

SUBMISSION FROM THE PUBLISHERS ASSOCIATION TO THE INDUSTRIAL STRATEGY GREEN PAPER

The Publishers Association (the PA) represents book, journal, audio and electronic publishers in the UK, spanning fiction and non-fiction, academic and educational publishing. Our members include global companies such as Elsevier, Wiley, Pearson, Penguin Random House, Hachette and the University presses, as well as many independent publishing houses.

The PA welcomes the opportunity to respond to the Department for Business, Energy and Industrial Strategy's consultation on the government's Industrial Strategy Green Paper.

Executive summary

The key things we believe government should do to drive growth are:

1. **Ensure** the UK retains maximum possible access to the EU single market after Brexit and ensure that any new free trade agreements reflect the interests of the publishing industry, ensuring they can continue to sell their content around the world.
2. **Maintain** the current intellectual property framework, which strikes a fair balance between content creators and consumers, and ensure that the UK government plays an active role in promoting the importance of a respect for intellectual property rights around the world.
3. **Remove** VAT on e-publications in order to end an unfair anomaly that has only incurred due to the tax system not keeping up with modern life and has ended up leading to a tax on reading, knowledge, education and culture.

Sectoral overview

The UK book and journal publishing industry was worth £4.4 billion in 2015, with revenues from digital contributing 32% to this. Exports of physical and digital books made up 43% (£1.42 billion) of the total revenues and when journals are factored in as well, the figure is 54%. Over 35% of physical book export revenue came from Europe, with sales to the Middle East and North Africa, Asia and South America increasing. Publishing exports from the UK grew the fastest out of all the creative sectors from 2009-2014, jumping 165.7%. In 2013-14 publishing exports grew by 62.8%.

Publishing and books are also important to the wider creative industries, inspiring films, TV shows, plays and games. In 2016, four of the top five UK box office hits were inspired by books. Meanwhile academic publishers are at the forefront of research, playing an important role in investing in innovation, helping academics build on and scrutinise the work of others and helping them share and refine their own work, helping the UK to produce world class research. Educational publishers play an important role in producing high quality learning resources which are crucial in helping pupils achieve great results as well as [reducing teachers' workload](#) – allowing them to get on do what they do best, teach.

INVESTING IN SCIENCE, RESEARCH AND INNOVATION

KEY RECOMMENDATIONS FOR GOVERNMENT

- Sustain investment in science and research, ensuring that no funding is lost after the UK leaves the EU
- Ensure that any immigration policy does not restrict the number of researchers or international students coming to study in the UK
- Remove VAT on e-publications to reduce the cost burden on academic libraries when paying for electronic journal articles

The PA welcomes the recognition of the importance of science and research to the UK economy within the industrial strategy. The UK punches above its weight in the production of world-class research. Despite representing just 0.9% of the world's population and 4.1% of researchers, the UK's published research accounts for 9.5% of downloads, 11.6% of citations and 15.9% of the world's most highly-cited articles.

The role of academic publishing in research

Academic publishing is an intrinsic part of the research cycle, ensuring results are validated, better written, more widely available and have greater impact, as well as providing discoverability, dissemination and archiving.

Similarly, the role of higher education publishers is to produce high quality, pedagogically sound, peer-reviewed where appropriate, professionally curated resources; in formats desired by students, lecturers and the research community. Taken together, these contributions support the UK's strong research standing and global impact, as well as supporting high quality teaching and improving student outcomes.

Academic publishers are also integral to the strength of the UK's research outside of their primary role in publishing and disseminating content. For example, the revenues that academic publishers generate from their content is often reinvested back into the academic community such as in innovations and technologies to help support the research process. For example, Sage has set up an innovation incubator to help provide social scientists with the tools they need to enable them to take advantage and make sense of new developments such as big data and social media. Publishers also support the research community via the publication of society titles and remitting royalties back to those societies which then support their activities, such as fellowships, membership fees and conferences.

