



# Bookselling for Britain

A Manifesto from the Booksellers Association



# Bookselling for Britain

The book industry makes an important and positive social, economic and cultural contribution to the United Kingdom.

British society has for centuries been founded on the belief that access to information and knowledge is a force for good. The book industry turns this aspiration into reality contributing to the liberal, inclusive values of all Britons.

Bookselling helps underpin excellence in education and research, promotes literacy and reading for pleasure, develops present and future authors and writers, while preserving those of the past, and helps drive innovation and excellence in new forms of reading.

Books enrich our culture, and help inspire other creative sectors – like theatre, cinema, television and music.

Given the range of its impact across so many lives, the book industry is well placed to help Government deliver its aims across a range of areas, including;

- Ensuring school children achieve higher levels of literacy and numeracy.
- Helping consumers to access creative content in a safe online environment.
- Maintaining the UK's world class research and higher education community.
- Helping the UK make the most of technological innovation.
- Helping the UK's high streets to thrive and stay vibrant.

The Booksellers Association (The BA) proposes the following measures for consideration by Government. We believe they will help ensure we maintain a strong, prosperous book industry, capable of working with all interested parties in delivering a highly literate and skilled workforce, a well-supported academic and scientific research base, and globally recognised innovative businesses **able to compete for Britain in the global race in the 21st Century.**





# Executive Summary

- The UK Government should **initiate an inquiry** into the online physical and e-book sectors in the UK. This would need to pay close attention to the impact on authors, publishers and booksellers (especially those in the independent sector) of the prevailing market conditions.
- There must be **No Tax On Reading**. The current (and historic) 0% VAT on print books must be maintained.
- **Business Rates must be reviewed** and made more competitive so they are fairer to businesses across the UK and flexible enough to respond to the economic cycle.
- Booksellers support the development of our **High Streets and Town Centres** so that they further develop as attractive retail locations.
- Government must **support intellectual property in the public interest** and give the Intellectual Property Office a statutory duty to support IP businesses and demonstrate the effects of its policies upon their – and the economy’s – growth.
- The Department of Education should look at ways in which more state-funded schools can enjoy the benefits of a school library with **a library in every school**.
- **As a country we need to invest in learning resources** and encourage schools to maintain a minimum set percentage of expenditure on teaching and learning resources.
- Booksellers believe in **boosting reading for pleasure** to help create a happier and more content society.
- We believe in **public libraries** for all.
- We must take the right steps forward for **the Digital Single Market in the EU**.





# Fair Markets for Consumer Choice

Remove market distortion and ensure competition in book retailing

The retail book market in the UK suffers from a chronic and debilitating imbalance for authors, publishers and booksellers. The routes to market for e-books are too narrow and too few, and the online market for print books is similarly restricted, creating a potential for adverse effect on competition within both markets as well as distorting the overall book market. This impacts on the ability of high street booksellers to compete, and ultimately ends up restricting consumers' choice of retail opportunities.

Booksellers ensure that works are disseminated as widely and fully as possible, and that print, audio and digital versions are available to consumers. We can only continue to achieve this if markets are fair and balanced.

## The UK Government should:

- Initiate an inquiry on the impact on authors, publishers and booksellers (especially those in the independent sector) of the prevailing market conditions.

*Booksellers ensure that works are disseminated as widely and fully as possible, and that print, audio and digital versions are available to consumers*

