultural Price Index on Goods and Services, 2012:<http://www.culturalpolicies.net/web/statistics-markets.php?aid=237&cid=76>
- Eurostat: European Cultural Statistics, Eurostat, 2011. E-publication, available at: http://epp.eurostat.ec.europa.eu/cache/ITY_OFFPUB/KS-32-10-374/EN/KS-32-10-374-EN.PDF
- Rüdiger Wischenbart: IPA Global Publishing Statistics. Available at: http://www.internationalpublishers.org/images/stories/MembersOnly/STATS/2012/IPA_Global_Publishing_Statistics_2.pdf
- The Federation of European Publishers, About publishers: <http://www.fep-fee.eu/The-profession>, 16

Finland:

- Bianca Hälbig, 2007: Kirjakauppa Suomessa. In Tarja-Liisa Hypén (ed.): Kirjan matka tekijöiltä lukijoille. Tampere University Press.
- Celia national book lending system for the visually impaired: <http://www.celia.fi/>
- Edilex: <http://www.edilex.fi/>
- FILI – Finnish Literature Exchange: <http://www.finlit.fi/fili/en/>
 - FAQ – Frequently asked questions about Finnish literature and translation: <http://www.finlit.fi/fili/en/fili-en/faq-frequently-asked-questions-about-finnish-literature-and-translation/>
 - Finland. Cool. The Finnish Publishing Industry: <http://medienarchiv.buchmesse.de/download.do?documentId=38926&format=9>
- Finnish e-book stores: <http://www.sahkokirjat.fi/sahkoiset-kirjakaupat/>
- Finnish Library Association: <http://suomenkirjastoseura.fi/inenglish/>
- Finnish Public Libraries Statistics, Basic statistics: <http://tilastot.kirjastot.fi/en-GB/basicstatistics.aspx>
- Finnish Tax Administration: [http://www.vero.fi/en-US/Precise_information/Value_added_tax/Changes_in_VAT_on_1_January_2013\(25751\)](http://www.vero.fi/en-US/Precise_information/Value_added_tax/Changes_in_VAT_on_1_January_2013(25751))
- Forum Artis – The Joint Organization for Associations of Finnish Artists: <http://www.forumartis.fi/english-summary.html>
- IBBY Finland: <http://www.ibbyfinland.fi/>
- Jaana Koistinen, 2007: Kotimaisen kirjallisuuden juhluvuodet. In Tarja-Liisa Hypén (ed.): Kirjan matka tekijöiltä lukijoille. Tampere University Press.
- Luova Suomi offers links to statistics, studies and strategies, www.luovasuomi.fi/tietoa
- Kopiosto Copyright Society: http://www.kopiosto.fi/kopiosto/en_GB/
- Kuvasto Copyright Society: <http://www.kuvastory.fi/>
- Käsikirjoittajien Kilta (The Guild of Playwrights and Screenwriters): <http://www.kkilta.fi/>
- Ministry for Foreign Affairs, 2014: Finland Reads – Facts. Available at: <http://view.24mags.com/publication/formin/011541bcd4e043dfa2fba77e1cac0f2#/page=1>
- Nihil Interit: <http://nihilinterit.wordpress.com/>
- Nuoren Voiman Liitto:
 - <http://www.nuoreuvoimanliitto.fi/liitto/saatio/>
 - <http://www.nuoreuvoimanliitto.fi/international/>