It is important to note that academic publishers draw a net benefit into the UK as most of their revenues are generated from exports. The academic journal market is worth £1.1bn, with approximately 90-95% of these revenues generated from content sold internationally. This revenue is then reinvested back into the UK through the various ways outlined above. Specific examples highlighting how these revenues are reinvested are demonstrated in the following case studies.

CASE STUDY: British Ecological Society

The British Ecological Society (BES) owns five ecology journals publishing research from around the world with 89% of income generated outside the UK. These publications make up 83% of the Society's income. The BES is a registered charity and reinvests all its income to generate, communicate and promote ecological knowledge and solutions.

In 2016 BES spent £331k on 112 awards from its grants portfolio which funds training and travel for early career ecologists, supporting ecologists in Africa and small research projects which can be a springboard for larger funding applications

It spent £271k in 2016 on education work, training and supporting researchers to communicate their work to the public, school groups and others as well as running a public engagement programme. Part of the education work included running an annual Summer School for 50 top undergraduate students from across the UK, helping to inspire them to pursue a career in ecology. Working in partnership with In2Science, BES hosted 10 A-level students from black and other minority ethnicities or lower socio-economic status at the 2016 Summer School to help widen participation in science.

BES's policy work, which cost £231k in 2016, focuses on communicating the value of ecological knowledge to policymakers and promoting evidence-informed solutions, whilst supporting members to enhance the policy impact of their work. For example, 2016 over 400 people attended the second "People, Politics and the Planet: Any Questions" debate; the first post-referendum opportunity for a public audience to question leading politicians on the future of UK environmental policy post-Brexit.

The income generated from publishing is also invested back into the journals portfolio, including funding archiving of data in open repositories, developing new tools to aid communication of academic research, and providing training and support for early career authors.

CASE STUDY: Springer Nature

In 2015 Springer Nature made a net contribution of £125m to the UK economy.

Springer Nature works in partnership with almost 2000 academic societies globally, 45 of which are in the UK. In many of these cases, the journals are either fully or part-owned by the society, which means that profits from the journals are invested directly back into the academic community.

Springer Nature also invests millions of pounds every year to develop a range of free services for researchers. These include:

- SharedIt, a free content-sharing initiative that provides a simple way to share research with the academic community and beyond.
- Recommended, a personalised service that helps researchers keep up-to-date with the latest research (from across the scientific literature) by suggesting relevant papers based on what they have previously read.

- Nature Careers, an online advice service to help scientists advance their careers.
- Nature Index, a service which quantifies the world's most impactful research in the natural sciences covering over 8,000 institutions across the world, all publishers, and all UK universities.
- Bookmetrix, a free online service which Springer developed with Altmetric to measure academic book usage. It was accessed over 10 million times by researchers last year, over 1m of these were by UK researchers. It is now freely available for use by other publishers to better serve the academic community.
- Springer Author & Reviewer Tutorials offer free e-learning materials for researchers looking to brush up on skills which help them in their careers and with the publishing process.
- SciGraph is a new Linked Open Data platform that collates and aggregates information from across the research landscape - such as funders, research projects and grants, conferences, affiliations, and publications - making it easier to analyse information related to Springer Nature publications.

Springer Nature also supports the industry-wide initiative, Research4Life, which seeks to help achieve the UN's Millennium Development Goals by providing the developing world with access to critical scientific research.

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How the government can invest in research and innovation

We believe the most important way for the government to ensure the continued excellence of science, research and innovation is by sustaining its support and commitment to funding research and academia. This is especially important at a time when it is uncertain whether the UK will continue to have access to funding from the Horizon 2020 project and its successor programmes. Currently the UK is the second largest recipient of EU research funding, receiving a total of £8.8bn between 2007 and 2013. If this funding is lost without being replaced after we leave the EU, this would have a damaging effect on science and research. In a survey of our members 53% of academic publishers said that reduced funding for research and higher education institutions was the main challenge to scholarly research and the UK's place within it. Equally the uncertainty over whether UK researchers will continue to have access to EU funding could make it more difficult for UK academics to collaborate with non-UK partners. Therefore, the government must ensure that it invests in science and research and provides as much clarity as possible about the future funding situation in the UK.