**HIGH STREET**

**ONLINE**



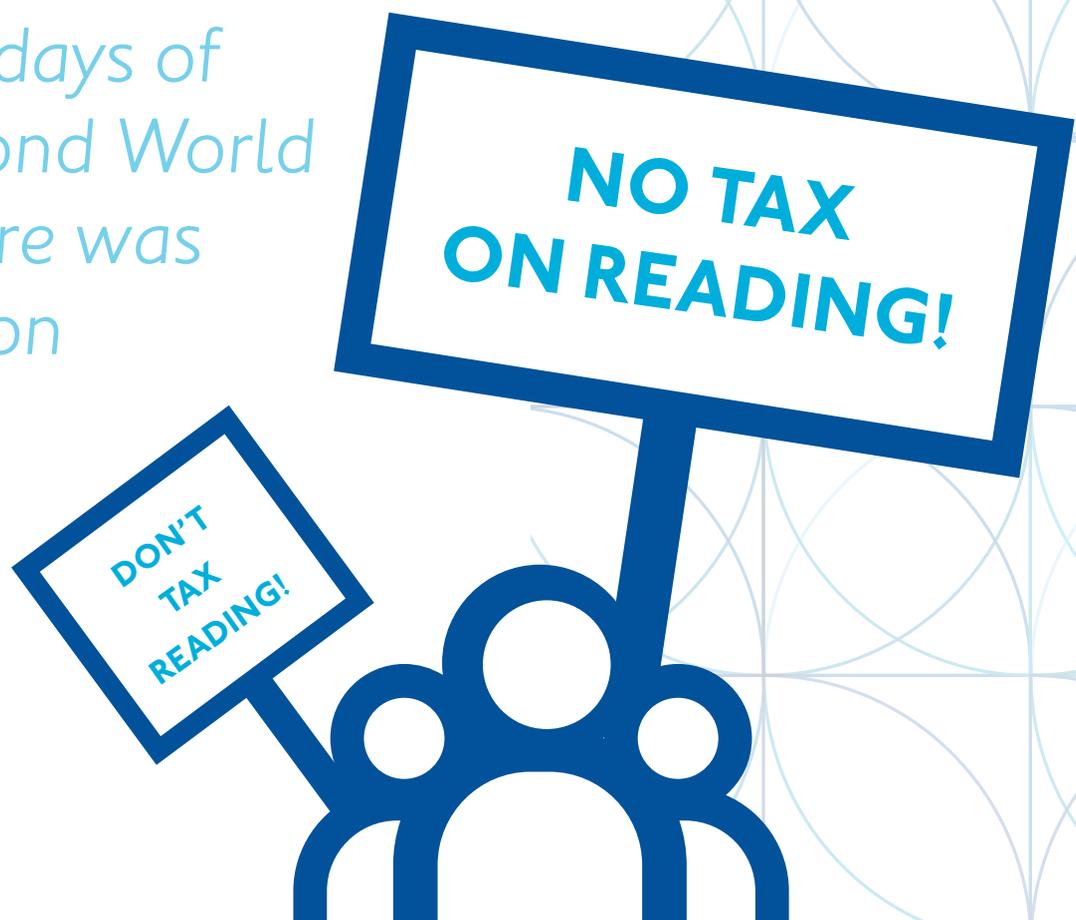


# No Tax on Reading

## Keep VAT at 0%

- The zero rate of VAT on physical books is a long-standing feature of the UK's tax regime and is a reflection of the belief that the tax should not act as a disincentive to reading and learning. The bookselling industry believes this should be retained.
- Even in the darkest days of the Second World War there was No Tax On Reading.
- Currently, the full rate of VAT of 20% is applied on e-books. Any movement on this rate of VAT should not impact on the 0% VAT on physical books. If the Governments of individual member states are given the ability to reduce the VAT on e-books, the VAT applied should be at the same rate as that currently applying to printed books in that country.

*Even in the darkest days of the Second World War there was No Tax on Reading*





# Reforming Business Rates

## Helping UK business compete

The present Business Rates' system is no longer fit for purpose. UK business rates are the highest commercial property tax in the EU, at 4.1% of GDP. For every £1 in Corporation Tax, retailers pay £2.31 in Business Rates.

In the bookselling sector there has been a considerable shift from consumers making the book purchase in a physical shop to making the purchase online. Books were one of the first products to be offered for sale over the internet, helped by the fact that each book had a unique product identifier (the ISBN – the International Standard Book Number), the UK had a national comprehensive bibliographic database (Books in Print) and well established industry-wide electronic systems operated in the supply chain.

Partly as a consequence of Business Rates, the total number of independent booksellers in UK high streets have halved since 1995 – from 1,894 to 907.