- Official Statistics of Finland (OSF): Households' consumption: http://www.stat.fi/til/ktutk/tau_en.html
- Otava, Luekirja.fi: <http://www.luekirja.fi/kirjasto/>
- Sanasto Copyright Society: <http://www.sanasto.fi/front-page/>
- Sanoma Media Finland, Satukirjasto: <https://www.satukirjasto.fi/>
- Society of Swedish Authors in Finland (FSF): <http://www.forfattarna.fi/start/>
- Statistic Finland, including:
 - Books in Finland, A Success Story: http://www.stat.fi/tup/suomi90/huhtikuu_en.html.
 - Business Register, Culture and media enterprises by industry 2012: http://www.tilastokeskus.fi/til/klt/tau_en.html
 - Culture & media statistics, Mass media market volume in Finland 2002 – 2012: <http://www.tilastokeskus.fi/til/jvie/tau.html>.
 - Employment in cultural activities weakened from 2010, 23.8.2013: http://www.stat.fi/til/klt/2012/01/klt_2012_01_2013-08-23_tie_001_en.html
 - Finnish Mass Media, Statistics Finland, 2012. E-publication, available at: http://www.stat.fi/tup/julkaisut/tiedostot/isbn_978-952-244-370-0.pdf
 - Finnish Mass Media, Statistics Finland, 2014. E-publication, available at: http://www.stat.fi/tup/julkaisut/tiedostot/julkaisuluettelo/yklt_jvie_201300_2013_10433_net.pdf
 - Time use survey 2009. Frequency of reading: http://www.tilastokeskus.fi/til/akay/2009/03/akay_2009_03_2011-05-17_tau_045_fi.html
 - Time use survey 2009. Reading of books during the past 12 months: http://www.tilastokeskus.fi/til/akay/2009/03/akay_2009_03_2011-05-17_tau_044_fi.html
- Suomen Kirjankustantajat ry (The Finnish Book Publishers): <http://www.suomenkirjankustantajat.fi/>.
- The Association of Finnish Illustrators: <http://kuvittajat.fi/?lang=en>
- Grafia – Association of Visual Communication Designers in Finland: <http://www.grafia.fi/in-english/about-grafia/>
- The Booksellers' Association of Finland: <http://www.kirjakauppaliitto.fi/>
 - Tilastotietoja: http://www.kirjakauppaliitto.fi/?page_id=29
- The Finnish Association for Scholarly Publishing: <http://www.tiedekustantajat.fi/>
- The Finnish Association of Non-fiction Writers: <http://www.suomentietokirjailijat.fi/en/>
- The Finnish Association of Science Editors and Journalists: <http://www.tiedetoimittajat.fi/in-english/>
- The Finnish Association of Technical Publishers: <http://www.teknisetkustantajat.fi/>
- Kustannustoimittajien yhdistys ry (The Association of Publishing Editors): <http://www.kustannustoimittajat.fi/>
- The Finnish Association of Translators and Interpreters: <http://www.sktl.fi/in-english/>
- The Finnish Book Foundation: <http://www.kustantajat.fi/en/thefinnishbookfoundation/foundation/>
- The Finnish Book Publishers Association: <http://www.kustantajat.fi/en/>
 - Kustantaminen, Kustannusalan lukuja ja muuta tietoa: <http://kustantaminen.fi/mita-kustantaja-tekee/kustannusalan-lukuja-ja-muuta-tietoa/>
 - Sales of e-books: <http://tilastointi.kustantajat.fi/PublicReporting/Yearly.aspx?reportName=YearlySalesEurDigital.xml&language=FIN>
- The Finnish Comics Professionals: <http://www.sarjakuvantekijat.fi/en/>
- The Finnish Comics Society: <http://www.sarjakuvaseura.fi/fi/in-english>

- The Finnish Critics' Association: <http://www.sarv.fi/2010/index.php?l=en>
- The Finnish Institute for Children's Literature: <http://www.lastenkirjainstituutti.fi/in-english/>
- The Finnish Library Association: http://www.kirjakauppaliitto.fi/?page_id=36
- The Finnish Literature Society, SKS: <http://www.finlit.fi/index.php?lang=eng>
 - SKS, The Origins of the Society: <http://www.finlit.fi/english/society/history.htm>.
- The Finnish Playwrights and Screenwriters Guild: <http://www.sunklo.fi/index.php?lng=en>
- The Finnish Reading Center: <http://www.lukukeskus.fi/the-finnish-reading-center/>
- The Finnish Union of authors writing for children, youngsters and young adults:
<http://www.nuorisokirjailijat.fi/>

C. CONSULTED PARTIES

Riitta Korpipää, Ph.D. student at the University of Jyväskylä, provided comments and advice in October 2014.

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