



Country: Austria

The Publishing Market

Robee Sallegue
Elizabeth Geier
October 2014

Overview of the Austrian market

With a population of 8.4 million and economic ties to neighboring countries in Eastern and Western Europe, Austria is one of the most attractive locations for US companies looking to expand in the region. At present, approximately 350 U.S. firms have subsidiaries, affiliates, franchisees, and licensees in Austria, of which about 150 have regional responsibilities for Central European, Eastern European, or Balkan countries. The overall imports to Austria in 2013 amounted to \$182.2 billion. According to Statistik Austria, U.S. exports to Austria amounted to \$5.72 billion in 2013, representing, an increase of 4.4% from 2012. U.S. imports from Austria totaled USD 9.44 billion.

In Austria, the creative industry, which includes the publishing industry, makes up 10.4% of companies, 4% of employees, and 2.1% of GDP.

Market Demand for Books

The high demand for books and published material in Austria is highly linked to the country's tradition of culture and academia and its highly ranked education system. Education is highly valued in Austria. Austria has smaller class sizes and higher teachers' salaries than the OECD average. Each year the country spends \$10,244 per primary student and \$12,551 per secondary student, investing almost twice the amount as the average OECD country. In particular, the education system is known for having one of the highest rates of graduates from VET programs, with 59% of 25-34 year olds holding a vocational/secondary qualification. In 2013, Austria had a literacy rate of 98%.

With an intellectual and well-educated population, Austria has a high demand for published literature. Recent surveys show that 63% of Austrian students read for pleasure. The average number of books read in Austria is considerably higher than those in neighboring countries. Currently, Austria imports more than 80% of books sold in-country. The top exporters to Austria include Germany, France, Great Britain, and the United States. The Austrian Economic Ministry expects to see an increase in the importation of books for the upcoming year, 2015.

As Austria becomes more globalized, the demand for English continues to increase. This ever-growing trend can be seen in the Austrian education system; English instruction begins for most school children in elementary school and continues through high school, resulting in a large market demand for English text books and learning aids. In 2013, according to the English Proficiency Index (EF), Austria had the sixth highest English proficiency rate among countries where English was not the official language.

Along with a large number of English speaking expats, it was estimated that 62.66% of Austrians were able to read in English.

The main competition for books and textbooks imported from the United States to Austria comes from Germany and Great Britain. The large number of military bases in Germany makes it extremely easy to acquire English books through the German bookstore chains that are present in Austria. Great Britain remains a top competitor in the book industry in Austria due to the demand for „British-English” textbooks in elementary schools. Most schoolchildren do not have the opportunity to encounter „American-English” before high school.

In total, in 2013, E.U. countries spent approximately the equivalent of \$45 billion on books.

Publishers

Within Austria, there are approximately 100 mid to large sized publishers, the majority of whom are situated in Vienna, Innsbruck, or Linz. There are 12 book publishers that publish internationally. In total, these publishers publish an average of 8,505 titles per year. A large majority of Austrian publishers specialize in non-fiction books, in particular those dealing with subjects such as art-history, religion, and military history. Self-publishing is not as common in Austria as it is in the United States. It is common for first time authors to publish their first book in Austria and then publish their following works with publishers in either Switzerland or Germany.

There are three distribution channels that are common in Austria. The first involves the use of a publishing house, distributing agent, and a retail stores. In this scenario, the publishing house uses a distributing agent to get the book into specialized bookstores, typically small niche bookstores. As the middleman, the distributing agent offers advice and knowledge regarding the local market and retailers to publishers while providing retailers with published works that fit their needs. The second way is for retailers to contact the publisher directly, eliminating the need for a distributing agent. This system is common among bookstore chains, as well as online retailers. Lastly, it is also possible for publishers to sell directly to consumers. While this third route cuts out the need for a distributor and a retailer and thus reduces costs for both the consumer and the author, it is very difficult to organize.