Additionally, it is essential that the UK continues to attract international students and specifically that the government ensures the withdrawal from the European Union does not negatively impact

the number of students choosing to work and study in the UK. According to Universities UK, international students contribute around one-eighth of universities' income and around £7 billion a year to the economy. If the number of international students falls as a result of Brexit, either because of onerous visa requirements or a perceived lack of attractiveness of studying in the UK this will reduce funding for higher education and could therefore reduce how much money is invested in research. Therefore, any future immigration policy post-Brexit should also preserve the ability of both those coming from the EU and from further afield can continue to freely work and study in UK higher education institutions.

We also believe that the government should invest in science, research and innovation by ending the tax discrepancy between e-publications and print publications, by zero-rating VAT on e-publications. Currently e-publications incur a 20% VAT, compared to a zero-rate on print publications, raising the cost of e-journals.

This VAT burden means that libraries have less money to spend on electronic publications, making it harder for them to move towards e-provision. This tax discrepancy is a barrier to digital innovation within the academic sector. Reducing the VAT burden on e-journals was one of the recommendations made in the [Finch review](#), which noted that VAT represents a “significant barrier” against moving towards e-only provision, despite the “increases in efficiency that would result, together with the lowering of costs for both publishers and libraries”. E-provision would help libraries save on storage space and offer increased availability of content for most users. The recommendation in the Finch report was rejected by the Government at the time due to EU VAT legislation, however the EU has proposed amendments which would allow member states to reduce VAT on epublications and our withdrawal from the EU makes it possible for the UK to set its own tax policies. We therefore believe that this is something which the government should reassess due to the benefits for research and innovation.

DEVELOPING SKILLS

KEY RECOMMENDATIONS FOR GOVERNMENT

- Ensure UK businesses can still have access to international talent after Britain leaves the EU
- Allow the apprenticeship levy to be used more flexibly by turning it into a training levy
- Provide better careers advice in schools
- Remove VAT on e-books to assist with the government's aims of improving literacy.
- introduce a statutory requirement for all state-funded schools to have a school library with sufficient books available for all of its children and have a nominated library specialist

The publishing industry welcomes the government's focus on building skills across the UK. Publishers have already embraced the government's aim to create more apprenticeships, with the levy providing an opportunity for publishers to think about how to attract and train young people. The publishing industry has embraced this initiative, working closely with Creative Access and Creative Cultural Skills through the Publishers Association to develop a new publishing assistant apprenticeship standard.

While publishers have been quick to assist with the creation of a new apprenticeship standard to meet the requirements of the levy, we feel that the best way for the government to improve skills in this space would be to allow the money raised from the levy to be used more flexibly, such as to fund continuous professional development. Increasing diversity within the industry is one of the primary concerns for publishers in relation to skills. One of the main difficulties in building a more diverse and inclusive workforce is often not just a matter of recruitment, but also about career progression. Therefore, allowing the levy to apply in a more flexible manner would be a more effective way of improving skills within the sector and of improving social mobility and diversity.

In order to boost diversity, publishers have been working to ensure that the best applicants are being considered for jobs, regardless of their education and backgrounds. For example, some publishers have abolished the requirement of a degree for many roles and started programmes which use non-traditional recruitment avenues. Equally the PA has been expanding its diversity work, such as by creating a guide to the various initiatives working to improve diversity in the creative industries, holding workshops on unconscious bias and equal representation and working with the industry to set goals and targets on workforce demographics. In order to assist publishers' work in this area the government could also help by subsidising training on unconscious bias and give tax breaks to companies like Creative Access which are working to boost diversity within the creative industries.

