FRANCE

Information on the economy and society

Area: 643,801 km²
Population: 63.7 million (2013)
Population growth: 0.5% (2013)
Literacy rate: 99%
Gross Domestic Product: € 2,032.3 billion (2012)
GDP per capita: € 32,051 (2012)
GDP growth: 0% (2012), estimate: 0.2% (2013), 0.9% (2014), 1.7% (2015)
Inflation rate: Estimate: 1.0% (2013), 1.4% (2014), 1.3% (2015)
Exports: € 428.1 billion (2011), € 441.7 billion (2012)
Imports: € 502.1 billion (2011), € 508.8 billion (2012)
Population distribution: 0-14 years: 18.7%, 15-24 years: 11.9%, 25-54 years: 38.9%, 55-64 years: 12.6%, 65 years and older: 17.9% (2013)

Source: Germany Trade & Invest – Wirtschaftsdaten kompakt

Information on the book market in France

The year 2014 started off with a small increase in new releases (+4.2%), a very positive sign from a book industry that has experienced a steady decline in turnover over the past couple of years, but is still seen as relatively stable in comparison to other industries. French titles are gaining in popularity, both at home and throughout the world – the number of translations from French has risen steadily since 2009 and accounted for 17.3% of titles produced in 2012 (2011: 15.9%). The strongest segments in 2012 were children’s and YA books, comic books and the humanities.
Government policy

At the Salon du Livre in March 2013, Minister of Culture Aurélie Filipetti presented a new financial package aimed at supporting bookstores. She also announced that an official mediator would be appointed for the industry.

Scandals regarding Amazon (tax evasion in Luxemburg, working conditions) are also a big issue in the French book industry. The Ministry of Culture has made an effort to crack down on Amazon’s tax practices: starting in January 2014, free shipping of books will be banned.

Return to reduced VAT rate of 5.5% for books and e-books in January 2013; the rate will later drop to 5%.

The French government is committed to excluding the cultural sphere from its negotiations with regards to the free trade agreement between European countries and the USA in order to protect price maintenance.

Publishers

Around 10,000 publishers in total, including 20 major publishing houses with a list of 5,000 titles each, and around 5,000 publishers, each with fewer than 10 titles in their catalogues.

580 publishers are members of the French publishers association SNE.

Biggest players:

Hachette Livre

- World’s sixth-largest publishing group, represented in 25 countries, with 12,000 titles annually.
- Part of the Lagardère media group (book publishers, magazine publishers, radio, television, event management, marketing, consulting).
- Broad programme across all segments:
  - Hachette Education: Textbooks, reference books
  - Groupe Hatier: Textbooks, children’s and YA books
  - Hachette Illustré: Hachette Jeunesse (Children’s and YA books, comic books)
  - Hachette Tourisme: Travel guides
  - Hachette Pratique: Cookbooks, how-to books
  - Larousse: Most important publisher of reference works
  - Grasset/Fayard, Stock, Calmann-Lévy: Fiction

Editis Publishing Group

- Part of the Spanish publishing group Planeta.
- Broad programme across all segments:
  - Place des Éditeurs: Fiction, travel guides, self-help, illustrated books
  - Univers Poche: Paperbacks for non-fiction, fiction, YA books
  - Robert Laffont: Reference books
  - Nathan: Children’s books, school books

Groupe Gallimard

- Acquired the Flammarion group in 2012, making it France’s third largest publishing group.
- Fiction, children’s books, travel literature, art, social sciences, non-fiction, photography, lifestyle, comics.
Other large publishing groups:

- France Loisirs: 100% owned by the Bertelsmann group (book club business); bookstores, also in Belgium, Canada and Switzerland
- La Martinière: Important player in the fields of illustrated books, children’s and YA books and literature (Seuil)
- Média Participations: Most important comic book publishers (Dargaud, Dupuis, Le Lombard), children’s books, how-to, cookbooks (Gruppe Fleurus)
- Albin Michel: Fiction, art, history, religion, children’s and YA books
- Actes Sud: Literature, children’s and YA books
- Bayard: Children’s books

**Bookstores**

- Around 15,000 book outlets, 1,000 of which are dedicated bookstores
- France is home to one of the most consolidated networks of bookstores in the world. Thanks to government subsidies, smaller bookshops do not suffer as much under the weight of large chains. There is, for example, the label LiR (Librairies indépendantes de référence), which has been assumed by hundreds of bookstores since August 2009 and includes exemption from business tax, opportunities for subsidies through the CNL (Centre National du Livre - part of the Ministry of Culture and Communication), quality status with respect to service and product selection
- In 2013, the Ministry of Culture announced a financial package aimed at supporting bookstores

For bookstore chains, 2013 was a year of crisis:

- The conglomerate Kerning split FNAC from the profitable luxury, sport and lifestyle divisions. Since no buyer has been found, FNAC went public in June 2013. Internal measures at FNAC: Austerity programme of more than € 80 million, downsizing by 500 locations Europe-wide (e.g. in Greece and Italy), along with the establishment of smaller retail spaces at train stations, airports and in smaller cities; FNAC will continue to boost its online business, franchise partners will be brought in-house and the chain will attempt to generate additional turnover by incorporating new types of products into brick and mortar stores
- Virgin Megastore had to file for bankruptcy on 9 Jan. 2013 with more than 20 shops
- Second-largest bookstore chain Chapitre (former Bertelsmann subsidiary) planned to sell some of its branches and become a purely online bookseller, but this plan did not work out and the chain declared bankruptcy in December 2013

