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PUBLISHING STUDIES

PASA ANNUAL INDUSTRY SURVEY 2004 REPORT

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BACKGROUND

In recent years the importance of statistical information on the South African book industry has been noted by various role-players. Apart from the vested interest of publishers and the book trade there is an increasing demand for this kind of information by international bodies such as the International Publishers' Association (IPA) and the Board of the Frankfurt Book Fair (FBF), especially since the latter is a partner in the international Cape Town Book Fair. Statistical information on the industry is also required by the South African government, through individual representative bodies or the PICC. PASA, SABA, PAMSA and PIFSA are full members of the PICC (Print Industries Cluster Council), "a Non Profit Organisation driving book development at a broad national policy and strategic level" (*PICC Annual Report 2005: 2*).

In 2003 PASA, funded by DAC through the PICC, planned the first data collection exercise in the book industry in the form of a snapshot survey of the industry. Since then two snapshot surveys were conducted for the calendar years 2002 and 2003; the snapshot survey had been expanded into a more in-depth annual survey for 2004 and 2005. A central database on book publishing, based on the data collected for the survey reports, has been developed and housed at the Department of Information Science (Publishing Studies Division) at the University of Pretoria. This database is "an invaluable tool in developing the Monitoring and Evaluation framework which the PICC is currently designing to track and monitor changes along the book value chain [and] it is also a mechanism that can be used to monitor the impact of a National Book Policy" (*PICC Annual Report 2005: 23*).

The collection of data that is statistically representative has been a major challenge. Some of the problems that have been experienced during the first, second and third round of the exercise included the fact that questionnaires are sometimes completed by someone other than the intended respondent; respondents who don't read the questions carefully and whose feedback has to be followed up; a slow response rate in general; and a low response rate from small role-players. As far as PASA members are concerned, the larger publishers all participated and therefore the data is statistically reliable for that cross-section, but the response rate of small companies is still unsatisfactory. One of the reasons may be the fact that the smaller companies do not have systems in place to assemble their data in the detailed manner that is increasingly required by the PASA annual industry survey.

DATA COLLECTION PROCESS

The PASA Office supplied the researchers with its current list of CEOs/MDs of companies registered as PASA members. Based on this information a survey address list of 160 entities was compiled. This broad list included associate members, entities that are divisions/imprints of holding companies and entities whose core business does not include local book publishing or the distribution of international titles. (The broad contact list for the *PASA Snapshot Industry Survey 2003* contained 106 entities). Based on information gleaned from *The PASA Directory 2006* about the business activities of members the contact list was then trimmed to a core list of 80 members in order to target a representative sample. (The core list for the *PASA Snapshot Industry Survey 2003* was 54.)

The growth in the core list can be contributed to growth in the membership of PASA and to the fact that a wider range of core business activities was taken into account when compiling the core list of 2004. These activities include: local publishing of books, local publishing of electronic products, distribution of imported books (books not published by company), distribution of e-products not published by company, publishing of other types of learning/teaching support material (e.g. diaries, wall charts and maps), and other publishing related activities (e.g. warehousing, rights sales).

Core list of targeted PASA members

Aardvark Press (Pty) Ltd	METC (Pty) Ltd
Actua Press	Metz Press
AllCopy Publishers	Nam Publishers
Anansi CC	New Africa Books (Pty) Ltd
Awareness Publishing SA (Pty) Ltd	New Dawn Publishers
Bateleur Books (Pty) Ltd	New Generation Publishers
Bell-Roberts Print & Publishing cc	New Holland Publishing (SA) (Pty) Ltd
Berlut Books CC	New Readers Publishers
Bitabyte	Nutrend Productions
Blue Weaver Marketing & Distribution	OBE Publishers
Brenthurst Press	Oxford University Press Southern Africa
Briza Publications	Palm Publishers
Cambridge University Press	Pan Macmillan SA (Pty Ltd)
CLS Publishers	Penguin Group (SA)
Ebony Books CC	Pulse Education Services cc
Effective Teaching Publishers (Pty) Ltd	Qualibooks Publishers
Elf Publishers	Quartet Sales & Marketing
Flesch Publications	R.I.C. Publications
Fuscana Publishers	Rainbird Publishers cc
Heinemann (Reed Elsevier SA)	Random House (Pty) Ltd
Hibbard Publishers (Pty) Ltd	Reading Matters (READ)
HPH Publishing	Shuter & Shooter Publishers (Pty) Ltd
HSRC Press	SMILE
IDASA	Solo Collective cc
Ilitha Publishers	STE Publishers
Intelligent Media	Study Opportunities
Jacana Media (Pty) Ltd	The Answer
John Wiley & Sons Ltd	Titles
Junior Student Publishers	Troupant Publishers (Pty) Ltd
Juta & Company Limited	Trumpeter Workbooks
Kidza Books	Umtapo Publishers and Booksellers

Lannice Snyman Inc
Lectio Publishers (Pty) Ltd
Lets Look
Litera Publications
Lotsha Publications
Lovedale Press
Macmillan South Africa (Pty) Ltd
Margie Ogilvy Promotions cc
Maskew Miller Longman (Pty) Ltd

University of Kwa-Zulu Natal Press
Via Afrika Limited
ViVa Books
Vivlia Publishers & Booksellers (Pty) Ltd
Voices in Africa
Wild Dog Press
Wits University Press
Writers Inc Publishers
Zachen Publishers (Pty) Ltd

The Questionnaire used for the *Snapshot Industry Survey 2003* was refined and expanded in consultation with the PASA Exco and the PICC. Participants had to provide the following general information for the *Annual Industry Survey 2004*:

- the name of the holding company;
- the holding company's business activities: publishing local books according to sector; co-publishing local books; publishing local electronic products; publishing other kinds of products; distributing books not published by company; distributing e-products not published by company and other activities; and
- a list of the holding company's local publishing divisions/imprints and the international imprints distributed by the holding company.

The survey questions focused on the following profiles of the local holding company:

- turnover profile according to activities and then specifically broken down into turnover for locally produced books according to sub-sector and turnover of distributing imported books according to sub-sector;
- production profile according to number of new titles and subsequent editions/reprints published during 2004;
- author profile according to population group, gender and sub-sector;
- royalty profile;
- employment profile according to population group, gender and job categories; and
- ownership profile.

The Questionnaire was targeted at the CEO/MD of the holding company who was requested to include exact (or as accurate as possible approximations of) accumulated and consolidated figures/numbers pertaining to all relevant divisions and/or imprints of the company.

The 2004 Questionnaire and a covering letter from the PASA Exco contextualising the expanded *PASA Annual Industry Survey* were sent to entities on the core list on 1 February 2006. It was clearly stipulated that the completed Questionnaire had to be returned to Dr Francis Galloway via a dedicated e-mail address or by registered post before or on the cut-off date of 15 March 2006.

Various steps had been taken to ensure the co-operation of all relevant role-players, including weekly reminders about the cut-off date. By 15 March 12 completed Questionnaires were received. From the end of March specific CEOs/MDs were personally targeted at regular intervals in order to speed up the response rate. By the time of the PASA Sector Meetings and Annual General Meeting of 16-17 May 2006, 22 holding companies have reacted to the Questionnaire (including companies that declined to participate). During the various meetings members were encouraged to participate in the survey and to return the completed Questionnaire as soon as possible. After the AGM the Executive Director of PASA, Dudley Schroeder, and an Exco member, Lieze Kotze, contacted key role-players to enlist their participation. By 14 June all the larger companies have completed and returned the Questionnaire and feedback was regarded as representative of the companies in the higher turnover bands of PASA. The research team had one day to compile fact sheets of findings on the 2004 and 2005 surveys to be used during the first international Cape Town Book Fair (see Kate McCallum's article "Doing business in South Africa: A statistical overview" in *Bookmark*, July-September 2006). The survey report, however, could only be prepared in September because the slow return rate impacted seriously on the research schedule and the availability of the researchers.

Feedback (completed questionnaires and other communication) was received from **36** companies, including **10** that declined to participate. The companies that declined to participate, for a variety of reasons, were: CORE, Effective Teaching Publishers, HSRC Press, Metz Press, New Leaf Publications, Briza Publications, Learning Channel Print, Study Opportunities, Quartet Sales & Marketing, Awareness Publishing SA. **26** of the 36 companies returned completed questionnaires and all of them were used for analysis. The receipt of each completed questionnaire was individually acknowledged via e-mail or telephone and kept on record.

For the *Snapshot Survey 2002* **32** completed questionnaires were analysed, representing 50% of the core list of 64 companies and 97% of the estimated Total Net Turnover of all PASA-affiliated companies involved in local book publishing and sales of imported titles. For the *Snapshot Survey 2003*, **25** out of the 54 core list companies completed questionnaires, representing 46% of the sample and 97.82% of the estimated Total Net Turnover of the targeted companies. For the *Annual Industry Survey 2004* the net was cast wider when the core list was compiled in order to include more companies that are involved in other types of business activities, e.g. the publishing of other kinds of LSM products such as wall charts. The **26** questionnaires out of a core list of 80 represented 32.5% of the sample and 94.43% of the estimated Total Net Turnover (see page 13).

List of companies that participated in the 2004 industry survey

Company	2004
Bateleur Books (Pty) Ltd	✓
Cambridge University Press: African Branch	✓
Heinemann (Reed Elsevier SA)	✓
John Wiley & Sons Ltd	✓
Juta & Company Limited	✓
Lectio Publishers (Pty) Ltd	✓
Lets Look	✓
Macmillan South Africa (Pty) Ltd	✓
Margie Ogilvy Promotions	✓
Maskew Miller Longman (Pty) Ltd	✓
New Africa Books (Pty) Ltd	✓
New Holland Publishing (SA) (Pty) Ltd	✓
New Readers Publishers	✓
Nutrend Productions	✓
Oxford University Press Southern Africa	✓
Palm Publishers	✓
Pan Macmillan SA (Pty) Ltd	✓
Penguin Group (SA)	✓
Random House (Pty) Ltd	✓
Reading Matters	✓
Shuter and Shooter Publishers (Pty) Ltd	✓
Solo Collective	✓
Troupant Publishers (Pty) Ltd	✓
Via Afrika Limited	✓
Vivlia Publishers & Booksellers (Pty) Ltd	✓
Wild Dog Press	✓
Total Questionnaires Analysed	26

The following table provides a detailed **producer profile** of the **26** holding companies that participated in the *Annual Industry Survey 2004*, with reference to their local and international imprints/agencies.