The government could also assist by providing better careers advice in schools. The Publishers Association has encouraged those working within publishing to volunteer to introduce publishing as a career option in local schools, colleges and universities, to attract a wider range of people into the industry, providing materials to assist publishers in giving talks. However, publishers still face a difficulty in attracting a diverse range of talent as many young people are not aware of the vast range of roles available within publishing or about the different parts of the industry and this is not a problem that can be addressed by industry alone. Support via better provision for career advice would assist publishers' efforts in this space.

International talent

Another issue for the publishing industry around skills is the need to continue to hire overseas talent. This is of particular concern following the vote to leave the European Union. Currently the UK publishing industry benefits from being able to attract and bring in a skilled workforce from the EU. The publishing industry [employs around 10%](#) of its workforce from Europe, compared with 5.6% in the rest of the economy, meaning that any changes in the status of EU workers would disproportionately affect the sector.

Although publishers currently employ more non-UK EU citizens (who make up 10% of the workforce) than non-EEA migrants (who make up 4% of the workforce) the need to attract international talent from both the EU and outside the EU is important.

Whilst we welcome the government's commitment to improving skills within the UK, often publishers choose to employ foreign nationals as they need to hire native speakers who will then be able to sell rights overseas. With 43% of the publishing industry's revenue generated overseas, publishing is an international business and the loss of international talent cannot be addressed purely by improving skills in the UK.

Another driver for hiring internationally is the difficulty publishers have in attracting tech people to work within the publishing industry. A number of publishers, especially academic publishers, need to hire software engineers and programmers. The shortage of tech skills in this area has particularly driven the recruitment of EU nationals. Some international publishers, such as Elsevier, have created tech centres in the UK precisely because of the easy access to EU talent it enables. Around 40-50% of the workforce in Elsevier's tech centre are made up of EU nationals. If there is no easy and flexible visa system after the UK leaves then it could lead them and other international publishers to rethink their location.

Therefore, we call on Government not to restrict skilled migration and to ensure that the UK continues to be an open and welcoming country for people to live and work. The Government should also provide certainty as soon as possible about the status of those currently working in the UK from the EU, and give clarity about the migration policy they intend to implement once the UK leaves the EU.

Literacy and reading for pleasure

The industrial strategy highlights the need to improve literacy and numeracy skills as one of the government's key aims, noting that in 2011-12 the UK was the worst performing country in literacy for 16 to 18-year olds out of 18 OECD countries. This is an aim that the PA supports, particularly as studies have highlighted the huge impact literacy levels can have on people's life chances. According to research from the National Literacy Trust, if every child left primary school with the reading skills they need, the UK economy could be more than £30 billion bigger by 2025. Low literacy levels also create a barrier to social mobility, with adults without functional literacy earning 16% less than those with functional literacy.

Publishers play an important role in promoting reading for pleasure and increasing levels of literacy. For example, 12 publishers have signed up to the National Literacy Trust's Vision for Literacy Business Pledge, which aims to tackle the UK's literacy challenge, and the PA is part of the Read On Get On coalition which is seeking to ensure all eleven year olds leave primary school reading well. The PA has also set up a Reading Ambassador campaign to encourage more people to spread their love of reading, with an aim of recruiting 10,000 reading ambassadors by 2020. So far, we have signed up almost 2,000 ambassadors.

But there are some areas where government's support could add to these efforts to improve literacy. One way would be to introduce a statutory requirement for all state-funded schools to have a school library with sufficient books available for all of its children and have a nominated library specialist among its staff. Currently primary and secondary schools are under no legal obligation to provide a library. Requiring that every school has a well-maintained, curated library service would ensure that every child in Britain, wherever they live and whatever their background, has access to a full range of reading materials, in both digital and physical forms at their school.