Today, whilst the business of bookselling has transformed considerably Business Rates remain unreformed and represent one of the most disproportionate and burdensome costs that a book business has to face.

Furthermore, 20% of properties in England accounted for around 80% of the total rateable value. There seems to be little sense in assessing 1.8 million properties, only to exempt – or reduce – the rates collected from 1.1 million of them that have lower rateable values. SMEs should be exempted from paying Business Rates. Apart from reducing hugely the administration, there would be far fewer Appeal Cases that the Valuation Office Agency would have to deal with.

### The Government should therefore:

- Continue the 2% cap on inflation-linked increases for Business Rates.
- Continue the discount for lower value retail premises introduced from £1,000 to £1,500.
- Maintain the current doubling of the Small Business Rate Relief and increase the thresholds so that Small Business Rate Relief applies to more small businesses.
- Consider exempting SMEs completely from paying Business Rates.

These measures really do make a difference, especially to physical booksellers who occupy expensive high street positions and have to compete against multinational online book retailers, the latter operating on a cost per square foot basis from far less expensive premises away from the high streets.





## We welcome the Government's decision to:

- Conduct a review of the future structure of Business Rates.
- Try and improve the Business Rates' Administration.

Further, in the internet age, multinational online retailers should not be able to shift costs and sales from country to country so that they obtain a competitive advantage over British businesses; neither should they be permitted to operate from huge warehouses way out of town that don't involve the very high business rates that high street operations are required to pay.

## Fundamental reform is needed, that is:

- Fairer to businesses across the UK; and
- Flexible enough to respond to the economic cycle.



*For every £1 in Corporation Tax, retailers pay £2.31 in Business Rates*





# Developing Our High Streets and Town Centres

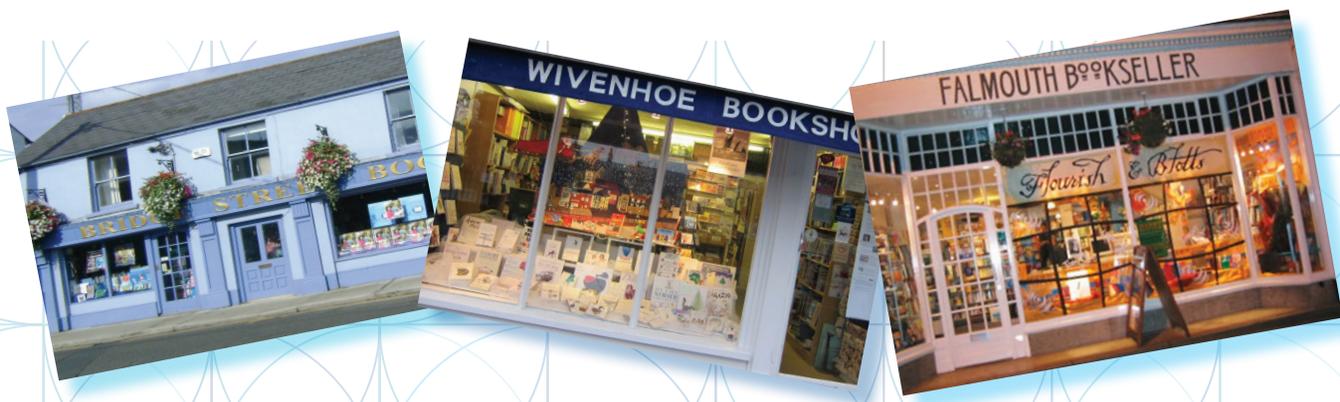
Bookshops are havens for everyone, building community character and contributing to the distinct flavour of a neighbourhood as literary and cultural hubs. Booksellers give substantial support to local and national causes and events, including reading groups, schools, libraries, arts organisations, festivals and charities. Bookshop events are well known to attract consumers to the High Street, especially families, and they increase 'dwell time'.

If we wish to retain vibrant High Streets, that are not mere 'clone towns' but act as the true heart of a community, then we need outlets that promote art, literacy and entertainment.

We hope the Government will seriously take on board cultural and social aspects when considering how High Streets might best be supported.