Producer profile of holding companies that participated in the 2004 survey

HOLDING COMPANY	LOCAL IMPRINTS/AGENCIES	INTERNATIONAL IMPRINTS/AGENCIES
Bateleur Books (Pty) Ltd	Bateleur	None
Cambridge University Press: African Branch	Roedurico Trust	Greenwich Medical
Heinemann (Reed Elsevier SA)	Heinemann, Isando Books, Centaur, Lexicon	Ann Arbor, Academic Press, Architectural Press, Aspen, Butterworth-Heinemann, Christopher Helpm, CIMA Publishing, Digital Press, Elsevier, Excerpta Medica, Focal Press, Ginn, Greenwood, Gulf Professional, Guathier-Villars, Heinemann, Inkata Press, JAI Press, Morgan Kaufmann, Michael Wiese, Newnes, North-Holland, Pergamon Press, Poyser, Rigby, Royal Netherlands Academy of Arts and Sciences, Syngress Media, Surrey University Press
John Wiley & Sons Ltd	None	Jossey-Bass, Gapstone, IDG, Frommers, Wiley VCH, Wrox, Wiley
Juta & Company Limited	Ace, Juta, Juta Law, JutaStat, Juta Academic, Juta Learning, Juta Gariep, UCT Press	None
Lectio Publishers (Pty) Ltd	Lectio Publishers Solidarity	None
Lets Look	Lets Look	None
Macmillan South Africa (Pty) Ltd	Nolwazi Educational Publishers, Macmillan, Ravan Press, Guidelines Educational Publishers, Clever Books	Macmillan UK, Macmillan Australia, Gill and Macmillan, College Press, Nelson Thornes, Gamsberg Macmillan
Margie Ogilvy Promotions	None	None
Maskew Miller Longman (Pty) Ltd	Maskew Miller Longman, Pearson Education, Sached, Kagiso, De Jager-Haum, Prolit, Phumelela, Perskor	AWL, Allyn and Bacon, Annick Press, Cisco Press, Financial Times, Ladybird, Longman, New Riders, Orion, Peachpit Press, Prentice Hall, Que, Ravette, Reuters, SAMS, York Notes, Disney, Barbie
New Africa Books (Pty) Ltd	New Africa Education, David Philip, Spearhead, Songololo	ZED, One World, James Currey
New Holland Publishing (South Africa) (Pty) Ltd	Struik, Struik Christian Books, Map Studio, Zebra, Oshun, New Holland, Globetrotter	Nelson Books, Nelson Bibles, W Publishing, Bethany House, Waterbrook, Kingsway Books, Broadman & Holman, Broadman Lifeway, Lion Publishing, Bantam Doubleday, Christian Focus, Monarch, Whitaker House, Destiny Image, Harrison House, Servant Publications, Warner Faith, CWR, Zondervan, Zonderkidz

HOLDING COMPANY	LOCAL IMPRINTS/AGENCIES	INTERNATIONAL IMPRINTS/AGENCIES
New Readers Publishers	New Readers Publishers	None
Nutrend Productions	Nutrend	None
Oxford University Press Southern Africa	OUP SA	OUP branches worldwide, Agencies: World Bank, PEASE Int.
Palm Publishers	Palm Publishers	None
Pan Macmillan SA (Pty) Ltd	Picador Africa, Giraffe Books	Pan Macmillan UK, Pan Macmillan Australia, St Martins Press, Henry Holt, Guinness, Sidgwick & Jackson, Walker Books, Frances Lincoln, Priddy Books, Hodder Wayland, Hodder Consumer Education, Farrar Straus & Giroux, Rodale, Wisden
Penguin Group (SA)	Penguin, Penguin Hardback	Penguin UK & New Zealand & Australia & Canada & US & India , Allen Lane, Alastair Sawday, BBC Childrens', Dorling Kindersley Adult and Childrens, Hamish Hamilton, Michael Joseph, Penguin, Puffin, Viking, Warne, Rough Guide, Fig Tree, Alpha. Atlantic Books, Canongate , Grove Press and Canongate Paperback, Constable and Robinson, Egmont , Chicken House, Dean, Egmont Hardback and Paperback, World, Faber and Faber , Faber and Faber Adults and Children, Icon Adults and Children, Short Books, Nelson Thornes, Octopus , Godsfield, Hamlyn, Mitchell, Beazley, Philip's, Piatkus , Sanctuary, Times Warner Books , Abacus, Little, Brown, Orbit, Virago, Warner UK, Virgin Books, Which
Random House (Pty) Ltd	Random House SA	Anchor Books UK, Anchor US, Andersen Press, Arrow, Audio Books, Ballantine, Bantam UK, Bantam USA, Bantam Press, Bell Tower, Black Swan, Bodley Head, Broadway, C.W. Daniel, Century, Chatto & Windus, Corgi, Corgi Yearling, Crown, David Fickling, Del Rey, Dell, Delta, Dial, Doubleday (Australia, UK, USA), Ebury Press, Everyman's Library, Expert, Fawcett, Fodor's, Gramercy, Harmony, Harvill Press, Heinemann, House of Collectibles, Hutchinson, Ivy, Jonathan Cape, Knopf, Living Language, Mainstream, Modern Library, Pantheon, Pimlico, Potter, Prima, Random House Audio, Random House (Australia, USA Business, Reference), Red Fox, Rider, Schocken, Secker & Warburg, Shambala, Sierra Arts Foundation, Sierra Club, Tellastory, Three Rivers, Time out Guides, Times Books, Vermillion, Villard Books, Vintage Rhuk, Vintage USA, Yellow Jersey Press
Reading Matters	READ	None
Shuter & Shooter Publishers (Pty) Ltd	Shuter & Shooter	None

HOLDING COMPANY	LOCAL IMPRINTS/AGENCIES	INTERNATIONAL IMPRINTS/AGENCIES
Solo Collective	Solo Collective	None
Troupant Publishers (Pty) Ltd	Troupant, Rollerbird Press	None
Via Afrika Limited	<p>NB Publishers (Human&Rousseau, Tafelberg, Jasmyn, Hartklop, Satyn, Mirre, Melodie, Kwela, Pharos, Best Books)</p> <p>Nasou Via Afrika (Nasou, Via Afrika, Nasou/Via Afrika, Action, Afro, Collegium, Atlas, Afritech, KZNBooks, Acacia)</p> <p>Book Promotions (Ampersand Press, Carmel Art, Catholic Institute of Education, Francolin Publishers, George Poulos, Greenhouse, International Motoring Products, K53 Project, Laugh it Off, Lagarto Studios, National Publishing, Oceans of Africa, Rainbird Publishers, SARFU Rugby Annual, Sederberg Uitgewers, Stonewall Books, Stormberg Publishers, Winelands, Wits University Press)</p> <p>Jonathan Ball (Jonathan Ball, AD Donker, Sunbird, Delta)</p> <p>Van Schaik (JL van Schaik, Academica, Van Schaik, Jacana)</p> <p>Lux Verbi (NG Kerk Uitgewers, Lux Verbi.BM, Hugenote Uitgewers, Protea, Bybelkor, Waterkant Uitgewers, Mema Media, Nehemia Bible Institute, Hugenote Bybelinstituut)</p> <p>Content Solutions</p>	<p>Shortlands, Phoenix</p> <p>A&C Black, Collins Education, Continuum, David Fulton, Duckworth Publishers, Geddes & Grosset, Guilford Publications, Hodder Educational, ITDG Publishing, Indiana Univ Press, Industrial Press, James & James Earthscan, Jessica Kingsley Publishers, Kogan Page, Letts Education, Pluto Press, Sheridan House, Taylor & Francis Group, Univ Presses of California, Columbia & Princeton, Whittles Publishing, Universal Designs/Argus, Arrow Publications, Augsburg/Fortress, Oasis (Bob Sorge), Bridge-Logos, Christ Camp Ministries (Mary Garrison Books), Concordia, Destiny Image, Evangelical Literature Enterprize (Seal of God), Foundation of Priase (Merlin Carothers), Group Publishing, Hendrickson, John Bevere Ministries – books only, Kirkbridge Bibles, Life Changes (Bob Mumford), Living Stream Ministries, Morning Star Publications, OM Literature (Dakes Bibles), Riverside/World Bibles, Standard Publishing, Victory House, Whitaker House/Anchor, World Wide Publications, YWAM</p> <p>Aa Publishing, Bloomsbury, Cassell Illustrated, DC comics, Economist Books/Profile Books, Granta, Hachette Illustrated, Harper Collins UK, Harper Collins USA, Harper Collins Australia, Headline, Hodder & Stoughton, Orchard, Profile, Scholastic, Simon and Schuster, Sunbird, Sutton, Taschen, Time Warner Bookmark, Yale University Press</p>
Vivlia Publishers and Booksellers	Vivlia	System Publishing
Wild Dog Press	Wild Dog Press	Allen & Unwin, APL, Bradt, Chrysalis, Kyle Cathie, Murdoch, Merehurst

DATA CAPTURING

The data collected from the **26** questionnaires had been captured in Excel as part of the PASA industry database. Several security measures ensured the confidentiality of the information, both in paper and electronic format.

Following the procedure instituted for the 2002 and 2003 surveys, the 80 companies on the **core list** for the 2004 survey were coded according to the turnover band structure (A–L) on which PASA membership fees is based (this information was provided by the PASA office). The 80 companies were then organised into three basic categories: LARGE PUBLISHERS/HOLDING COMPANIES (bands K & L, which included companies with an annual turnover of more than R50 million), MEDIUM PUBLISHERS/HOLDING COMPANIES (bands F-J, which included companies with an annual turnover between R5 million and R49,999,000) and SMALL PUBLISHERS/HOLDING COMPANIES (bands A-E, which included companies with an annual turnover of less than R5 million). The **large publishers' category** on this core list comprised 11 companies; the **medium publishers' category** comprised 11 companies; and the **small publishers' category** comprised 58 companies [11+11+58=80].

For the 2004 survey report three publishers' categories were used, as requested by the PICC and PASA. Only two categories were used for the 2002 and 2003 snapshot surveys: larger publishers (annual turnover more than R 5 million), and smaller publishers (annual turnover less than R 5 million). Therefore any true comparison of the Total Net Turnover per publishers' category for 2002, 2003 and 2004 should take this into account.

The **26** questionnaires used for analysis have been divided into the three publishers' categories:

- **11 questionnaires** were completed by holding companies in the LARGE PUBLISHERS' category on the core list of 80. Since these 11 companies comprised all **11** entities in the K & L bands, the analysis for this category was **100% representative** of PASA membership.
- **9 questionnaires** were completed by holding companies in the MEDIUM PUBLISHERS' category on the core list of 80. Since these 9 companies comprised **9 out of 11** listed entities in the F, G, H, I and J bands, the analysis for this category was **81.82% representative** of PASA membership. Accumulative maximum potential Total Net Turnover for the 2 outstanding questionnaires in this category was estimated at **R44,998,000** – this was based on the maximum potential turnover of each of the 2 companies according to its PASA membership band. (This procedure was consistently applied since the 2002 snapshot survey.)

- **6 questionnaires** were completed by holding companies in the SMALL PUBLISHERS' category on the core list of 80. Since these 6 companies comprised **6 out of 58** entities in the A, B, C, D and E bands, the analysis for this category was only **10.34% representative** of PASA membership. Accumulative maximum potential Total Net Turnover for the 52 outstanding questionnaires in this category was estimated at **R60,948,000** – this was based on the maximum potential turnover of each of the 52 companies according to its PASA membership band. (This procedure was consistently applied since the 2002 snapshot survey.)

[11+9+6 = 26 completed questionnaires; 2 medium + 52 small = 54 outstanding questionnaires; 26 + 54= 80 total for core list]

The Total Net Turnover as per all 26 questionnaires (see page 12) was **R1,795,533,746** (Rx). If the estimated figure for the 54 outstanding questionnaires (**R44,998,000 + R60,948,000 = R105,946,000**) is added to this, the estimated Total Net Turnover for all 80 companies on the core list would be **R1,901,479,746** (Ry). The analysis below (see TURNOVER PROFILE) was based on the actual figure(s) in the questionnaires and therefore constituted $Rx / Ry \times 100 = 94,43\%$ of the estimated total turnover for all 80 companies. Even though the profile was not 100% correct, the presented profile was based on more than 94% of the total, which gave a clear indication of the industry turnover profile according to PASA membership.

