



EBF Comments to the Commission Working Document Consultation on the Future “EU 2020” Strategy

To: EU2020@ec.europa.eu
From: The European Booksellers Federation
Date: 14th January 2010

The European Booksellers Federation

The European Booksellers Federation (EBF) is a non-commercial umbrella organization representing national Booksellers Associations in the European Union in the EU and EEA. Through its Members EBF speaks on behalf of more than 25,000 individual booksellers. Depending on the country, booksellers represented include independent booksellers, chains, internet retailers and other cultural or general outlets selling books. It is estimated that the whole book industry accounts for more than half a million jobs in the European Union.

The objectives of EBF are to:

- Enhance the image of the bookseller
- Strengthen links between booksellers associations
- Assist booksellers associations in promoting excellence in the profession
- To represent the interest of the bookselling trade before the European Institutions.

In view of this last point, the EBF very much welcomes the opportunity to comment on the Commission's Working Document – Consultation on the Future “EU2020” Strategy.

EBF's members fully share the Commission's point of view that Europe's long-term answer to the global economic crisis that has shaken Europe and its trade partners over the last 15 months and which is likely to lead to the highest unemployment rates for a decade, has to be a **new focus on a smarter, competitive, more innovative and more sustainable economic model**.

If the EU is to move beyond the crisis and to achieve its goal of a smarter and greener economy, it is important that the EU and Members States, continue to **invest in education, knowledge and research**, despite the heavy toll of the crisis on the public finances. EBF is happy to read that the Commission is of the opinion that cutting spending in forward-looking

areas such as education and research would make it difficult to achieve a successful EU 2020 strategy¹

Support to education and knowledge transmission can be achieved in a variety of forms. EBF would like to make the following comments on the key priorities listed by the Commission the consultation:

Creating value by basing growth on knowledge:

EBF fully supports this priority and has always been of the view that reading skills should be constantly and heavily emphasised as the indispensable first step to improve knowledge acquisition by young people. Indeed, by improving young and less young people's reading and writing skills, their employability is automatically increased. In many countries, booksellers associations conduct very successful reading campaigns, sometimes with the support of national governments. EBF sees a great potential in Member States' joining their efforts and sharing best practices to give these campaigns an even wider audience.

As regards copyright, EBF fully supports the statement by the Commission (page 5) that a well-functioning system for intellectual property rights is a key objective. Booksellers believe indeed that copyright is the backbone of the book industry. Booksellers are convinced that the full respect of copyright is absolutely essential to ensure Europe's diversity, creativity and innovation. A viable business model for all the stakeholders involved in the value chain delivering books to consumers, either in physical or in digital format, is of paramount importance for the preservation and dissemination of European culture and for the implementation of the European knowledge society.

Empowering people in inclusive societies:

At a time where many European citizens are struggling in a very difficult job market, it is essential that access to books and to knowledge is not hampered by a high level of taxes on tools for the acquisition of knowledge. EBF welcomes the inclusion of audio-books into the list of products and services eligible for the reduced VAT rate, and believes that the reduced rate should also be applied to e-books, whether downloaded or on physical support.

Creating a competitive, connected and greener economy:

EBF Members are aware through their daily business practice that competition is a reality of business life and they welcome it.

In order to remain viable and allow access to knowledge for consumers at a fair price, the single market for digital content should respect the same fair competition rules as those applied in the paper book market. The danger of drifting towards an online environment where one or a few major players would achieve a monopolistic position and control the e-content market is indeed real.

EBF believes that a smarter economy will be achieved thanks to, among other factors, the contribution of a sound and vibrant book industry; European political decision-makers have a duty of care for the entire book industry and should take legislative actions to ensure that fair business conditions are guaranteed to all the stakeholders in the book chain. Whilst in favour of new business models and innovative solutions that foster competition and increase choice and diversity, EBF has great concerns regarding the role of advertising used by search engines and insists that European legislation should prevent any single commercial organisation from achieving a monopolistic position.

¹ p.3. of working document -, § Recognising constraints and facing challenges

Terrestrial booksellers all over Europe are more and more engaging in selling electronic content, usually via content aggregators or through commercial platforms. Booksellers would find it extremely difficult, or even impossible, to compete with those content providers who derive most of their income from advertising on line and for whom selling books would only be a side business that they could conduct even at a loss. In an increasingly digital environment, terrestrial booksellers are aware that they must engage in online sales of physical as well as digital books to keep their competitive advantage and their market share. Unfair competition from major players deriving their revenue from advertising would ruin their efforts to set up new business models for selling both digital and physical books in the online environment and would by the same token jeopardize the very existence of their terrestrial bookshops.

Booksellers are indeed convinced that online reality is part of the present and the future but it is not the only future and it is essential that European consumers still have the choice, by 2020, to buy or borrow books in the format which best suits them, digital, audio or printed format and through the channel they want to access (bookseller, library, publisher, online, etc..) and with fair and transparent rules. Nevertheless, there is growing evidence, in the publishing and bookselling industry, that online content unfortunately implies online piracy. EBF is of the opinion that online access to books, so crucial for the acquisition of knowledge and education, must be fair and respectful of viable business models. EBF therefore invites the European Commission to tackle the issue of piracy with the greatest care in order to maintain a high quality of European intellectual content available online.

Conclusion

The European Booksellers Federation is of the opinion that the bookselling industry has valid reasons to be proud of the important social and cultural value of the products it promotes and sells; it is aware of and ready for the role it has to play in order to face the major challenges of this time of transformation for Europe and is willing to collaborate with European legislators to implement innovative solutions.

Fran Dubruille
Director