In addition to the Business Rate changes mentioned above, the BA suggests the following areas should be addressed:

- Action on parking charges (some free parking for an hour or two would help, as would a cap on charges).
- More subsidised public transport and more park & ride schemes.
- Development of partnerships with local authorities to plan a mixed use of cultural and leisure activities as well as just pure retail.
- Use of empty shops to promote arts activities and artisan crafts – booksellers would be more than willing to offer support.
- Local people to have a say in what kind of retailers they would like to have on their High Street.
- Simply – less red tape.





# Supporting Intellectual Property in the Public Interest

Ensure a stable and clear framework for copyright

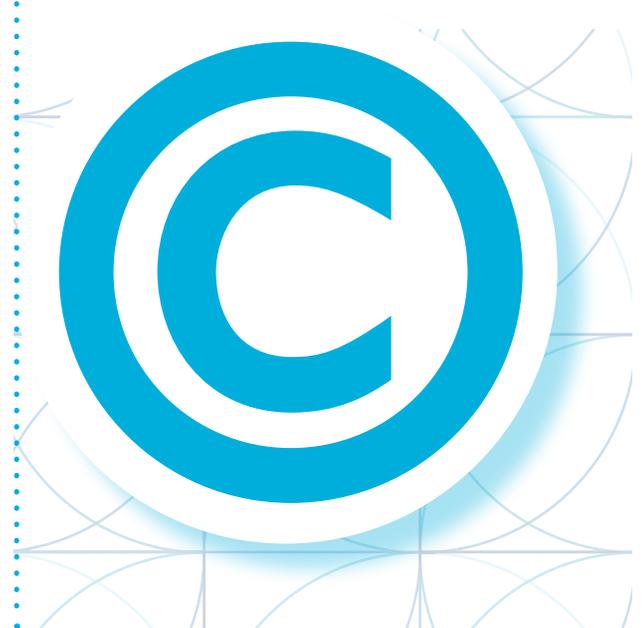
The ability of authors to choose how they present and disseminate their work is paramount. Therefore, it is essential that the copyright framework, which ensures these choices are respected, be upheld. Authors need and deserve to be recognised and rewarded for their work. Publishers who invest in them need to be incentivised and given the means to support new talent. Copyright allows intellectual property (IP) and creative endeavour to be turned into financial reward. It ensures that works – of all kinds – are produced and disseminated to their widest possible audience of readers, libraries, learners and so on. It should be resolutely supported by all.

The bookselling industry plays a leading role in supporting copyright, raising awareness of the value of IP, and helping to tackle infringement. The BA works closely with the wider Publishing Sector to combat infringement.

## The UK Government should:

- Give the Intellectual Property Office a statutory duty to support IP businesses and demonstrate the effects of its policies upon their – and the economy's – growth.
- Work with industry on a major programme to boost understanding of the importance of respect for copyright and other forms of intellectual property to schools and the wider population.
- Support a strong copyright framework in the UK and at EU level which appreciates licensing solutions and industry initiatives ahead of legislative and regulatory reform.

*The bookselling industry plays a leading role in supporting copyright*





# A Library in Every School

## Encourage school library provision

Primary and secondary schools are under no legal obligation to provide a library. However, the benefits of every school enjoying a well-maintained, curated library 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.

Booksellers provide books, e-books and other digital resources to school libraries, ensuring that there are plentiful reading materials for children of all ages to enjoy in the classroom, in the library and at home.

### The Department of Education should:

- Look at ways in which more state-funded schools can enjoy the benefits of a school library with sufficient books available for all its children and have a nominated library specialist among its staff.
- Encourage schools to work with their local authority public library service to establish a school library fund and create efficiencies in the provision of books to children.
- Encourage schools to talk to and work with book experts in local bookshops to provide books and book-related events for children.



*We need to encourage schools to talk to and work with book experts in local bookshops in relation to providing books and book-related events for children*





# Invest in Learning Resources

## World-class teaching and learning materials for schools

International and national research clearly demonstrates that print and digital textbook-based learning is a major factor in delivering a consistently positive impact upon a country's education system. High quality, pedagogically sound, carefully prepared teaching and learning resources in digital, physical or mixed formats, are the most important factors in determining outcomes, whether in the PISA-table leading Far East or in European countries. As the trend grows for schools to develop greater independence from central or even local control, the Government can only determine broad guidelines, but these should clearly underline the importance of such resources.