Book Sales

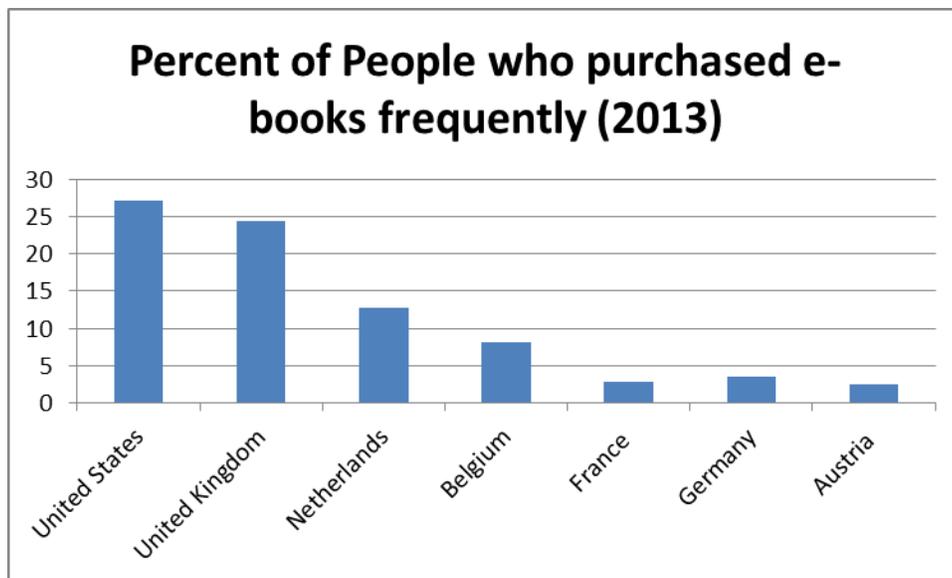
In 2013 the book market size was approximately 792 million Euros. During the same year, 1,028 books were published per one million inhabitants. Two the largest grossing Austrian chain-bookstores are Frick and Libro. These book companies tend also to be those with the largest selections of books in the English language. Unlike books in German, books in English (or in any other foreign language) are usually not organized by genre.

Market studies show that the online sale of books is increasing whereas bookstore sales are down. This trend can be shown by a 2% drop in sales by traditional bookstores. The crimp put on bookstores, especially by Amazon, has created high competition in the market, wiping out small family owned stores and niche shops that have been traditionally present in Austria. The majority of chain retailers in Austria, such as Thalia, which has 36 established stores within Austria at present, are headquartered in Germany and have established themselves both offline and online to compete with online retailers. Similar to the chain bookstores in United States, chain retailers in Austria have begun to extend their

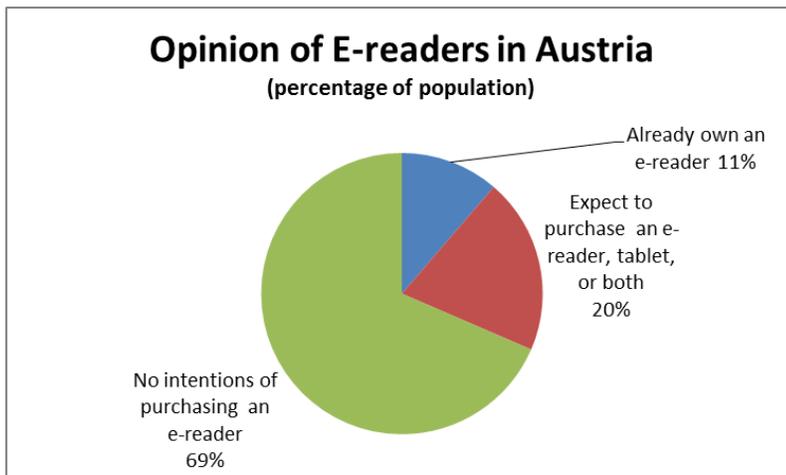
offerings beyond books, expanding into other markets such as stationary, basic office supplies, art, music, DVDs, and educational products.

Book fairs still offer readers the opportunity to buy published material in-person. The largest book fair is the Buch Wien, held each November in Vienna. Several smaller book fairs take place throughout the year. The most important book fair that is regularly attended by Austrian publishers is the Frankfurt Book Fair, which is scheduled in October 14-18, 2015. In 2013 the top selling book genres were, dictionaries, guidebooks, including cookbooks, cultural non-fictional works in regards to military and political history, art, and religion, and detective novels.

Another trend that has made an impact in the book scene in Austria is that of e-books. Austrian e-books are typically published by general trade publishers. 88.5% of e-books published are in a PDF version. As a whole, Austria has not been very receptive of the recent trend of e-books. In 2011, only 17% of Austrian publishers sold e-books, a percentage significantly lower than those of neighboring countries such as Germany and Switzerland. By 2012, this percentage rose to 21%. 36% of Austrians said that they had no intention of ever buying an e-book and only 38% of Austrians stated that they expected e-books to make up 50% or more of their reading material in their lifetime. A 2013 poll showed that only 2.4% of readers who owned an e-reader would consider buying e-books regularly.



This negative stance towards e-literature has several explanations. The skepticism partially originates from Google's unauthorized digitization of published works and violation of copyright laws, as well as the cost. E-books tend to be cheaper than books in print for a variety of reasons. This being said, e-books have a value added tax (VAT) of 20% whereas books in print only have a VAT of 10%. Consumers interested in reading e-books must also invest in a e-reader or tablet. While the purchase of this type of digital device is a one-time purchase, electronics in Austria are quite expensive, more so than in the states. E-readers also have a VAT of 20%.



Another reason for the slow success of e-books comes from the fact that two thirds of all books purchased in Austria, are purchased as gifts. E-books, being logistically challenging to give as a present, tend to appeal primarily to consumers looking to buy material for personal use.