Another way the government could help boost literacy among both children and adults would be by removing VAT on eBooks, which would help drive up literacy among those who are otherwise hard to reach. [Studies](#) have suggested that eBooks could help offer a route into reading for some children

who are unlikely to pick up a printed book. The NLT suggests that eBooks alongside other reading interventions, could be considered to help address gaps between less keen or able readers and their peers.

Additionally, eBooks can present great potential for readers with print disabilities, enabling them to access information that might otherwise be inaccessible to them. For example, eBooks can allow for magnification of text size, contrast changes, text to speech support, all of which make eBooks accessible to a wide range of users. A [report published](#) in 2014 on eBooks and accessibility said due to the ability to break down barriers for readers with print disabilities, digital text should be seen as one of the “most important catalysts for cultural change”.

As a [report from PwC notes](#), digitising and electronic dissemination of content increases the chances of social participation in cultural education, meaning that the unequal tax treatment of physical and digital books is no longer justifiable.

Research suggests that the VAT rate of 20% on eBooks has discouraged consumers from buying eBooks. Looking at the experience in other countries which have reduced VAT on books such as France, Italy and Sweden, the effect has resulted in lower prices for consumers. Therefore, reducing VAT could help make eBooks cheaper for consumers to buy, encouraging more people to buy books, which is one of the most effective ways of improving literacy and reading for pleasure. No politician ever intended for VAT to be charged on e-books and it is a result of an unfair anomaly caused by the tax system not keeping up with modern life. It goes against the government’s aims to boost literacy, education and culture and therefore in order to meet the stated ambition to increase literacy skills the government should scrap VAT on e-books.

UPGRADING INFRASTRUCTURE

KEY RECOMMENDATIONS FOR GOVERNMENT

- Invest in upgrading broadband infrastructure across the UK and particularly ensure schools have the digital infrastructure they need.

The main recommendation we would like to make on upgrading infrastructure, is for the government to focus on upgrading broadband infrastructure in the UK. Publishers have been quick to embrace flexible working, allowing a large number of their staff to work from home. One of the main barriers to this style of working is a lack of effective broadband infrastructure in the UK. Therefore, we believe that this should be a priority for government.

Equally a lack of digital infrastructure in schools is one of the factors we believe is behind slow take up of digital resources in schools, despite the benefits they can bring to both teachers and pupils. We welcomed the announcement in this year’s Spring Budget that the government would commit £200m to upgrade connections to public buildings such as schools and would urge the government to continue to focus on investing to ensure schools have the digital infrastructure they need.

SUPPORTING BUSINESSES TO START AND GROW

KEY RECOMMENDATIONS FOR GOVERNMENT

- Commit to supporting innovation in the by ensuring the physical and digital markets are fair and balanced

The PA welcomes the government's commitment to helping support innovation and to support businesses start and grow.

In comparison with other goods, here are only a small number of online distributors of books in both print and digital form and one in particular has significant market power. Not only is entry to this market space very difficult for new online players, but there are significant impacts on 'bricks and mortar' retailers.

The routes to market for eBooks are narrow and few, and the online market for print books is similarly restricted creating a potential for adverse effect on competition within both markets, and ultimately restricting consumers' choice of retail opportunities. Publishers ensure that works are disseminated as widely and fully as possible, and that print and digital versions are available to consumers. We can only continue to achieve this if markets are fair and balanced.

This issue is of particular importance following the UK's vote to leave the European Union, as the EU can no longer be left to respond to any problems. Therefore, the government should ensure there remains fair consumer choice and remuneration for consumers and publishers.

ENCOURAGING TRADE AND INWARD INVESTMENT

KEY RECOMMENDATIONS FOR GOVERNMENT

- Ensure the UK retains maximum possible access to the EU single market after Brexit
- Ensure that any new free trade agreements reflect the interests of the publishing industry, ensuring they can continue to sell their content around the world.