DATA ANALYSIS

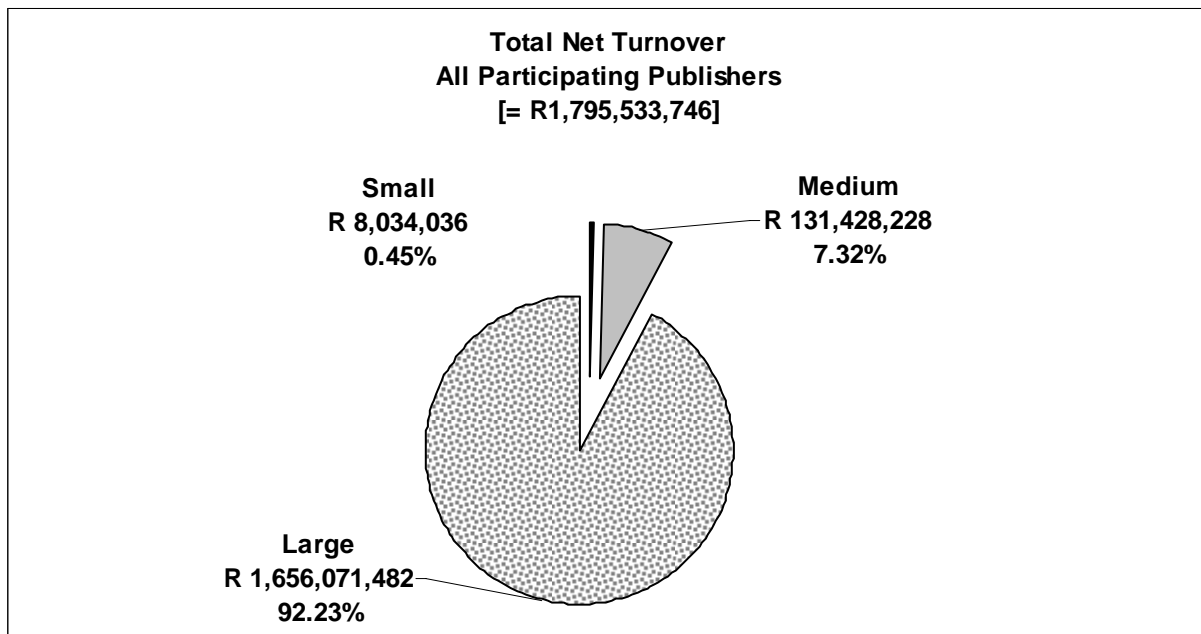
Data from the **26** completed questionnaires was analysed in order to construct generic profiles of the South African book publishing industry: turnover, production, author, royalty, employment and ownership. Several security and quality control measures ensured the confidentiality and integrity of the information transfer process. **The analysis, however, rests on the assumed accuracy of the data received from the individual participating companies.**

TURNOVER PROFILE

Total Net Turnover

The **Total Net Turnover** (excluding VAT and discount) of all participating publishers for the period 1 January to 31 December 2004.

Participating Large Publishers (Band K-L)	Participating Medium Publishers (Band F-J)	Participating Small Publishers (Band A-E)	Combined Total for Participating Large, Medium and Small Publishers	Non-participating Medium and Small Publishers (Maximum Potential Turnover based on PASA Membership Band)	Estimated Total Turnover for all Publishers on Core List
R1,656,071,482	R131,428,228	R8,034,036	R1,795,533,746	R105,946,000	R1,901,479,746



Notes

- These figures represent feedback from 11/11 large publishers, 9/11 medium publishers, and 6/58 small publishers.
- The 11 large companies contributed **R1,656,071,482** (Ra) to the Total Net Turnover of **R1,795,533,746** (Rb), therefore their contribution is $Ra / Rb \times 100 = 92.23\%$ of the Total Net Turnover of the 26 participating companies.
- The Total Net Turnover of **R1,795,533,746** (Rc) constituted **94.43%** of the estimated Total Net Turnover (R1,901,479,746 = Rd) of all 80 companies on the core list (see page 6).
- Total Gross Turnover cannot be provided because most participants did not indicate gross turnover figures.
- See the separate executive summary for comparative turnover information on the period 2002-2005.

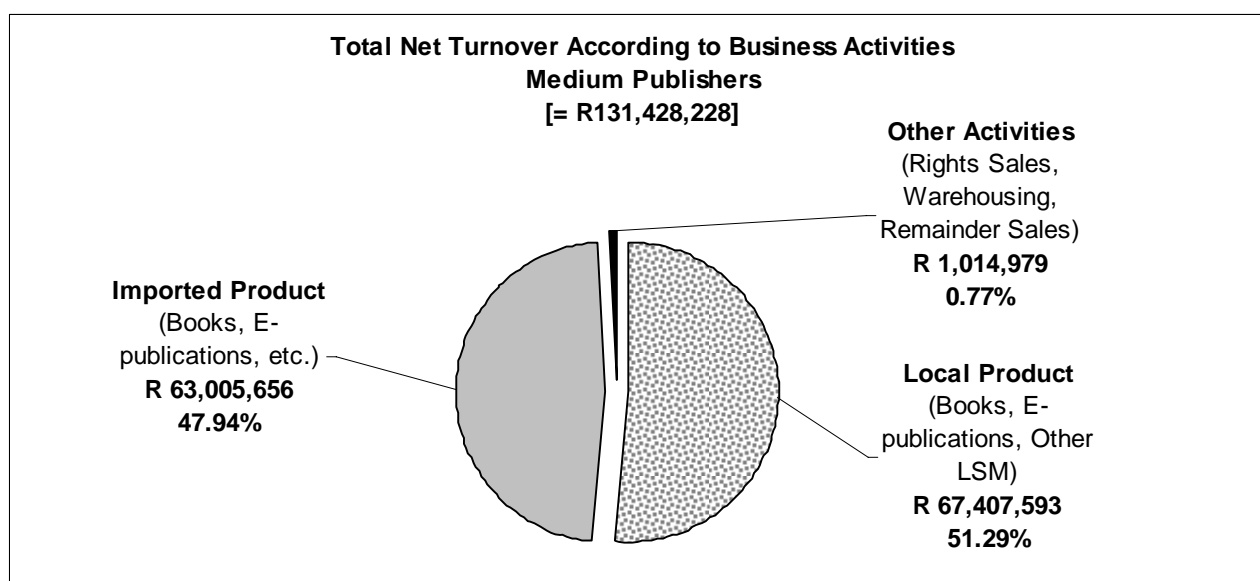
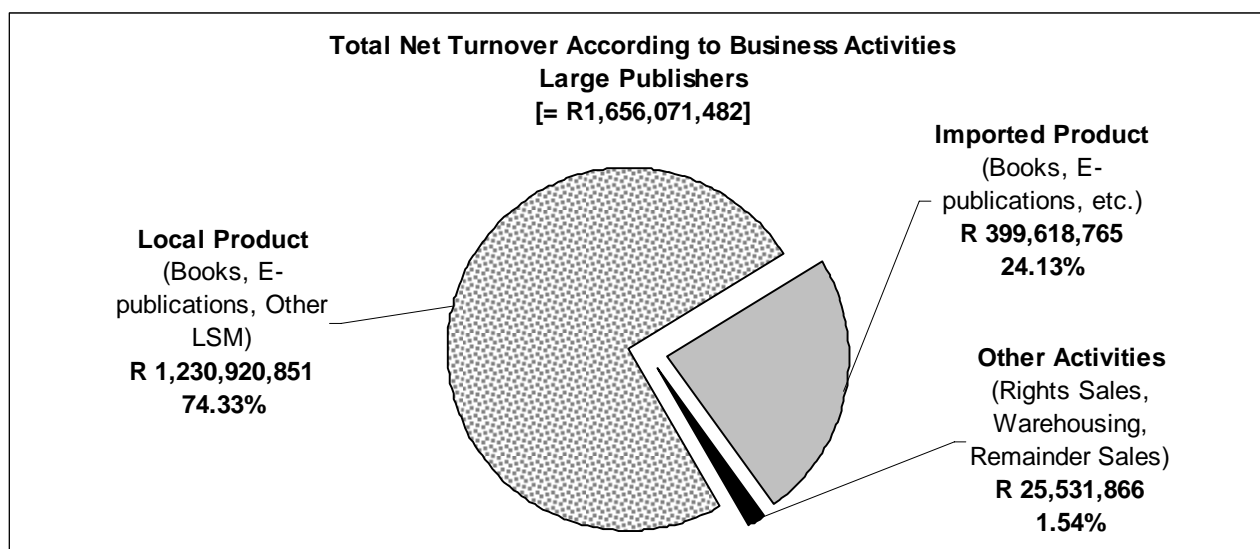
TURNOVER PROFILE

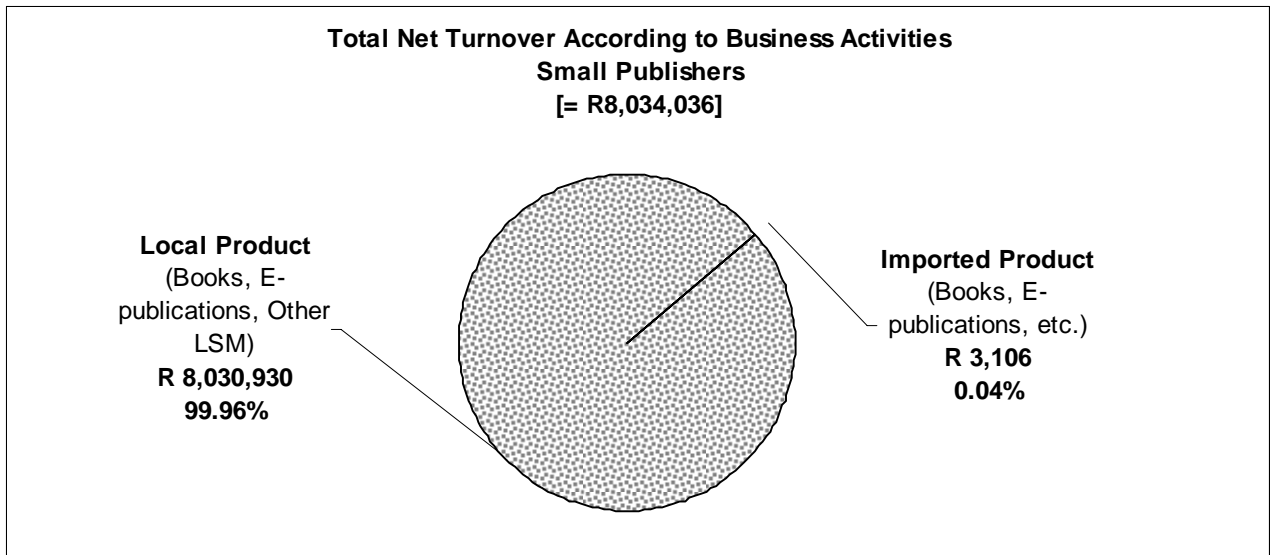
Total Net Turnover: Business Activities

The Total Net Turnover (excluding VAT and discount) of all participating publishers for the period 1 January to 31 December 2004 according to **business activities**.