The bookselling sector is ideally placed to assist the Government in delivering the best for British children and their schools.

In order to ensure that British schools continue to perform to their best potential for pupils, the Department for Education should:

- **Encourage schools to maintain a minimum set percentage of expenditure on teaching and learning resources.**





# Boost Reading for Pleasure

Work with industry and charities to get more people reading and drive up children's literacy levels

There is a growing understanding among researchers and social scientists that reading for pleasure has a significant and positive impact on a range of measures, from literacy acquisition and cognitive development through to social mobility and employment prospects. In short, the more people in society who not only read but read for pleasure, the better off that society will be. The understanding of this has led to a shift in educational practice and policy with reading for pleasure now featured in Ofsted policy recommendations and in the English curriculum.

However, there is still some way to go; 5.1 million adults in England alone struggle with literacy and recent Organisation for Economic Co-operation and Development (OECD) research shows that our 16 to 24-year-olds' literacy skills rank 22nd out of 24th in international comparisons; only 50% of the people in the UK read on a weekly basis.

Booksellers have decades of strong engagement with the various literacy and reading for pleasure charities operating in the UK, providing financial, material and in-kind support to their programmes in schools, libraries, prisons and the wider community, such as providing free and discounted books for distribution in schools and libraries. In recent years we have stepped up this engagement and are working harder than ever to co-ordinate the efforts and communications of the whole sector to ensure that every part of society – children, adults, those with English as a second language, those in prison – have the opportunity to learn, read and go on to enjoy reading.

These efforts could be enhanced by even stronger engagement with Government and public bodies and an improved understanding of the positive impacts of reading for pleasure – for example, since 2010, the Office for National Statistics (ONS) has been collecting data in order to measure National Well Being (NWB), and yet does not measure levels of reading for pleasure.

## The UK Government should:

- Maintain a commitment to achieving 100% levels of literacy in children.
- Assess the ONS measuring levels of reading and other forms of cultural engagement in its NWB survey.
- Consider additional ways to support charity campaigns to boost children's literacy levels.
- Encourage greater reading in prisons, in order to help offenders after their sentences to return to society better equipped and to reduce offending levels.





# Public Libraries for All

Ensure a comprehensive and efficient library service in every community

The UK's public library service is a source of national and historic pride. Building on the best reforming traditions of Victorian philanthropists, libraries perform a vital role at the heart of the communities they serve, acting as information hubs, technology centres and providing a focus for engaging with young and emerging readers. They provide a locus for social cohesion and a safe and established environment in which all members of the community can study, learn and read for pleasure.

However, as a result of the financial conditions we as a country have found ourselves to be in, cuts in spending allocations to local authorities have led to deterioration in the public library service in many parts of the country. Increasingly, libraries are being asked to be run by volunteers. Whilst in certain circumstances this is explicable and is indeed a welcome alternative to a library closure, it can have the effect of undermining the professional role of the librarian and risks providing an inferior service. The problem is exacerbated by the fact that the Department controlling the finances (Communities and Local Government) is different from the Department controlling policy (Culture, Media and Sport).

Booksellers work with public libraries to help them provide access to books to people across the country, regardless of their age, wealth and educational background. Booksellers also work closely with charities aiming to increase library usage and engagement.

## The UK Government should therefore:

- Bring control of public libraries into a single Government Department, either by transferring policy responsibility to the Department for Communities and Local Government (DCLG) or financial oversight to the Department for Culture, Media and Sport (DCMS).
- Establish a Parliamentary Commission to consider further the general duty as set out in the Public Libraries and Museums Act 1964, to "provide a comprehensive and efficient library service for all persons" and to consider amending the legislation if necessary.





# The Digital Single Market in the EU

## The right steps forward

The BA welcomes the opportunity to express its views on the European Commission's proposals to develop a Digital Single Market for Europe.

