

## Estimates of the impact of the COVID-19 crisis on the book publishing sector in Europe (as of 7 April 2020)

The Federation of European Publishers has collected information on the impact of the current crisis on the publishing sector. All the countries that provided data reveal a very serious situation for the book value chain, with bookshops closed, sharp drops in sales (not offset by increases in online and digital sales), and publishers postponing or cancelling the issue of new titles, as well as making use of redundancy funds and other instruments. Sales are falling everywhere, in many places 75% to 90%, and current estimates of the impact for the whole year point at a loss between one third and half of the annual turnover – in the hypothesis that things go back to normal relatively soon. Digital sales are increasing, but are nowhere near offsetting the loss in physical sales. Many businesses report risks of foreclosures if adequate support is not provided soon.

The information collected is presented in the following table; dates are provided for every item as the situation keeps evolving.

Country	Date	Info
Austria	31/03/2020	Sales in bookstores down 57% in first week of lockdown, Amazon no longer orders books; publishers' sales are down 90% now.
Austria	06/04/2020	Looking at the figures comparing weeks 12/13 2019/2020 based on the Media Control Salespanel shows a downfall of 41% in total turnover. The retail segment shows a drop in sales of 74%, whereas the e-commerce segment shows a raise of 11%. Amazon's move to freeze orders from publishers forced many publishers to postpone projects already finished as well as projects in progress. Between the loss in the retail segment and the effects of the Amazon-embargo, Austrian publishers have to face a dramatic downsizing of their sales markets and revenues.
Belgium	01/04/2020	French-speaking publishers estimate a loss for the year of more than 20% of turnover - if things go back to normal by end of April. This in spite of sales of ebooks exploding. Librel, the online portal of French speaking booksellers, is performing exceptionally well with an increase of 230% in volume. Plus 70% for Gallimard-Flammarion (a bit less with audiobooks although this also seems to grow). Bestsellers are La Peste (Albert Camus) and Le Hussard sur le toit (Jean Giono), but also many children's ebooks (especially for 8 to 12 years old).
Belgium	01/04/2020	Flanders: We estimate the current loss between 85 (minimum) and 130 mio € for the book sector (publishers and booksellers) in Flanders so far (30 to 45% of turnover on an annual basis).

		<p>Flemish publishers survey.</p> <p>The vast majority of sales normally still take place via physical bookshops. We already estimate the total annual loss of turnover for general publishers at between EUR 30 and 47 million (sales in 2019 were some 190 million). Among the publishers who took part in the survey, often small to medium-sized businesses with fewer than 50 employees, the majority estimated a fall of between 21 and 35% in their total annual turnover. 30% even estimated a loss of turnover of more than 51%.</p> <p>The main cause is the partial or total cessation of business activity (60%) due to the closure of bookshops, cultural institutions such as museums and other customers. However, a drop in exports (20%) and supply problems (10%) also led to a drop in turnover. Nearly half of the respondents (45%) will soon face liquidity problems. 92% of respondents indicated that if the measures were to last longer than one month, they would also have to invoke temporary unemployment for their staff.</p> <p>At the bookstore, we see similar negative figures and estimate the loss of turnover today at 35 to 53 million euros. The government-imposed closure of bookshops has meant that consumers will only be able to make book purchases from the newspaper trade, supermarket chain or online.</p> <p>The majority of respondents estimated that the loss of sales already accounted for more than 51% of total turnover. Moreover, 56% fear that they will be unable to pay certain costs (loans, suppliers, etc.). 64% of bookshops are already using the system of temporary unemployment. This figure could rise to 94% if the measures last longer than one month.</p> <p>Impact on stakeholders in the market for educational and scientific expenditure: since the outbreak of the crisis, educational publishers have been confronted with an unprecedented increase in the use of their digital products and services. Some platforms recorded peaks of up to 14 times higher than average and therefore required substantial investment in rapid capacity expansion but also the necessary support for the millions of users. Educational publishers will however feel the effects of the crisis in the medium term. Educational and scientific publishers fear a reduction in budgets at educational institutions, libraries and educational establishments.</p> <p>The majority (45 %) of educational and scientific publishers expect a fall in turnover, but it is too early to determine the size. 20% estimated a loss between 21-50%, 13% estimated a loss of sales of more than half. This already leads to a cautious estimate of a loss of turnover of at least 20 to 30 million € in this category. The greatest impact is due to the closure of sales channels and a slowdown in education cycles. 50% of respondents estimate temporary unemployment after one month, 20% within one week and 13% within two weeks.</p>
Belgium	06/04/2020	
Czech Rep.	07/04/2020	Without some form of financial support, more than half of bookstores may have to foreclose.
Estonia	07/04/2020	<p>One of our bookshop chains closed their doors just after the emergency situation. They kept their work via online, but probably the loss is approximately 40%. Another bookshop's chain has been closed two weeks now but they had few customers anyway and they contributed to the online as well. Sales of ebooks increased (they represented approximately 2% of market, so no big impact). The e-library ELLU, which was a municipal library, got support from the municipal government and the Ministry of Culture and now all Estonians can register and borrow e-books.</p> <p>Publishers haven't stopped completely their work - they are using remote working and prepare new works and pack and send books, get orders from their websites and send books via parcel machines. But they are definitely holding back new titles. Overall, the loss of the market is estimated at approximately 40%. Income will decrease in April and in May and as summer is low period anyway, publishers are very worried.</p>