Total Net Turnover for Sales of Local Product (Books, E-publications, Wall charts, etc.)	Total Net Turnover for Sales of Imported Product (Books, E-publications, etc.)	Total Net Turnover for Other Activities	Combined Total Net Turnover by Participating Publishers for All Activities
R1,306,359,374	R462,627,527	R26,546,845	R1,795,533,746

Total Net Turnover According to Business Activities and Publisher Category





Notes

- These figures represent feedback from 11/11 large publishers, 9/11 medium publishers and 6/58 small publishers.
- The most dominant business activity of the large publishers' category was local product (74.33%).
- The business activity of the medium publishers' category reflected an almost equal spread between local (51.29%) and imported product (47.94%).
- The small publishers' category focused almost exclusively on local product (99.96%).

TURNOVER PROFILE

Net Turnover: Sales of Local vs. Imported Product – According to Sub-Sector

The Net Turnover (excluding VAT and discount) of all participating publishers for sales of **local and imported product** into the South African market for the period 1 January to 31 December 2004, according to sub-sector.

Net Turnover of Participating Publishers: Sales of Published & Co-Published Local Books vs. Sales of Imported Books & Journals – According to Sub-Sector

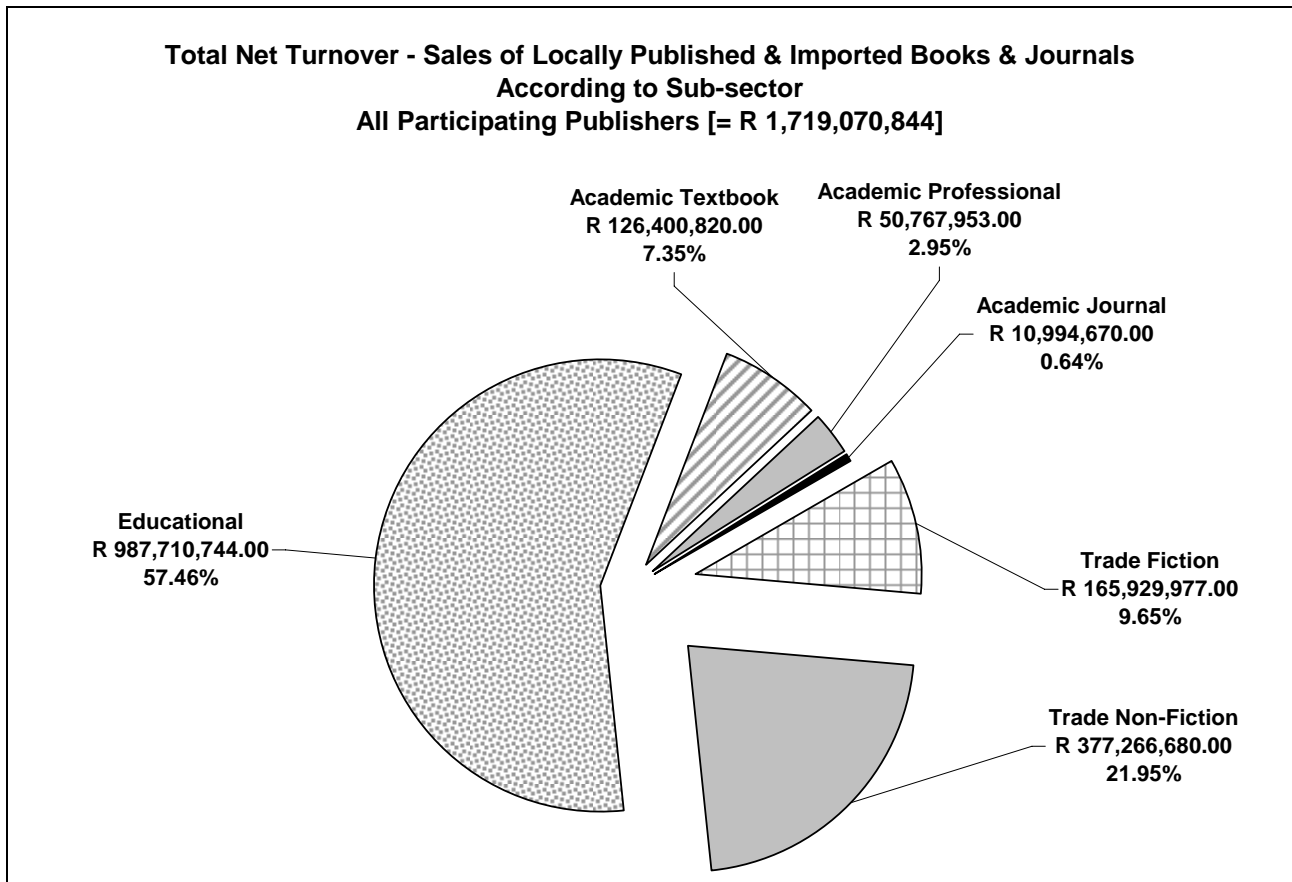
Sector	Total Net Turnover of Sales of Locally Published & Imported Books & Journals	Net Turnover - Sales of Locally Published Books & Journals (Rand Value & Percentage)	Net Turnover - Sales of Imported Books & Journals (Rand Value & Percentage)
Trade sector	R 543,196,657 31.60%	R211,997,773 39.03% Local	R331,198,884 60.97% Imported
Education sector	R 987,710,744 57.46%	R921,636,832 93.31% Local	R66,073,912 6.69% Imported
Academic sector	R 188,163,443 10.95%	R131,927,693 70.11% Local	R56,235,750 29.89% Imported
Sub-Total		R1,265,562,298	R453,508,546
Total	100%	R1,719,070,844	

Notes

- It is important to remember that the Net Turnover for the three sub-sectors was not equivalent to the Total Net Turnover of all participating publishers. The reason was that there were other business activities beside sales of local/co-published books & sales of imported books/journals that had contributed to the Total Net Turnover. These other activities can also be expressed in local vs. imported sales:

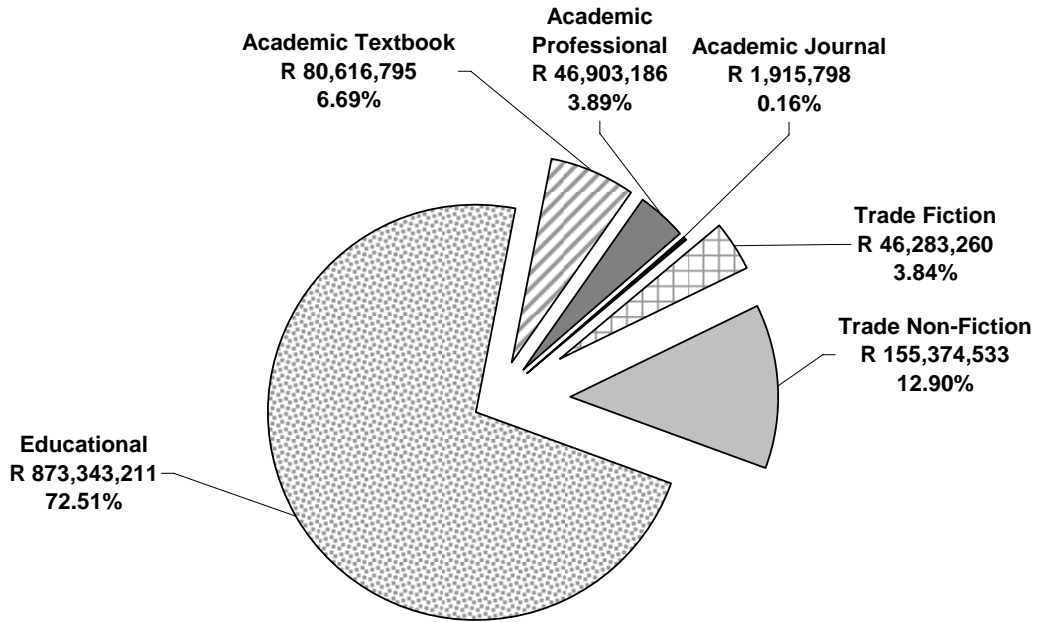
	Local	Imported
Total of Book Sales (as above)	R1,265,562,298 73.62% Local	R453,508,546 26.38% Imported
PLUS: Published Local E-products vs. Imported E-products	R21,017,661 98.27% Local	R369,341 1.73% Imported
PLUS: Published Local Non-Book-products vs. Imported Non-Book-products	R19,779,415 69.33% Local	R8,749,640 30.67% Imported
Total Net Turnover for Local Product vs. Imported Product	R1,306,359,374 73.85% Local	R462,627,527 26.15% Imported
PLUS: Total Net Turnover for Other Activities (Rights Sales, Warehousing, Remainder Sales, etc.)	R26,546,845 1.48% of Total Net Turnover	
Combined Total Net Turnover by Participating Publishers for All Activities	R1,795,533,746	

- The turnover of local versus imported academic (including professional) books/journals may not be representative of the real picture in the industry, because a number of important role-players in this sector were not members of PASA at the time and therefore did not participate in the survey.
- See pie charts below for a breakdown of sales of published & co-published local books versus sales of imported books & journals according to the three categories of publishers.