### We are calling on The European Commission to:

- Look at whether there is an unhealthy domination in the EU book market and, if so, whether there has been an abuse of that dominant position, which has had a detrimental effect on competition.
- Be aware that publishers are already enabling libraries to lend e-books under licence, and want to continue to do so. The extension of Copyright exceptions to e-lending by public libraries would undermine the viability of the eco-system of the nascent e-book market. It would also undermine the capacity of the book sector to keep on investing in innovative digital solutions, for the benefit of readers across Europe.
- Unrestrained e-book lending has the potential to harm jobs and growth in bookselling whilst not necessarily improving footfall for libraries. Rights holders should individually introduce financial models which generate a fair balance between commercial interests (bookshops, publishers and authors) who want to be rewarded for writing, publishing and selling the book, and libraries who loan for free.
- It is important decision makers at European and national level should be aware that businesses, and these include sometimes booksellers, take the decision not to sell to consumers in other member states for sound commercial reasons (e.g. the market is not large enough to justify the investment required to sell across borders; or the Return on Investment and profitability are too low) – and not because of any copyright restrictions.
- As EU countries have different demands from the same content, rights holders should not be compelled to exploit their works in a way which is not beneficial to them.
- Proprietary systems should be ended. Interoperability should be introduced so that consumers can read any e-book on any device in order that e-content can be obtained from any supplier.
- As we have said earlier, e-books should be taxed for VAT purposes in individual member states at the same rate as that currently applying to printed books.
- The EC should propose legislation to the Parliament and the Council aiming at harmonising as many of the Consumer Protection Rules as possible, but if this proves to be too difficult, the Rules applicable in the home market should apply.
- Profits should be taxed in the location where the value of sales – including digital content such as e-books – is generated.





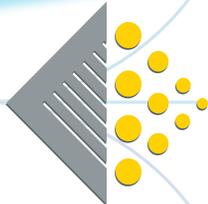
# About the Booksellers Association

Founded in 1895, The Booksellers Association is a trade association, based in London WC2, currently with 818 bookselling businesses in membership, accounting in total for 4,583 outlets.

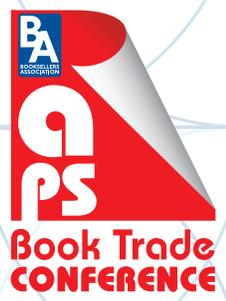
BA members cover a diverse range of different bookselling businesses - specialist bookselling chains (e.g. Waterstones and Blackwells); independents; large High Street chains with mixed businesses (e.g. W H Smith); supermarkets (e.g. Tesco, Asda, Sainsbury and Morrisons); library and school suppliers; specialist internet booksellers; and the two national wholesalers (Bertrams and Gardners).