The publishing industry is a hugely successful export industry. In 2015 export sales of books (physical and digital) were £1.42 billion with education, academic and ELT (English Language Teaching) publishing accounting for two thirds of this. Sales of physical books accounted for £1.2 billion. Digital sales were £218m although this figure does not include exports of journals. Sales of journals reached £1.1billion in 2015 with exports accounting for around 90-95% of this. In addition, publishers earned £266m in export revenue from rights and coedition sales.

UK publications are exported to every region in the world. Last year over 35% of physical book export revenues came from Europe, while exports to the Middle East and Asia and South America are increasing, and now make up 16% and 17% of the export market respectively. The UK is the [largest exporter](#) of physical books in the world according to the United Nation Statistics COMTRADE.

Supporting trade for publishers

A key way in which we believe the government can ensure that the publishing industry's export strength continues is by ensuring that the UK maintains a close relationship with the European Union, which is the largest export market for publishers. At the moment, our members have a competitive advantage when it comes to European translation rights on the perceived and actual basis of the access to the European market and they would be concerned that any subsequent free trade agreement with Europe or the states does not undermine that competitive advantage. Therefore, to enable publishing to continue to thrive, barriers on trade with the EU should be kept to an absolute minimum.

Whilst the EU is the largest export market for publishers, our members are also keen to take advantage of fast growing markets. In a survey following the Brexit vote, 40% of our members said that North America would be their most important export market and 29% identified South and East Asia as the most important. This compares with 10% who selected Europe. China is also a particular market which has been growing in importance for publishers.

To help publishers take advantage of fast growing markets, the Government should start tackling trade barriers, such as with countries which impose tariffs on books or impose non-tariff barriers which similarly restrict trade. For example, in Nigeria there is a 50% import tariff and levy on print books and in China there are restrictions preventing international publishers from operating in the country.

Additionally, the UK should ensure it drives forward the IP agenda internationally through its trade agenda by ensuring that officials in third countries continue to press for strong IP protection and by ensuring that the UK leads by example on this issue.

Another way we government could support publisher's exports is by creating a position in the civil service which would have an overriding responsibility for the publishing sector and which would sit across various government departments. This would facilitate a more joined up approach to the sector's relationship with government. The position would need to be held by someone senior within the civil service.

We also believe that the government should invest in more Intellectual Property Attachés. The existing IP Attaches in China, India, Brazil and SE Asia have proved incredibly useful in not only helping UK publishers navigate foreign markets but also in bringing revenue and investment back into the UK. It would also be valuable for the industry to have more funding for trade fairs. This would be used to support new business and SME publishers seeking to build exports.

CREATIVE INDUSTRIES AND SECTOR DEALS

KEY RECOMMENDATIONS FOR GOVERNMENT

- Maintain the current intellectual property framework, which strikes a fair balance between content creators and consumers, and ensure that the UK government plays an active role in promoting the importance of a respect for intellectual property rights around the world.
- Ensure that the value of publishing, and its importance to the wider creative industries, is recognised in the creative industries sector deal.

We welcome the government's recognition of the value of the creative industries. It is one of the few sectors where the UK is a true world leader, helping to boost its reputation internationally and grow its soft power around the world. The creative industries are worth £84.1bn, accounting for 5.2% of the UK economy, and support 1.8m jobs.

A strategy for the creative industries should not overlook the importance and strength of the publishing industry, both in terms of the value it adds to the UK economy and to its importance to the creative economy. The UK book and journal publishing industry was worth £4.4 billion in 2015, with revenues from digital contributing 32% to this.

Exports of physical and digital books made up 43% (£1.42 billion) of the total revenues and when journals are factored in as well, the figure is 54%. Publishing exports from the UK grew the fastest out of all the creative sectors from 2009-2014, jumping 165.7%. In 2013-14 publishing exports grew by 62.8%.

Publishing and books are also important to the wider creative industries, inspiring films, TV shows, plays and games. For example, four of the top five UK box office hits in 2016 were inspired by books.