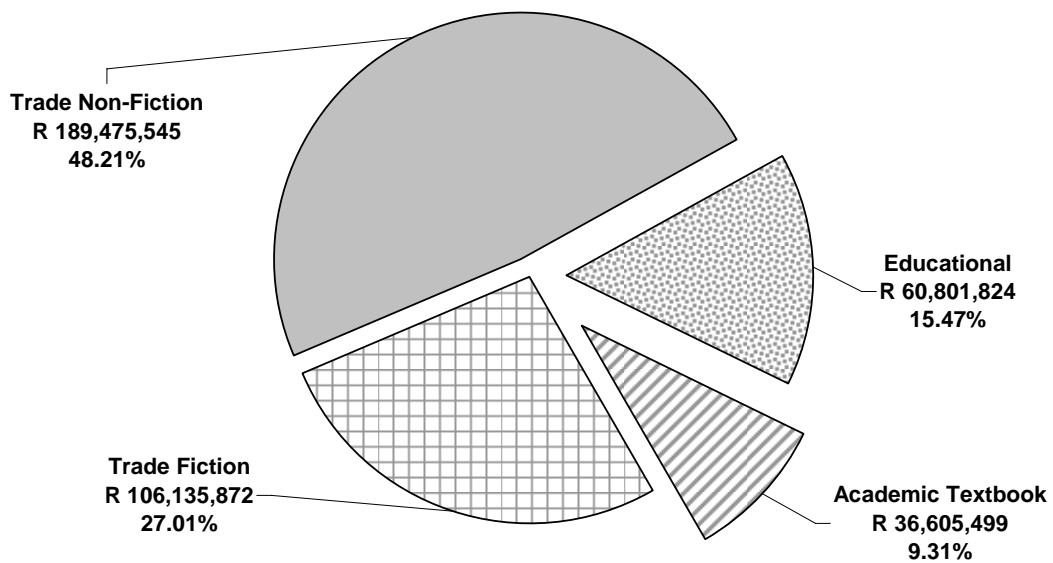


Net Turnover According to Sub-Sector and Publisher Category

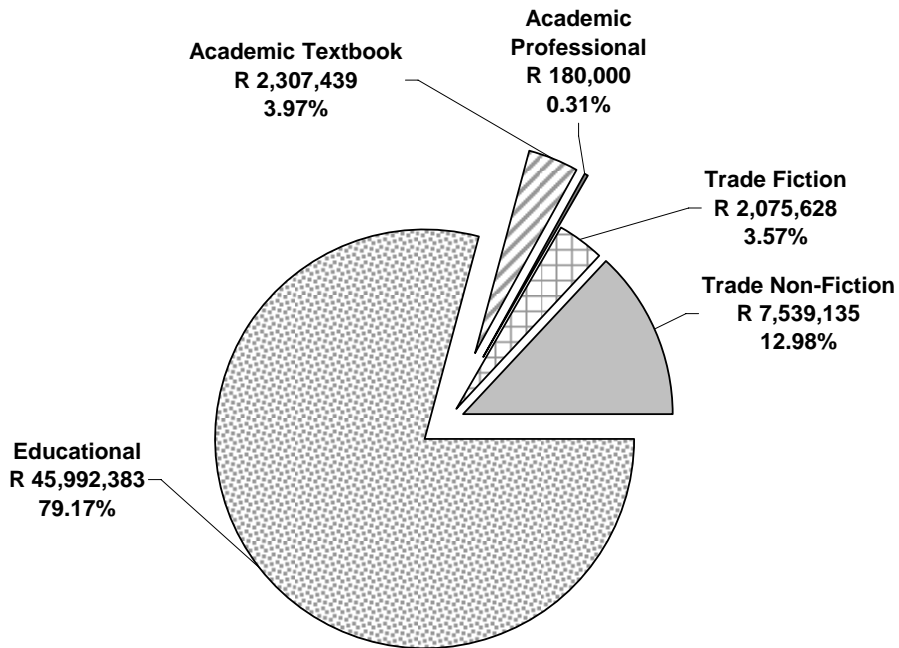
**Total Net Turnover - Sales of Locally Published Books & Journals
According to Sub-sector
Large publishers [= R1,204,436,783]**



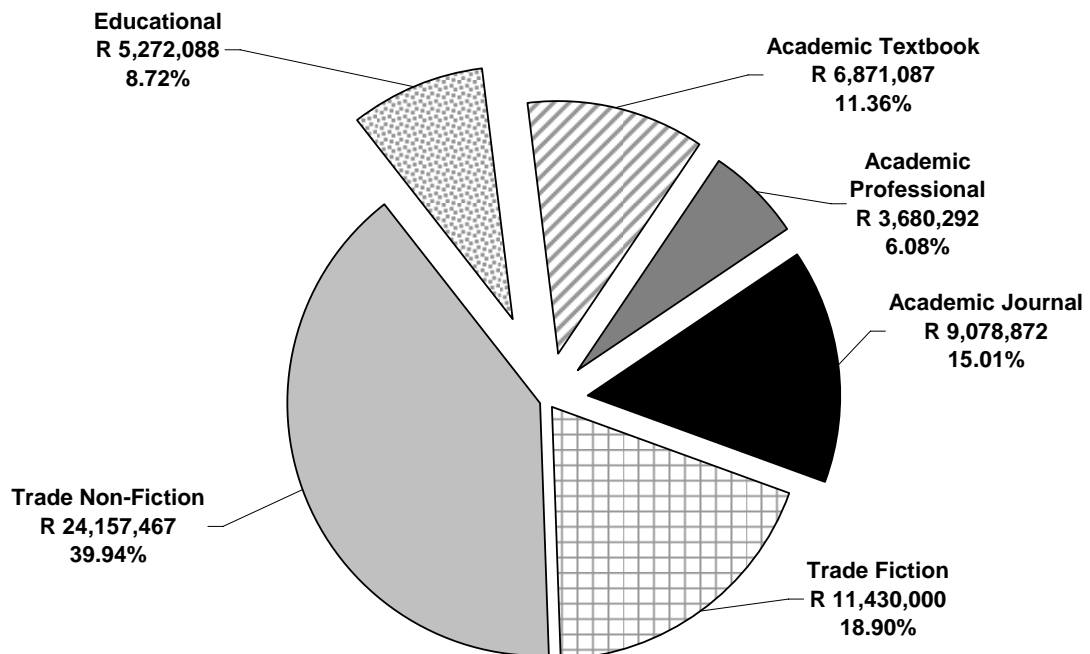
**Net Turnover - Sales of Imported Books & Journals
According to Sub-sector
Large Publishers [= R393,018,740]**



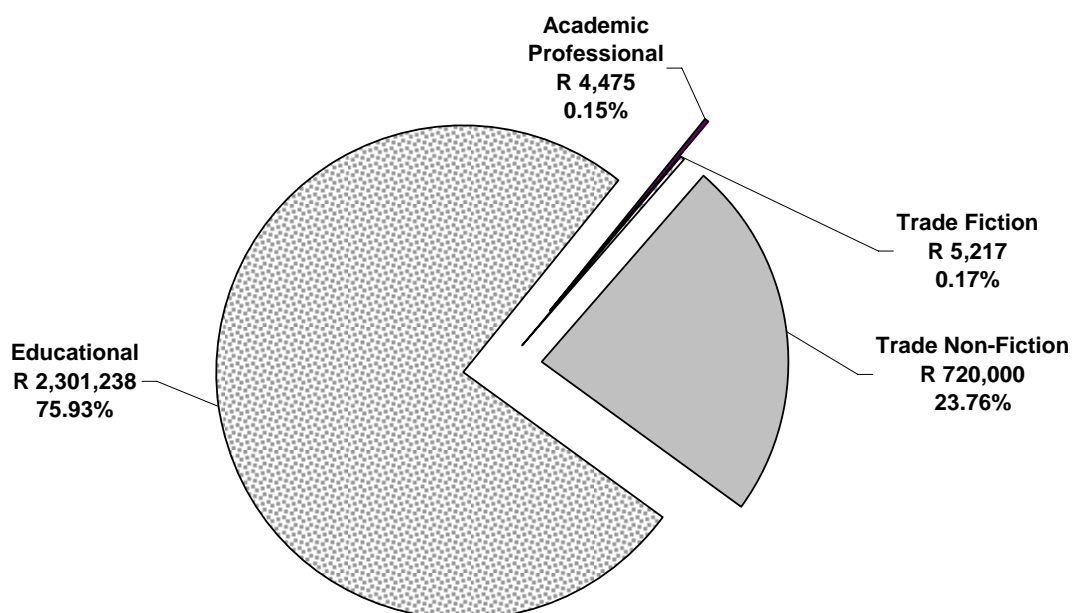
**Total Net Turnover - Sales of Locally Published Books & Journals
According to Sub-sector
Medium Publishers [= R58,094,585]**



**Net Turnover - Sales of Imported Books & Journals
According to Sub-sector
Medium Publishers [= R60,489,806]**



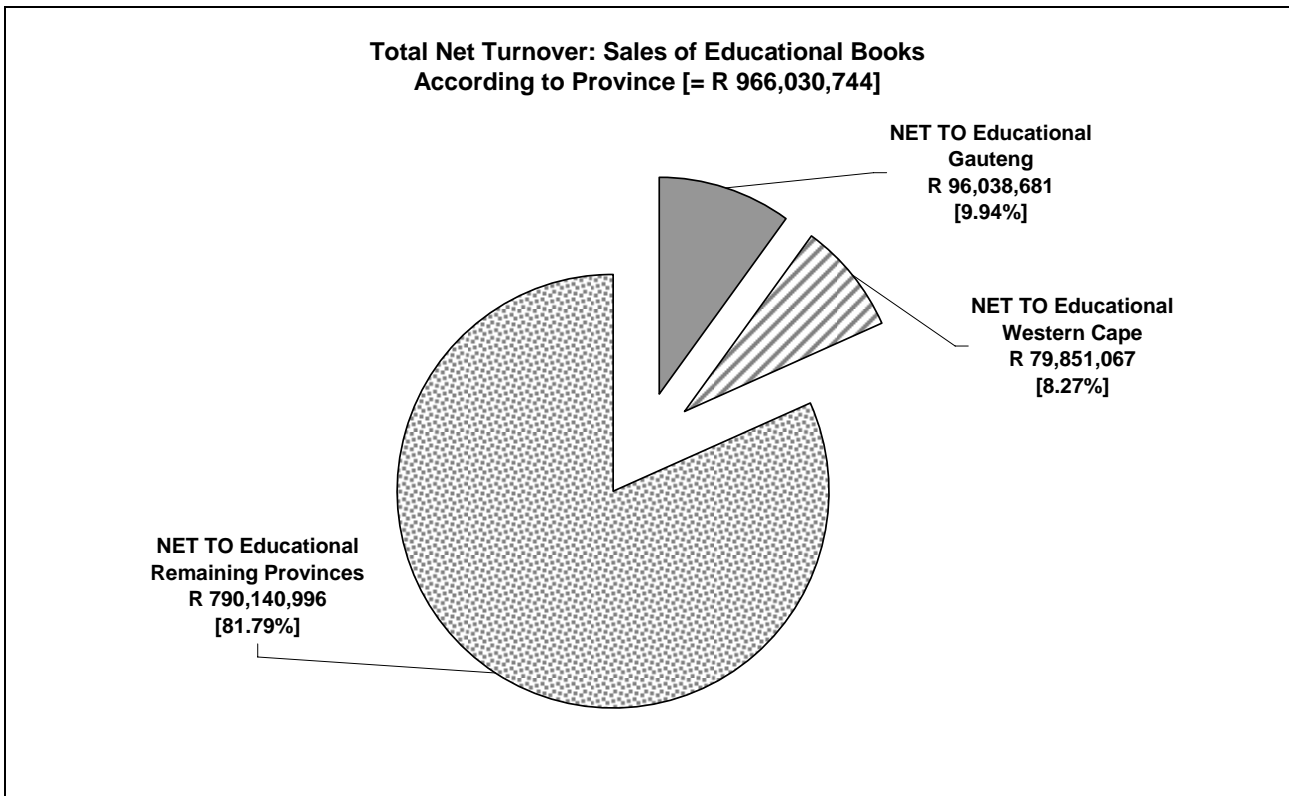
**Total Net Turnover - Sales of Locally Published Books & Journals
According to Sub-sector
Small Publishers [= R3,030,930]**



Notes

- The turnover of the large publishers' category was mainly generated by sales of local educational books and imported trade books (mostly non-fiction, but also fiction).
- The turnover of the medium publishers' category was mainly generated by sales of local educational books and imported trade books (mostly non-fiction, but also fiction).
- The turnover of the small publishers' category was mainly generated by sales of local educational books, but local non-fiction trade books also contributed significantly to the turnover.