**Distribution**

- There is no established intermediate book trade comparable to German book wholesalers
- Distribution is handled by the Centres de Distribution = publisher distribution
- The largest belong to the largest publishing groups, but are also used by other publishing houses:
  - Sodis: Gallimard
  - Interforum: Editis
  - Hachette Distribution
  - MDS: Média Participation
  - Union Distribution: Flammarion
  - Dillosco: Albin Michel
There are also a few small publisher distributors that are responsible for smaller publishers (similar to Prolit):
  - Daudin Distribution
  - Pollen
  - De Borée

There are a few wholesalers, e.g. the Société du Livre Français (SLF), that are similar to German book wholesalers – however, their significance is not comparable and book deliveries are not as widespread or as fast.

Three large distribution platforms for e-books: Numilog (for Hachette), Eden Livres (for Flammarion, Gallimard and La Martinière Groupe), E-Plateforme (for Editis)

However, these three large platforms have essentially merged now for the purposes of providing clarity and customer satisfaction in e-book sales.

Availability for re-sellers of e-books (booksellers, e-book portals) and access for consumers

Turnover (2012)

There are no comprehensive official statistics available on the total turnover of the French publishing industry. The figures available are taken from a survey conducted by the SNE publishers association, which only takes into account the sales figures of its members – they are, in other words, not statistics that claim to be complete.

Publisher turnover: € 2,771 million (-1.2%)
  - € 2,639 million (-1.1%) of which was generated by book sales
  - Sales of licenses fell by 1.6% and accounted for 4.8% of combined turnover
  - E-books: 3% of combined turnover

Humanities: 9.3% of combined turnover (+11.9%); growth was strongest in the law and economics categories

Children’s and YA book segment: 13.4% of combined turnover (+3.5%); all three segments experienced growth; children’s and YA books were also the most successful category in terms of licenses sold abroad

Comic books: 9.3% of combined turnover (+1%)

Religion/Esoteric: 1.3% of combined turnover (+0.3%)

Fiction: 24.2% of combined turnover (-0.2% in sales); growth was seen in several categories, including romance novels, erotica and fairy tales/legends; sales were down, however, for classic novels and thrillers

Essays, documents, reportage: 4.0% of combined turnover (-0.7%)

Textbooks: 14.1% of combined turnover (-4%)

Art books/Illustrated books (incl. how-to): 16.8% of combined turnover (-6.6%)

Reference works: 3% of combined turnover (-7.3%); this segment has been on the decline for several years, primarily as a result of the availability of free content on the Internet

Maps and atlases: 1.4% of combined turnover (-8%); again, competition from digital content has played a major role in the decline of sales

Title production

Digitisation

- Turnover from digital books: €81.8 million (3% of combined turnover)
  o Humanities: 70.2%
  o Fiction: 9.4%
  o Art books/Illustrated books/Self-help: 6.4%
  o Textbooks: 6.2%

- Same VAT rate for e-books and printed books

Licensing statistics (2012)

Rights sold

- 10,798 licenses sold abroad (+11.7%)
  - Continued growth over the past several years (2011: 9,664 / 2010: 9,478 / 2009: 8,607)

- Top languages for licensing:
  o Chinese: recently took over 1st place with 1,238 translations, constituting an 11.5% share of the licensing business
  o Spanish: in 2nd place as a result of economic growth in Latin America with 1,134 translations, constituting a share of 10.5%
  o German: slipped from 1st place in 2011 to 3rd place with 1,061 translations and a share of 9.8%
  o Italian: 1,020 translations and a share of 9.4%
  o English: 797 translations and a share of 7.4%

The largest increases can be seen in countries experiencing strong economic growth. In addition to the substantial increase in translations into Spanish, translations into Portuguese for Brazil have also increased (+39.8%). Translations into Chinese were up by 36% and translations into Turkish and Korean increased by 26.5% and 25.4% respectively. Translations into English also improved by 7.4%.

The most successful segments in terms of licenses sold are children’s and YA books, comic books and fiction. Germany was the top acquirer of French comic book titles.

Rights acquired

- Translations as a percentage of French books produced:
  o 2009: 14.3%, 2010: 14.9%, 2011: 15.9%, 2012: 17.3%

- Source languages and their share of all translations published in France:
  o English: 61.8%
  o Japanese: 13.8%
  o Italian: 4.9%
  o German: 4.4% (= 303 titles)
  o Spanish: 3.3%

There has also been an overall increase in the number of licenses acquired, particularly for titles originally published in English, but also Italian and German. There has been a decrease in the number of translations from Japanese and Swedish.

Exports

2010: €712.5 million (+1.6%)
Most important export markets: Belgium (28.9%), Switzerland (12.7%), Canada (11.8%) Germany leads the non-French-speaking countries (4.5%), Spain (3.6%), Morocco (3.1%), England (2.8%), USA (2.6%), Algeria (2.3%), Italy (2%)