France	30/03/2020	Sales in bookstores dropped more than 50% in first week of confinement (16-22/03). At the same time, e-reader sales and ebook sales (currently 6% of the trade publishing market) and downloads are rising sharply. Fnac recorded tenfold increase of ebook sales the first weekend of confinement. This doesn't offset the loss in physical sales.
France	31/03/2020	French publishers report having postponed, between 18 and 27 March, the publication of 5,236 new titles and new editions; some 2,498 have a new date (between May and 2021), the others have no date yet.
France	01/04/2020	Strong increase of ebook sales: most online sales platforms' sales up 75% to 200%, free downloads skyrocketing; e-lending also boosted.
France	02/04/2020	The President of the French Publishers Association Digital Committee says that the boost of ebook sales will not make up for the 5,000 publications postponed.
France	03/04/2020	Antoine Gallimard, CEO of one of the largest publishing groups, fears a wave of bankruptcies among publishers and booksellers if there is no strong financial support mechanism. His group is currently recording a loss of 90% of turnover; the expectation is minus 20-25% for this year. Sales of ebooks have doubled.
Germany	25/03/2020	We estimate that losses to the book sector are about 500 million € per month across the value chain (of closure of book stores / shutdown) at this time.
Germany	06/04/2020	Publishers have suffered a decline in turnover of 80% since mid-March, with little they can do to cut costs (not many employees can be put on "Kurzarbeit", as they are working on the upcoming titles, etc.).
Greece	30/03/2020	We cannot provide exact estimates of the potential impact of the current health crisis on the publishing sector since databases between bookstores, publishers and national library are not connected. We do have some preliminary estimates though, according to which, production of titles is something less than ¼ of the normal production.
Greece	07/04/2020	According to some preliminary estimates, we calculate a 40% loss of total annual turnover, despite a 40-50% increase in e-commerce. The ebook market isn't significant (below 1%) and cannot be estimated.
Hungary	06/04/2020	Physical bookstores are closed since last week of March, with online sales increased slightly. We estimate the total current loss at 70%.
Iceland	06/04/2020	According to a survey done by the Icelandic PA many publishers have accepted the general solution of the redundancy fund, but how much the ratio of working has been lowered depends on each company. It is estimated that the total number of employees that this solution has already affected is around 80 people. Around 35 full time jobs at Icelandic publishing houses have been temporarily cut with this solution. That means that publishers will reschedule all their publishing plans for 2020 due to the crash in sales and fewer employees working during this period. Many publishers have already decided to publish fewer titles this year than they had planned. Sales in printed books crashed dramatically in March. Effects on sales will remain at least throughout June this year. Printed books are still the by far the main base for the whole publishing business. Sales and use of audiobooks have increased but will not offset the loss of revenues for the drop in sales of printed books. The digital book market in Iceland is so small that it does not really count. Most publishers are trying to maintain sales through online sales with free home delivery.
Ireland	02/04/2020	As there is no live retail, all publishing programmes are on hold or rescheduled for later in the year. Some publishers have chosen to release some titles in eBook only.