TURNOVER PROFILE
Educational Net Turnover per Province



Notes

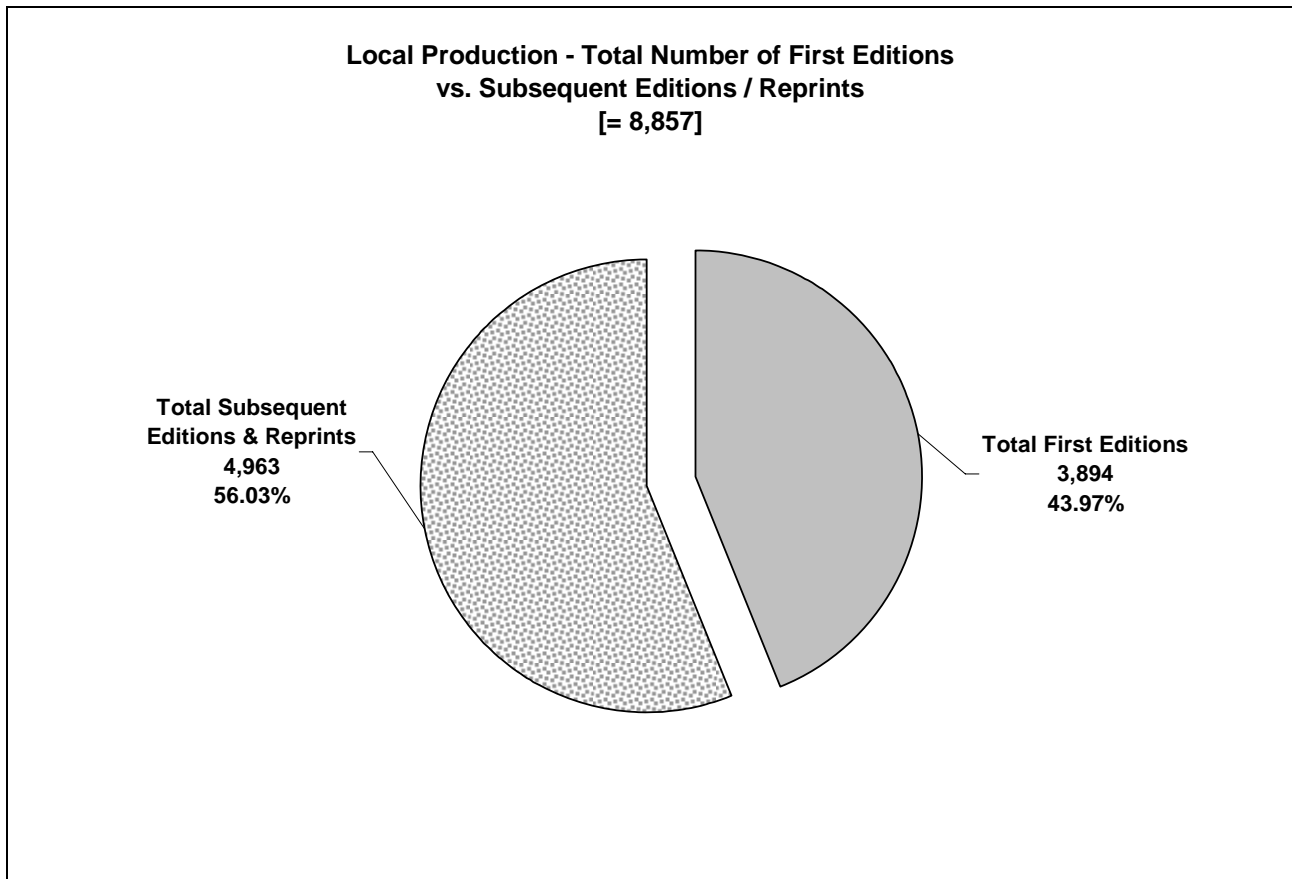
- Results on the Educational Net Turnover per Province cannot be provided because one large publisher did not submit the necessary breakdown.

PRODUCTION PROFILE

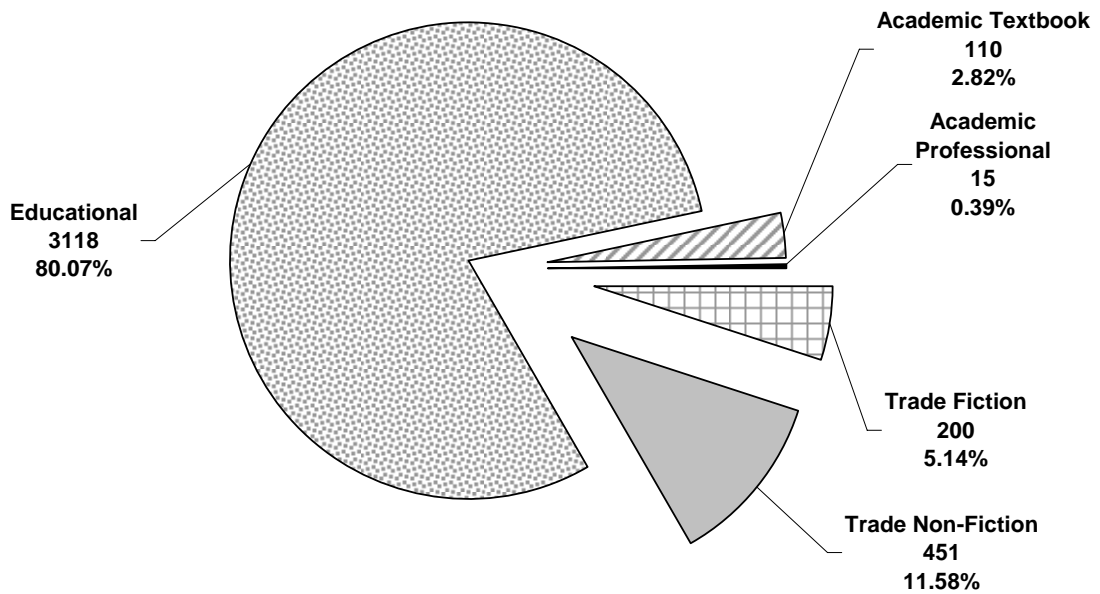
The number of **locally published titles** by all participating publishers between 1 January and 31 December 2004.

First Editions	Subsequent Editions & Reprints	Total
3,894	4,963	8,857

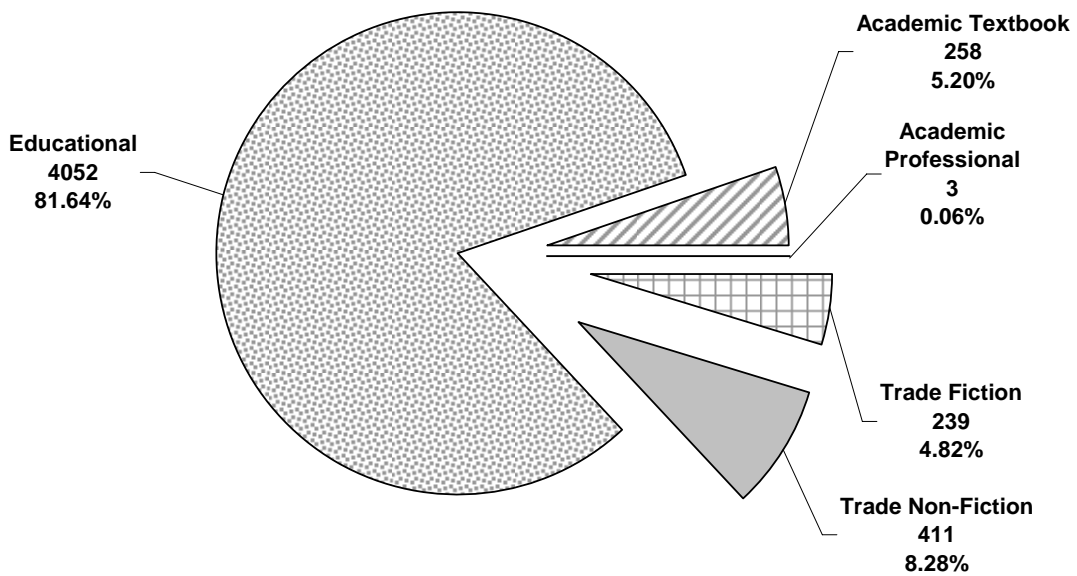
Local Production of First Editions versus Subsequent Editions/Reprints According to Sub-Sector



**Local Production - Total Number of First Editions
According to Sub-sector
[= 3,894]**



**Local Production - Total Number of Subsequent Editions
& Reprints According to Sub-sector
[= 4,963]**



Notes

- The annual local production of titles was dominated by subsequent editions and reprints.
- Local educational titles dominated both the first editions and subsequent editions/reprints.
- More first edition non-fiction trade titles (451) were published than new and reprinted fiction titles combined (200 + 239 = 439).
- More academic textbooks were re-issued (258) than newly published (110).

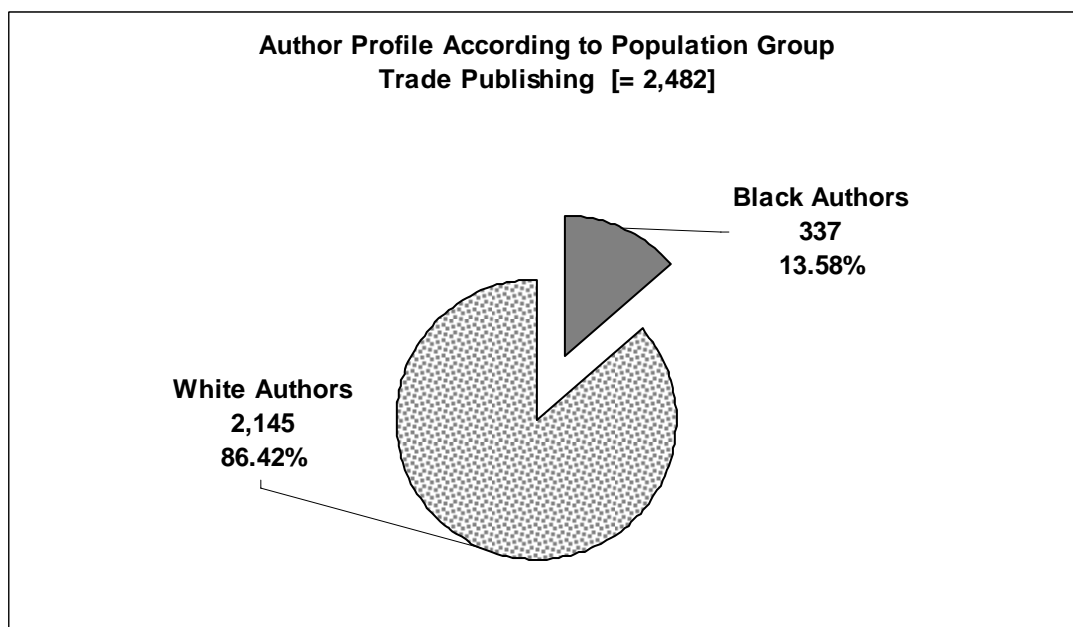
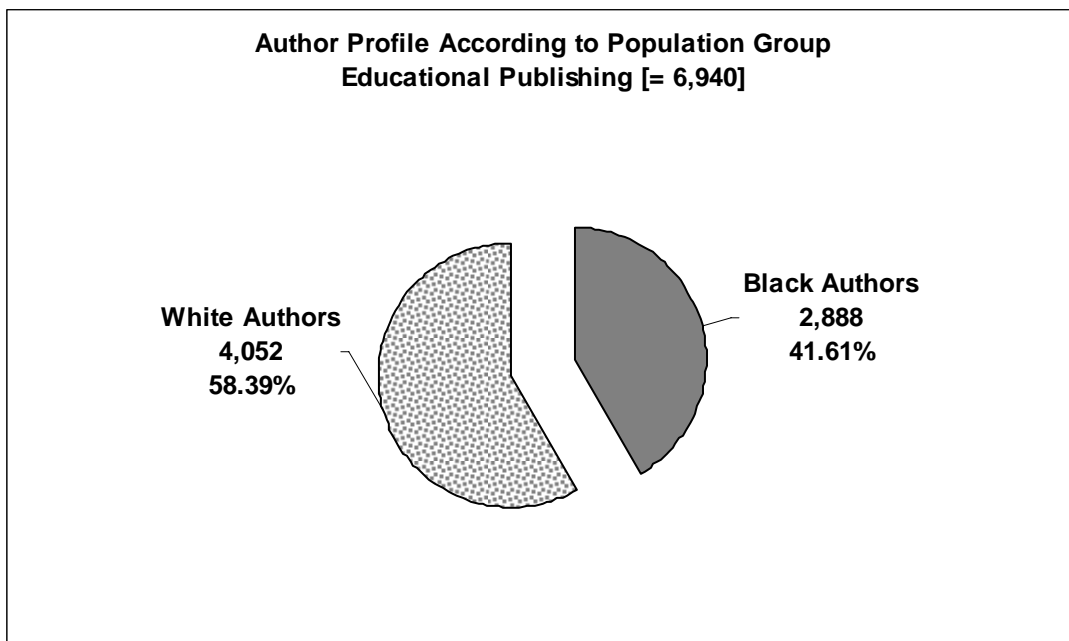
AUTHOR PROFILE