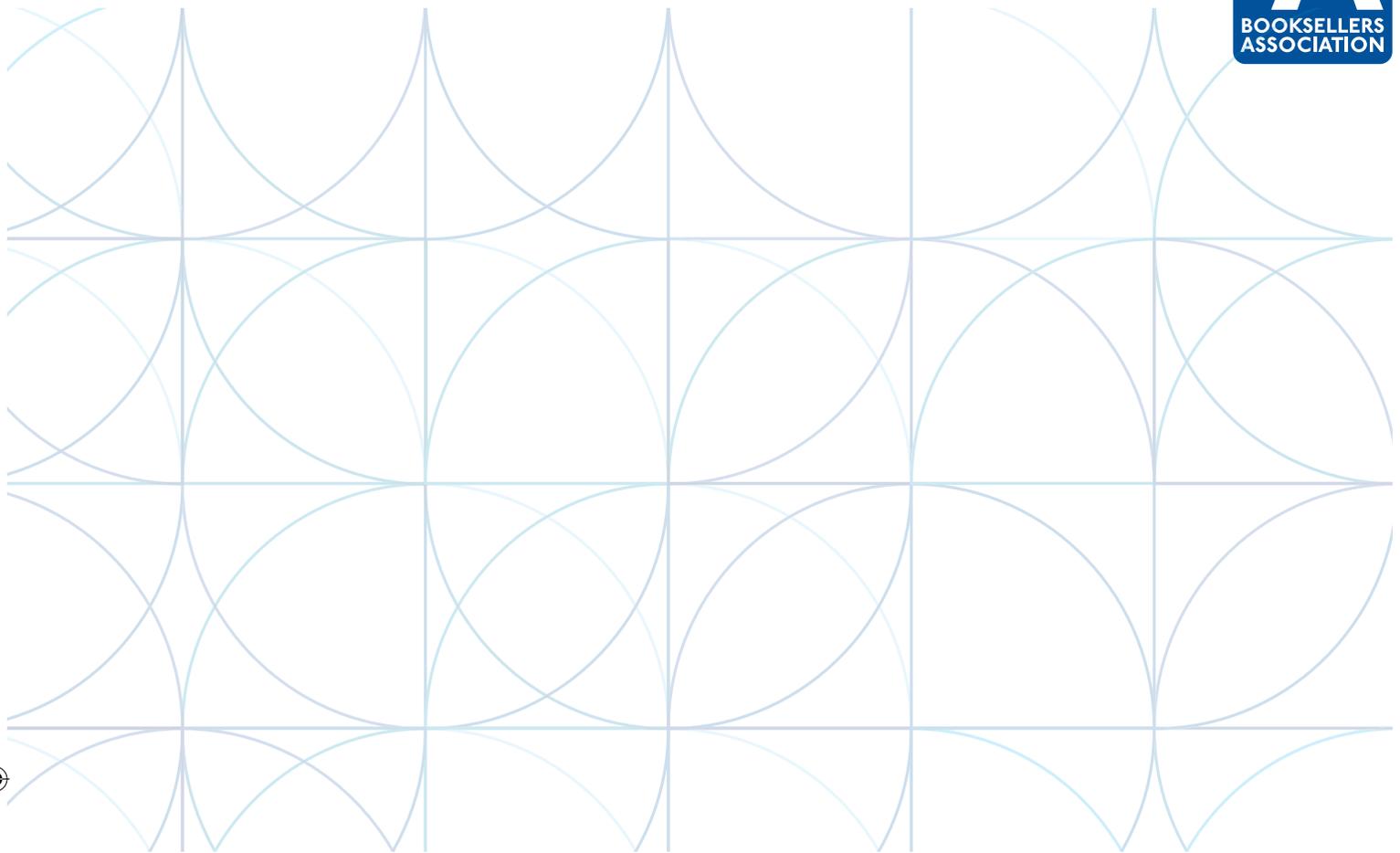
BA members sell to all markets (consumer - fiction/ non-fiction/ reference/ children's; academic - academic/ professional/ school/ English Language Teaching) from retail shops and over the internet in a variety of different formats (hardback, paperback, audiobook and e-book).

The BA helps its members to sell more books; operate from a lower cost base; improve competitiveness and productivity; network with others in the 'book world' and further afield. Finally, and most importantly, the BA represents its members' views.



**Batch**





## Contact Us

Giles Clifton, Head of Corporate Affairs  
E. [giles.clifton@booksellers.org.uk](mailto:giles.clifton@booksellers.org.uk)

### Address:

Booksellers Association  
6 Bell Yard, London WC2A 2JR

T. 020 7421 4640

F. 020 7421 4641

E. [mail@booksellers.org.uk](mailto:mail@booksellers.org.uk)

### Online:

[www.booksellers.org.uk](http://www.booksellers.org.uk)

[www.nationalbooktokens.co.uk](http://www.nationalbooktokens.co.uk)

[www.batch.co.uk](http://www.batch.co.uk)

[www.facebook.com/thebooksellersassociation](https://www.facebook.com/thebooksellersassociation)

[www.twitter.com/BAbooksellers](https://www.twitter.com/BAbooksellers)

[www.twitter.com/IndieBound\\_uk](https://www.twitter.com/IndieBound_uk)

[www.linkedin.com/company/the-booksellers-association](https://www.linkedin.com/company/the-booksellers-association)