E-books, while not particularly popular to the average consumer, are slowly becoming a „norm” for university students. The Austrian National Library is currently partaking in a multimillion Euro project to create e-books out of print copies of classic works and make them available to the general public online. This project will make it easier for Austrian students, especially those not living in Austria, to have access to these works for research and academic purposes. There are several textbook publishing companies who are also slowly starting to provide electronic textbooks. A recent study showed that the purchase of an e-reader increases reading in children. This information has led to the introduction of e-readers in some of the private primary schools in Austria.

EU/governmental regulations in regards to publishing

Austria adheres to the World Trade Organization’s Agreement on Trade Related Aspects of Intellectual Property Rights (TRIPS). As a result of TRIPS, authors of original creative work are protected even if they are not officially registered in Austria. This being said, it is highly recommended for American authors to register with the US Copyright Office of the Library of Congress.

No tariffs or import duties are levied on books exported from the United States to European Union Countries.

Since 2009, the Austrian Book and Media Trade Association has made importation of books to Austria easier.

For more information regarding European Union regulation on intellectual property rights, please visit http://ec.europa.eu/internal_market/copyright/docs/ipr_strategy/booklet_en.pdf.

Publishers in Austria

Österreichischer Bunderverlag
Schulbuch GmbH & Co. KG
Frankgasse 4
1090 Vienna
+43 (0)1/401 36 0
<http://oebv.at>
service@oebv.at

Phoibos-Verlag
Anzengruebergasse 16
1050 Vienna
+43 (0)1/54 40 31 91
<http://phoibos.at/>
office@phoibos.at

Folio Verlag
Pfarrhofstr. 2d
1-39100 Bozen-Vienna
+39/0471/971323
<http://www.folioverlag.com/home.php>
<http://www.folioverlag.com/home.php>

Böhlau Verlag Ges.m.b.H. & Co.KG.
Wiesingerstr 1
1010 Vienna
+43 (0)1/33 02 42 70
<http://www.boehlau-verlag.com/>

Verlagsgruppe Styria & Co KG
Lobkowitzplatz 1,
1010 Vienna
+43 (0)1/512 8808 0
<http://www.styriabooks.at>
office@styriabooks.at

Verlag Anton Pustet
Bergstr 12
5020 Salzburg
+43 (0)6 62/87 35 07 55
<http://www.pustet.at/>
buch@spv-verlage.at

Leopold Stocker Verlag GmbH
Hofgasse 5 Postfach 438
8011 Graz
+43 (0)3 16/82 16 36
<http://www.stocker-verlag.com/>
stocker-verlag@stocker-verlag.com

Trauner Verlag + Buchservice GmbH
Köglstr 14 Postfach 523
4020 Linz
+43 (0)7 32/7 78 24 10
<http://www.trauner.at/>
office@trauner.at

StudienVerlag GmbH
Erlersstr 10
6020 Innsbruck
+43 (0)5 12/39 50 45
<http://www.studienverlag.at>
order@studienverlag.at

Haymon Verlag GmbH
Erlersstr 10
6020 Innsbruck
+43 (0)5 12/57 63 00
<http://www.haymonverlag.at>
office@haymonverlag.at

Innsbruck University Press
ICT-Technologiepark
Technikerstr 21 a
6020 Innsbruck
+43 (0)5 12/5 07 90 22
<http://www.uibk.ac.at/iup/>
iup@uibk.ac.at

Each year Austrian editors, retailers, sellers, and publishers is represented at the Book Expo America.
For more information about the BEA:
<http://www.bookexpoamerica.com/>

For more information regarding the book fair in Vienna:
http://ec.europa.eu/internal_market/copyright/docs/ipr_strategy/booklet_en.pdf

For more information regarding the Book and Publishing Industry in Europe:
http://assetlibrary.supadu.com/images/ckfinder/630/pdfs/2013Global_eBook_Market_Current_Conditions_and_Future_Projections.pdf

For more information regarding publishers in Austria (breakdown into cities and literature types):
www.publishersglobal.com/directory/austria

For more information on the Austrian market for the book market/publishing or a more extensive list of Austrian publishers/importers, please contact the Foreign Commercial Service Office in Vienna:

Robee Sallegue

Commercial Assistant
U.S. Commercial Service
Embassy of the United States of America
Boltzmannngasse 16
1090 Vienna, Austria
Tel.: +43-1-313 39 2203
Fax: +43-1-310 6917
Email: robee.sallegue@trade.gov
Web: www.buyusa.gov/austria/en

Disclaimer: The information provided in this report is intended to be of assistance to U.S. exporters. While we make every effort to ensure its accuracy, neither the United States government nor any of its employees make any representation as to the accuracy or completeness of information in this or any other United States government document. Readers are advised to independently verify any information prior to reliance thereon. The information provided in this report does not constitute legal advice.

International copyright, U.S. Department of Commerce, 2014. All rights reserved outside of the United States