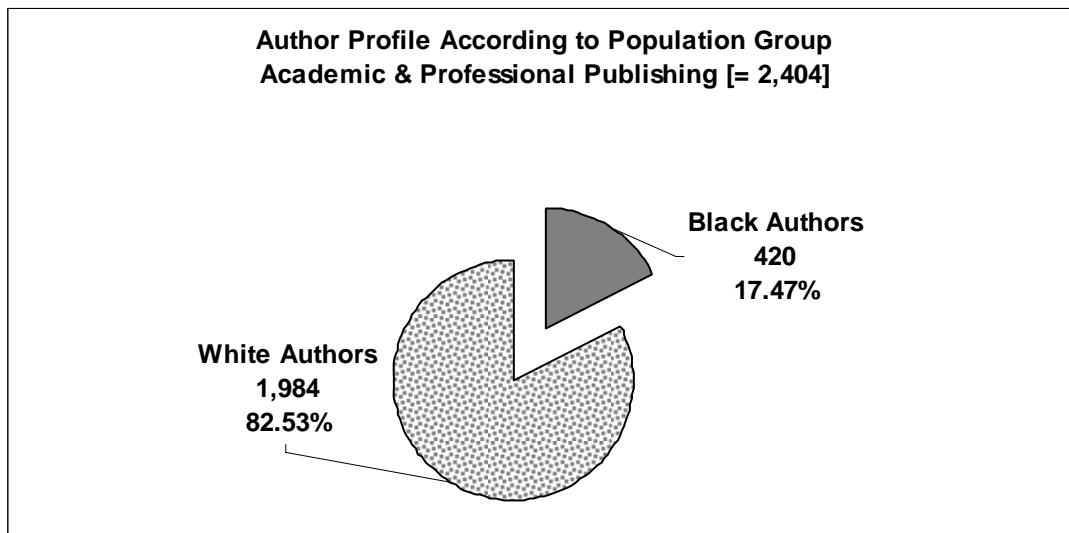
Analysis of number of **authors/entities** receiving royalties from all participating publishers between 1 January and 31 December 2004.

Total Number of Authors/Other Parties Receiving Royalties

Authors Receiving Royalties	Other Parties Receiving Royalties	Total
11,826	633	12,459

Author Profile According to Population Group and Sub-Sector





Notes

- In the educational sector, the largest local publishing sector and the one in which equity has been pursued most actively, the ratio black versus white authors who received royalties, was the best in terms of representing the population profile.
- The ratio white versus black authors, who received royalties in 2005, were more unrepresentative of the population profile in the trade and academic sectors.

ROYALTY PROFILE

Average % Royalty on Net Turnover According to Sub-Sector and Publisher Category

	Small	Medium	Large
Trade	2/6 publishers	2/11 publishers	7/11 publishers
	13.50%	12.00%	12.75%
Educational	4/6 publishers	3/11 publishers	8/11 publishers
	13.00%	13.33%	11.53%
Academic	0/6 publishers	2/11 publishers	4/11 publishers
		11.50%	14.25%

Rand Value of Royalty as % of Total Net Turnover of Sales of Local Product According to Publisher Category

	% of Total Net Turnover	Range	Rand Value
Small (4/6 publishers)	10.94%	From 2.20% to 16.00%	R401,361
Medium (5/11 publishers)	11.44%	From 1.38% to 15.00%	R6,543,865
Large (11/11 publishers)	12.09%	From 6.53% to 17.98%	R150,647,569
	Average for participating publishers 11.49%		Total for participating publishers R157,592,795

EMPLOYMENT PROFILE

Permanent Employees Employed by All Participating Publishers According to Population Group and Gender

Male	Female	Total	Black	White	Total
623 (34.65% of total)	1,175 (65.35% of total)	1,798	1,019 (56.67% of total)	779 (43.33% of total)	1,798

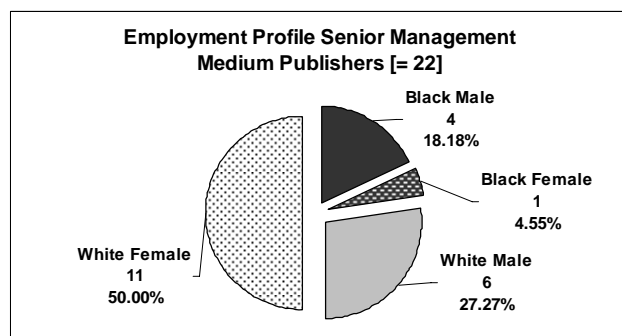
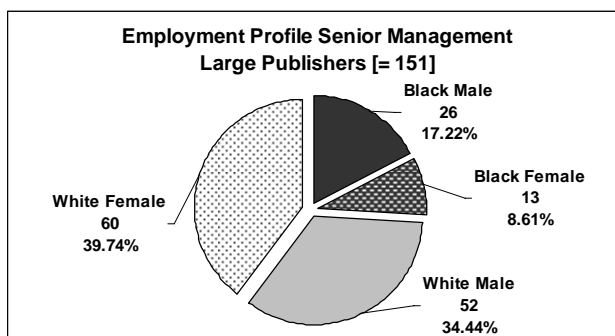
Notes

- These figures refer only to **permanent** employees on the payroll of the participating publishers. No breakdown could be provided for temporary and freelance staff because three large publishers could not provide a breakdown according to population group, gender and job categories.
- During 2002 participating companies reported on 1 691 permanent employees and in 2003 on 1 698.

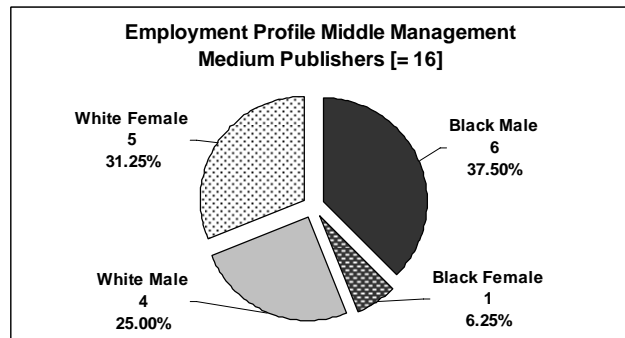
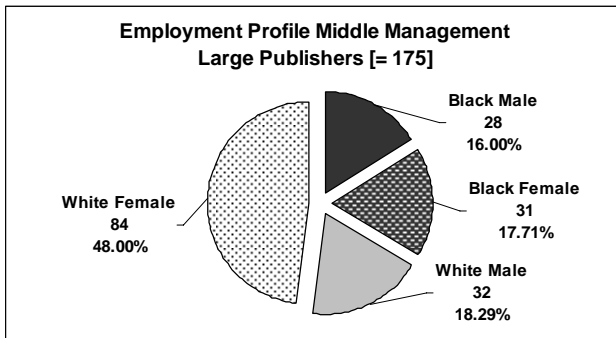
Permanent Employees Employed by All Participating Publishers According to Job Categories and Population Group

Population Group	Senior Management	Middle Management	Editorial	Design & Production	Marketing, Promotion & Sales	Finance	Admin	IT	Other
Black	48	66	86	31	232	82	259	18	197
%	26.67%	34.55%	36.91%	35.63%	61.54%	67.77%	69.81%	51.43%	97.04%
White	132	125	147	56	145	39	112	17	6
%	73.33%	65.45%	63.09%	64.37%	38.46%	32.23%	30.19%	48.57%	2.96%
Total	180	191	233	87	377	121	371	35	203

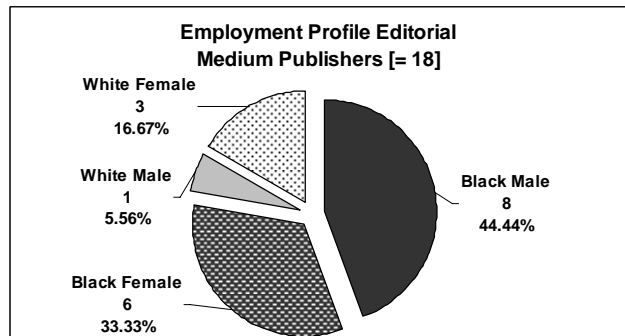
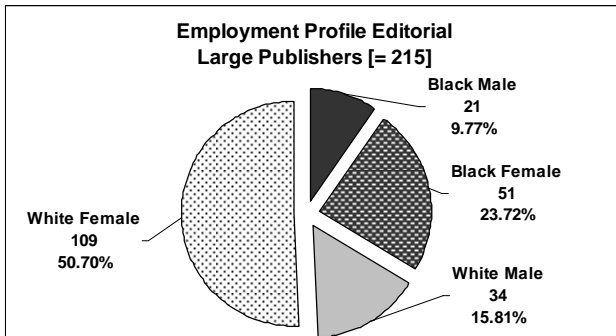
Permanent Employees Employed by Large and Medium Publishers According to Job Categories and Population Group



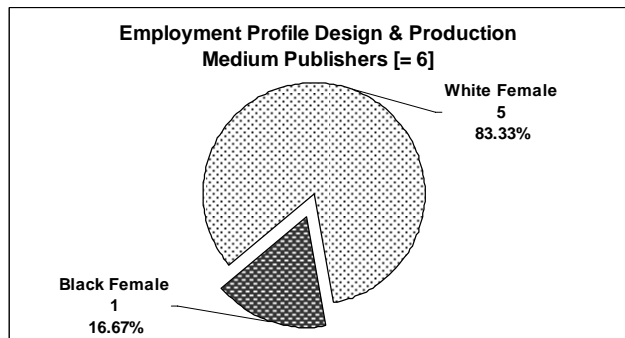
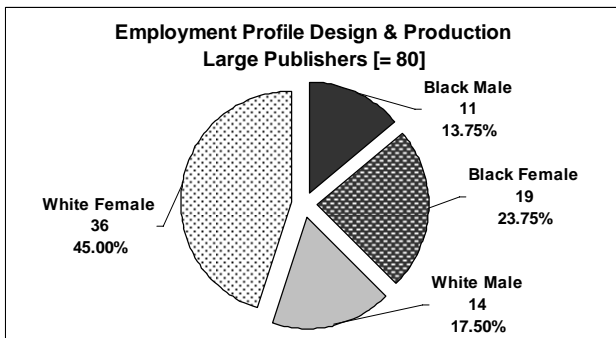
- Employment Profile Senior Management – **Small Publishers:** Black Male (3) + Black Female (1) + White Male (2) + White Female (1) = 7