Intellectual property

One of the main ways the government can support publishing and the wider creative industries is through ensuring its value can continue to be protected through a balanced intellectual property framework; one which remains internationally respected and strikes an appropriate balance between the protection and exploitation of rights, and has a clear and efficient system for the recognition and administration of rights throughout supply chains.

Copyright underpins creativity by ensuring that publishers and authors alike can turn their creative endeavour into a financial reward. Without a strong copyright regime publishers and authors would not be able to produce the same rich variety of novels that entertain and inspire, the textbooks that equip students with the tools they need to compete in the global economy, and the journals that invest in innovation and share the latest research.

Therefore, particularly during this time of uncertainty, we believe the Government must commit to retaining the existing stable copyright framework to give publishers the confidence to invest in authors and their work. The importance of maintaining a strong framework was highlighted in a survey of our members where almost 40% said this was a priority following the Brexit vote. This is important not just in relationship with the EU, but for the UK system to maintain its globally

recognised position and allow it to play a leading role in the evolving conversation about international standards.

Additionally, it is important that the UK continues to remain a strong voice during negotiations in the EU around the structure of the Digital Single Market and associated intellectual property developments. While UK publications are exported to every region in the world, Europe is currently the largest market (36%) and will continue to be an important region for publishers. Therefore, it will be necessary for the UK to have consistent copyright legislation with remaining EU members to reduce additional costs for business.

The UK has been a strong pro-content industry voice in EU deliberations on copyright, balancing views from member states which do not have large vibrant, commercially successful content industries. Therefore, the need to maintain a strong British voice is paramount. The influence of the UK so far has resulted in significant improvements in the copyright reform proposals – for example the new exception extending the illustration for education exemption to digital materials in the proposed copyright directive crucially allows the UK licensing system to remain intact.

However, work is still needed not least around the proposed new European-wide exception for text and data mining which the EU, in contrast to the exception introduced in the new UK legislation, has proposed to allow to be used to undertake commercial research. Although the UK has so far helped to balance out some potentially damaging proposals, without its positive influence going forward the legislation could have a negative effect on the publishing industry. We remain at the EU table for at least two years and need to maintain a strong influence on these proposals. We should seek to continue to influence worldwide copyright developments in the future.

DRIVING GROWTH ACROSS THE WHOLE COUNTRY

KEY RECOMMENDATIONS FOR GOVERNMENT

- Ensure that all government initiatives recognise the contribution that both extended supply chains and flexible working can make to sharing the proceeds of growth across the whole country.

The PA supports the government's aims to drive growth across the whole of the UK and to ensure research and innovation exists outside London. One way that academic publishers can and have been helping to do this is through Access to Research, an initiative supported by academic publishers which gives access to over 12m academic journal titles in public libraries across the UK. This ensures that people in any region of the UK are able to get access to and use the latest research.

Additionally, through investing in the activities of societies, academic publishers also help to ensure revenues are dispersed across the rest of the country.

As with academic publishers, although most of the largest publishing houses are based in London and the South East they still help to drive regional growth across the UK through the location of their

back-office functions. For example, a number of publishers have distribution centres outside London.

Meanwhile publishers often have back office functions, such as data programming, in regions around the UK. Therefore, we would suggest the government does not just focus on the development of clusters, but also take account of the supply chains.

Publishers are also often advocates of flexible working, allowing staff to work from home. This allows for a more dispersed work force around different parts of the country.

CASE STUDY: Hachette

An example of how publishing supply chains support growth across the rest of the country can be demonstrated by looking at the value Hachette's warehouse brings to the local economy. Currently Hachette employs 240 in its warehouse based in Didcot. When fully operational the site will employ approximately 350 people, with the number expected to grow in line with the company's ambitions to expand its third-party client publisher business. Therefore, the warehouse could create over 100 jobs in the area over the next five years, providing employment in the warehouse itself and in customer services and credit control. As well as helping to create jobs in the area, it will also help to build skills and knowledge in the local workforce as employees will be retrained in order to be able operate state of the art equipment to pick and process orders and all office staff will be retrained in the new systems and processes. As well as creating direct employment, the site also creates jobs in suppliers for the warehouse, such as IT partners, parcel carriers and labour suppliers. The site is being constructed in an economic development zone, and has received support from the local authority as one of Didcot's major employers.