Italy	25/03/2020	<p>We are trying to make an estimation of the expected lost, which however is very hard since it will depend on the number of weeks of the emergency.</p> <p>What we know up to now is:</p> <ul style="list-style-type: none"> <li>- In the 4 weeks preceding and including the day when bookshops were closed (which happened on Wednesday 11th) the loss was 20 million.</li> <li>- From the week starting on March 16th) we estimate 20 million lost per week, considering only the trade books in trade channels</li> <li>- The higher education books market is in Italy 220M per year. The closing of bookshops happened in the top period for sales of books for the II semester. According to some informal information we gathered, this means around 50% lost sales for the second semester, therefore around 50M, assuming that in September the situation will be normal again</li> <li>- The art-book catalogue is very much related to tourism and museums bookshops are the main channel. Here we estimate another loss around 20M</li> <li>- Educational books will depend very much on the situation in September. We'll see.</li> <li>- We have no information about professional books, up to now, which is another important market</li> </ul>
Italy	30/03/2020	<p>New data from PA's Observatory as of 30 March: the reduction in the publishing plans is 23,200 titles (about one third of the yearly production), meaning 48.9 million fewer printed copies (45% fewer compared to last year's production); 3,100 titles won't be translated. 64% of publishers are implementing or planning to use the redundancy fund, 31% already started or applied for it. 31% have changed their publishing plan, cutting releases or repositioning them in the final months of the year: titles planned for Jan-Apr are down 36%, and so are titles planned for May-Aug, while titles planned for Sep-Dec are down 13%. Trade channels have posted a 75% drop in sales in recent weeks. 92% of respondents define the current emergency between "significant" and "dramatic" for their company.</p>
Latvia	06/04/2020	<p>One of the smaller chains has closed all its outlets apart from the flagship store, they report a decrease of turnover by some 80%. In general, booksellers report between 50 and 70% decreases in brick and mortar sales. The increase in internet sales for printed books is remarkable, but does not compensate the decrease in face to face sales. The sales of ebooks are rising, but again the percentage of the whole market is too insignificant to create enough cash flow. The number of new titles in comparison to March 2019 has decreased by some 60 per cent.</p> <p>Latvian translation of "Nel contagio" (In Times of Contagion) by Italian writer Paolo Giordano came out a week ago and is No1 in the bestsellers list at one of the biggest bookshop chains. But in general people mostly tend to buy activity books for kids to fill the time of self-isolation, no big sales neither for fiction nor for non-fiction.</p>
Lithuania	30/03/2020	<p>Publishing houses are suspending activities temporarily or reducing printing of books in April and May. Printing houses declare a 1/3 decrease already now.</p>
Norway	02/04/2020	<p>The turnover of the publishing houses has been reduced by 50% in the last two weeks compared with the same period last year. In a member survey, 90% of PA members are affected by the crisis. 63% say they are reducing their activity or closing. 30% have laid off staff, another 23% are planning to do so; 70% are postponing or cancelling new titles.</p>
Poland	26/03/2020	<p>There are predictions that in Poland after the coronavirus epidemic 40% of local stationary bookshops won't make it to restart their work. Researchers asked owners of 100 bookshops the question "Is the bookstore in danger of bankruptcy if the epidemic lasts until mid-April?" and 40% answered "yes", 49,2% said maybe and "no" - only 9,8%. But delivery system still works, so bookstores are trying to be creative on delivering books, which people order online or by phone, using not only big delivery companies.</p>

Portugal	06/04/2020	Market lost 78% in week 12 and in week 13 the expectations are that the market will lose more than 85% (this is data from GFK that cover 82% of the market). The independent stores not covered by GFK have a loss of more than 90%. Ebooks rose sharply and also books sold online (no precise data on this). However this rise probably compensate only 1% of overall loss: the digital market on Portugal is almost non existent
Romania	06/04/2020	Practically, all brick-and-mortar bookshops are closed, most of the publishers' teams work from home or are already in "technical unemployment". Three large bookshop chains cancelled payments to publishers, creating a financial turmoil for publishing houses and for printing houses that waited for the money for the books already printed or for those which were to be printed. Sales of books in bookshops dropped by 85% in the first week of lockdown (16-23 March). Online sales increased by double digits, but less than 15% for the whole market. No financial scheme of help for publishers, despite repeated requests.
Slovenia	27/03/2020	In Slovenia all mortar bookshops (150) are closed, cca 600 full time employees (publishers and booksellers staff) are at home on 'waiting' status.
Slovenia	06/04/2020	All brick&mortar bookshops (150) are still closed. Almost all publishing houses have already implemented (temporary) layoffs. Publishers estimate overall market declined by 30-45% on a yearly basis; sales were down 90% in the first 3 weeks of crisis.
Spain	20/03/2020	Home market Initial estimate is 811 millones of losses (about one third of the year's turnover). For the calculation we have taken the total figure of home sales for 2018 (last available) plus a growth forecast of 2-3% for 2019 which would yield a figure of 2,434 million. The average monthly figure would be 203 million and our estimate is a strong impact in March and April and a slow recovery until summer which we value in the equivalent of a four-month period, that is, about 810 million. The textbook sector is also included in this consideration. Foreign trade Our estimate is the loss of 80% of a semester, taking into account two factors: the loss derived from the fairs already cancelled and the results of the first two months of the year, with February especially negative; thus we have extrapolated the figures of 2019. And it would lead us to a figure of 200 million lost.
Spain	30/03/2020	Given prolongation of emergency state, publishers say potential losses for the sector could reach 50% of the year's turnover. Each further month of emergency state will translate into another 200 million € in losses. Spike in piracy recorded.
Spain	05/04/2020	The sector paralysis may be as big as 90%. Piracy has tripled, as estimated by RRO CEDRO.
Sweden	30/03/2020	Physical book stores have lost more than 30 % during the last two weeks. From the educational publishers' perspective, the Swedish Educational Publishers Association sees a fairly stable demand for books and an increasing demand for digital solutions (many publishers have chosen to give part or all of their digital materials to schools for free). In Sweden, schools remain open while high schools and universities have closed down.
Sweden	06/04/2020	For booksellers social distancing has resulted in fewer customers and declining sales. Weekly statistics show that bookstore sales fell by 42% last week. There was a 6% increase in online sales and the overall market declined by 11%. A majority of Swedish booksellers cannot handle a 50% sales decline for more than a couple of months, so the situation is very serious indeed. Book publishers are of course also losing, despite selling more books than ever in Sweden as almost 50% are audiobooks via subscriptions. Now things are really getting worse because of the virus. Booksellers and publishers have teamed up to demand government support to prevent bookstores from closing down for good and publishers to be able to continue publishing; they see layoffs coming, shops closing down, maybe also publishing houses closing down.