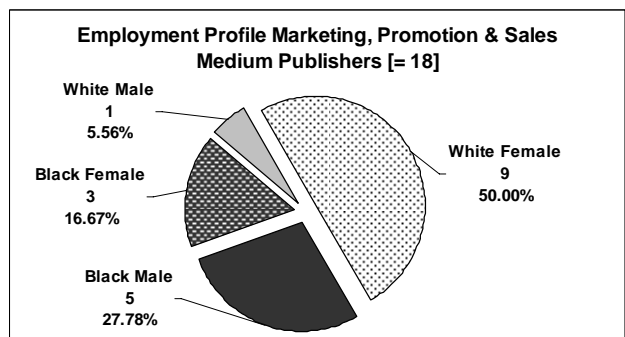
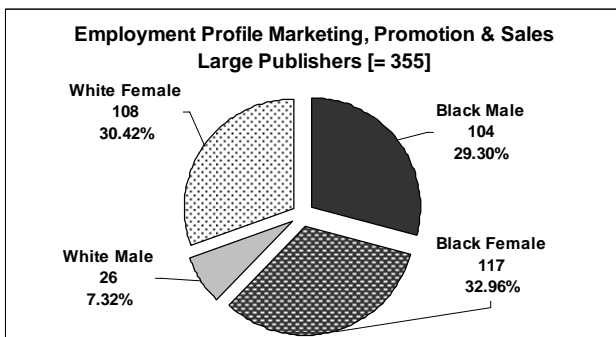
- Employment Profile Middle Management – **Small Publishers = 0**



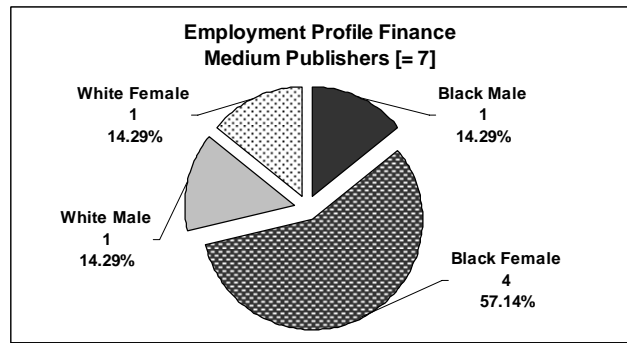
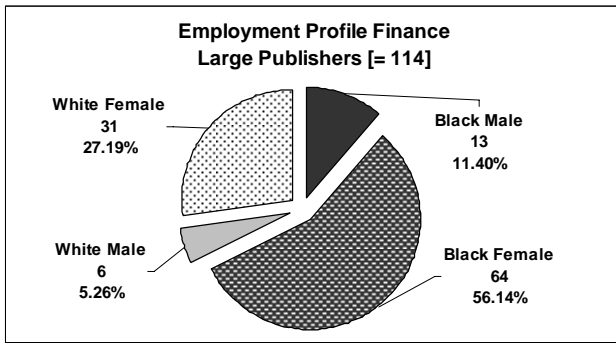
- Employment Profile Editorial – **Small Publishers = 0**



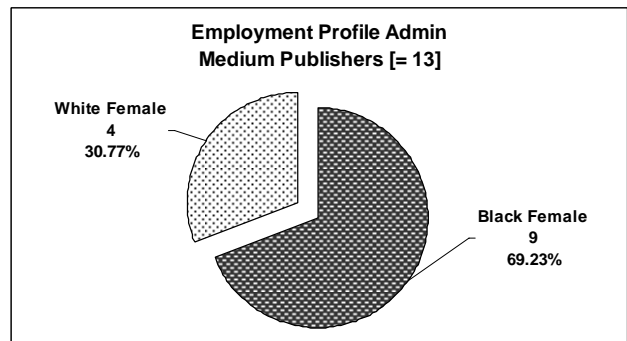
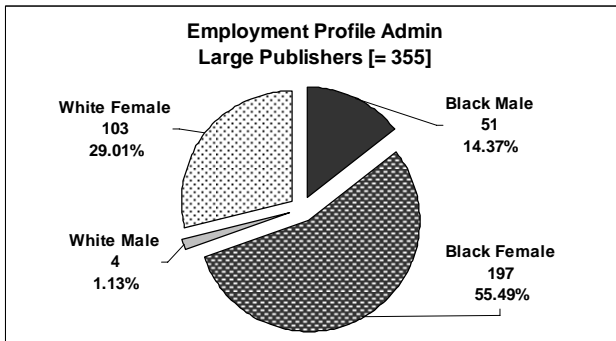
- Employment Profile Design & Production – **Small Publishers: Black Male (0) + Black Female (0) + White Male (0) + White Female (1) = 1**



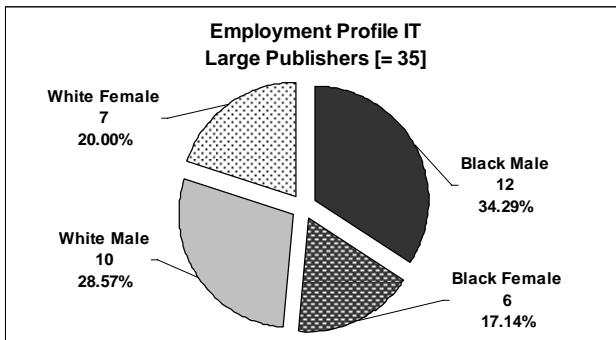
- Employment Profile Marketing, Promotion & Sales – **Small Publishers: Black Male (2) + Black Female (1) + White Male (0) + White Female (1) = 4**



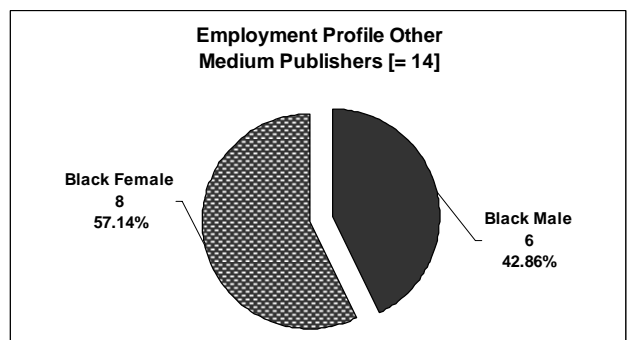
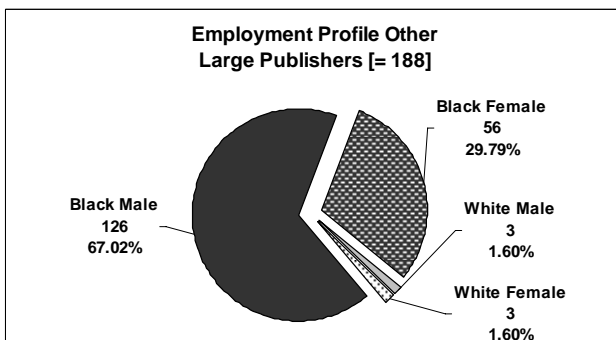
- Employment Profile Finance – **Small Publishers = 0**



- Employment Profile Admin – **Small Publishers: Black Male (0) + Black Female (2) + White Male (0) + White Female (1) = 3**



- Employment Profile IT – **Small Publishers = 0**
- Employment Profile IT – **Medium Publishers = 0**



- Employment Profile Other – **Small Publishers: Black Male (0) + Black Female (1) + White Male (0) + White Female (0) = 1**

OWNERSHIP PROFILE

Local and International Ownership: All participating Publishers

	% Local ownership versus % international ownership	Net turnover based on % local versus international ownership	% of contribution to Total Net Turnover of All Participating Publishers
Local ownership	16 Publishers (100%) 1 Publisher (96%) 1 Publisher (50%) 1 Publisher (25%) 7 Publishers (0%) [26/26 participating publishers]	R1,070,329,064.51	59.61%
International ownership	7 Publishers (100%) 1 Publisher (75%) 1 Publisher (50%) 1 Publisher (4%) 16 Publishers (0%) [26/26 participating publishers]	R725,204,681.49	40.39%
Total		R1,795,533,746	100%

Local and International Ownership: Large Publishers

	% Local ownership versus % international ownership	Net turnover based on % local versus international ownership	% of contribution to Total Net Turnover of Large Publishers
Local ownership	4 Publishers (100%) 1 Publisher (96%) 1 Publisher (50%) 1 Publisher (25%) 4 Publishers (0%) [11/11 participating publishers]	R1,001,508,542.51	60.47%
International ownership	4 Publishers (100%) 1 Publisher (75%) 1 Publisher (50%) 1 Publisher (4%) 4 Publishers (0%) [11/11 participating publishers]	R654,562,939.49	39.53%
Sub-total		R1,656,071,482	100%

Local and International Ownership: Medium Publishers

	% Local ownership versus % international ownership	Net turnover based on % local versus international ownership	% of contribution to Total Net Turnover of Medium Publishers
Local ownership	6 Publishers (100%) 3 Publishers (0%) [9/9 participating publishers]	R60,786,486	46.25%
International ownership	3 Publishers (100%) 6 Publishers (0%) [9/9 participating publishers]	R70,641,742	53.75%
Sub-total		R131,428,228	100%

Local and International Ownership: Small Publishers

	% Local ownership versus % international ownership	Net turnover based on % local versus international ownership	% of contribution to Total Net Turnover of Small Publishers
Local ownership	6 Publishers (100%) [6/6 participating publishers]	R8,034,036	100%
International ownership	6 Publishers (0%) [6/6 participating publishers]	R0	0%
Sub-total		R8,034,036	100%

Local Black Ownership: All Participating Publishers

Number of publishers	% Local black ownership
26 companies participated	1 Publisher (100%) 1 Publisher (95%) 1 Publisher (90%) 1 Publisher (51%) 1 Publisher (18.1%) 16 Publishers (0%) 4 Publishers (not available – Subsidiary of listed company) 1 Publisher (Not available – Section 21)

Local Black Ownership: Large, Medium and Small Publishers

Category of publishers	% Local black ownership
Large	1 Publisher (90%) 1 Publisher (18.1%) 5 Publishers (0%) 4 Publishers (not available – Subsidiary of listed company) [11/11 participating publishers]
Medium	1 Publisher (100%) 1 Publisher (95%) 1 Publisher (51%) 5 Publishers (0%) 1 Publishers (not available – Section 21) [9/9 participating publishers]
Small	6 Publishers (0%) [6/6 participating publishers]

FINAL REMARKS

- Notwithstanding the fact that the report does not contain data from all 80 holding companies/publishers that formed the core list of the 2004 survey, feedback from the 8 medium (bands F-J) and 11 large companies (K & L bands) included in the report ensured that it provided a representative perspective.
- Based on the reported Total Net Turnover of 26 companies and the estimated maximum Total Net Turnover of the remaining 54 companies (based on their PASA membership bands) the reported turnover profile represented 94.43% of the sample.
- After the first two *Snapshot Industry Surveys* (for 2002 and 2003) this report was the first one to be based on a more in-depth investigation of the shape and size of the book publishing industry of South Africa.
- The Research Team trusts that all PASA members will be convinced of the usefulness of the data, and that all relevant members will participate in future.

Dr Francis Galloway

Dr Rudi MR Venter

Prof Theo Bothma

November 2006