CASE STUDY: Portland Press

Portland Press is the publishing subsidiary of the Biochemical Society. The majority of Portland Press' income is derived from exports with over 90% of readers and 86% of authors in its journals based outside of the UK. Portland Press gifts its profits to the Biochemical Society and the Society uses these funds for its charitable activities to advance the molecular biosciences. The majority of these activities take place across the UK, many in collaboration with other learned societies or similar organisations. Examples of activities supported during 2016 include:

- Launching teacher placements as part of the [STEM Insight](#) scheme. The Biochemical Society, in partnership with STEM Learning, supported 16 STEM Insight placements in 2016, with partners including University of Cambridge, University of Birmingham, University of Liverpool, University of Exeter, Syngenta, Babraham Institute and Biocatalysts Ltd.
- Launched a MOOC (Massive Open Online Course) in partnership with the University of East Anglia and [FutureLearn](#). The three-week course is targeted at 15–19 year olds and provides an introduction to biochemistry as well as highlighting the breadth of career paths available. Over 10,100 people registered for the course across its first two runs.
- Awarded over 800 [grants and bursaries](#) supporting activities such as seminars, student societies, travel to conferences or to undertake collaborative research, projects to increase diversity in science and projects to increase public engagement with science.
- Organised five training events in London, Liverpool, Chester and Oxfordshire, covering a diverse range of topics including protein modelling and bioinformatics.
- Organised 20 scientific meetings across the UK (locations included Edinburgh, Liverpool, Warwick, Sheffield, Macclesfield, Bath and Cambridge) attracting 261 speakers, 1,665 delegates and covering a range of subjects from stem cell technology to plant reproduction and from neuronal disease to bionanotechnology.

SUMMARY OF RECOMMENDATIONS TO SUPPORT AND GROW THE UK PUBLISHING INDUSTRY

Investing in science, innovation and research

- Sustain investment in science and research, ensuring that no funding is lost after the UK leaves the EU
- Ensure that any immigration policy does not restrict the number of researchers or international students coming to study in the UK
- Remove VAT on e-publications to reduce the cost burden on academic libraries when paying for electronic journal articles

Developing skills

- Ensure UK businesses can still have access to international talent after Britain leaves the EU
- Allow the apprenticeship levy to be used more flexibly by turning it into a training levy
- Provide better careers advice in schools
- Remove VAT on e-books to assist with the government's aims of improving literacy.
- Introduce a statutory requirement for all state-funded schools to have a school library with sufficient books available for all of its children and have a nominated library specialist.

Upgrading infrastructure

- Invest in upgrading broadband infrastructure across the UK and particularly ensure schools have the digital infrastructure they need.

Supporting businesses to start and grow

- Commit to supporting innovation in the by ensuring the physical and digital markets are fair and balanced

Encouraging trade and inward investment

- Ensure the UK retains maximum possible access to the EU single market after Brexit
- Ensure that any new free trade agreements reflect the interests of the publishing industry, ensuring they can continue to sell their content around the world.

Creative industries and sector deals

- Maintain the current intellectual property framework, which strikes a fair balance between content creators and consumers, and ensure that the UK government plays an active role in promoting the importance of a respect for intellectual property rights around the world.
- Ensure that the value of publishing, and its importance to the wider creative industries, is recognised in the creative industries sector deal.

Driving growth across the whole country

- Ensure that all government initiatives recognise the contribution that both extended supply chains and flexible working can make to sharing the proceeds of growth across the whole country.