THE WHITE BOOK

OF THE ARGENTINE PUBLISHING INDUSTRY

2016

Statistical Report

CAP
Cámara Argentina de Publicaciones

CONTENT

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THE MAKING OF THIS WHITE BOOK

This is the 2016 White Book of the Argentine Publishing Industry with final data about 2015.

This book, now published for the second consecutive year by the Argentine Publishing Chamber, intends to provide a brief, relevant report of the Argentine publishing industry, with accurate information. Although there are other organizations trying to monitor our industry and publishing statistics, we have found that in most cases they show seriously misinterpreted, misleading data that are not only useless but also pose a severe risk to decision making when it comes to public policies for the industry. This is why our Chamber has made a commitment to publish accurate, error-free statistics on a regular basis.

Our main sources are the ISBN (International Standard Book Number), which records all published works; the Information System used by the Argentine Customs (called the "Sistema María", and managed through "NOSIS" agency), which records foreign trade data based on tariff item codes; and the information and reports provided by Promage Consultants --collected directly from the publishers.

However, as far as data recording systems are concerned, neither ISBN nor the Custom System is able to provide accurate statistics, because they either group together items that do not belong together, or they do not discriminate other items that should be told apart. Thence the need for this survey by industry professionals, who are in a position to sort out the countless misconceptions resulting from such systems.

Here are two examples to make this clearer. First, the very question "What is a publishing house?" requires analysis and a clear definition, because ISBN uses that name to refer not only to publishers whose business is to publish and sell books, but also to self-publishing imprints or any kind of occasional editions. If we don't clear any errors and take the raw data, we might think that there are over 2,000 publishing houses in Argentina, when in fact there are 230 (this will be further dealt with in the first section of this report). Second example: "What is an imported book?" Here, too, there are several answers: books that are impossible to substitute locally, which are imported in small quantities by title; books of global publishers that print one edition worldwide; books that an Argentine publisher gets printed abroad; brochures of non-commercial organizations, or elements supplementing books but which are not books. These cases are completely different from each other; they have different impacts on the market, but statistics tend to report them all together, and this causes all kinds of misinterpretations.

These examples show the importance of analyzing and sorting out data in order to find out where we really stand, what is really going on in the Argentine publishing industry, and where we can begin to strive for those development goals we all want to achieve.

This report is structured as an analysis of both sides of the publishing market: book supply and demand; it shows final data of 2015, and where relevant, historical data to compare and assess their evolution.

Book supply for the domestic market encompasses local production plus imported books that add to this supply, minus exported books. We will look at a thorough analysis of the composition of this domestic production, sorting out accurate, relevant data, and including the number of publishers and production volumes. We will also analyze, for the first time ever, the information on book imports, to find out, as we have said, the true and accurate facts.

Book demand, on the other hand, consists of domestic market sales (to the private and public sectors) as well as foreign market sales or exports. We have added up-to-date information on book sales channels, and shown detailed export data, either high or low volume. We have also included a chart on foreign trade balance comparing imports and exports, which are mostly useful for macroeconomic analysis.

We hope this report will prove useful to all of us who work in the Argentine publishing industry; to all industry professionals in other countries; to researchers, and to all national, provincial and municipal government officials who are involved with our industry, as a tool for full understanding of this market, its evolution in the past few years and its future challenges.

MAIN RESULTS

The data in this report shows an unchanged scenario from 2014, both in its positive aspects and in those that reveal the problems of the industry.

Among the positive aspects, we must point out the strengths of a large publishing market where the average edition exceeds 3,000 copies. Considering that in the graphic industry, print runs of less than 2,000 copies generate a high cost per unit and therefore expensive, low-margin books, we conclude that Argentina has a market size with a healthy average print run--although there are, of course, bigger and smaller runs. On the other hand, there are 230 active publishing houses that have published at least 5 titles a year over the last five years, and 217 of those have been publishing for more than 6 years and therefore have a consolidated business. This shows a publishing industry made up of sound, professional players. Since the publishing business has low "entry barriers" (it is relatively easy to publish a first book and launch a publishing house with it), it is very important to measure how many of such projects actually become self-sustaining publishing houses, as this report intends to verify.

Another important fact is the existence of an atomized sales channel with a strong majority of independent bookstores working in direct relation with the publishers, their representatives and distributors. This allows for dynamic and direct marketing to the sales points, as long as this is part of the publishers' launch strategy for their books.

Now, when we look at book production in 2015, we see that a total of 55 million copies of 14,700 titles --including new ones and reprints-- were published. The number of titles has remained stable since 2011, although the number of copies has increased by 10%. Our report suggests that it is a market where publishers seem to have stayed on the safe side (the higher number of copies may be related to some exceptionally best-selling titles), and this situation reflects an industry with very little growth in the last years. The book industry usually goes hand in hand with consumption in other areas of the economy, particularly those with high income elasticity (i.e. those that react immediately, either upward or downward, to an increase or decrease in people's income, because they are not considered basic goods).

When we look at book supply, including imports (which are analyzed and explained in their specific section), we see that 87% accounts for Argentine books, printed in Argentina, while 13% are imports. Out of this total, 7% commercial imports (books brought to contribute to bibliodiversity), which benefits both readers and bookstore owners; and 6% are industrial imports (books printed abroad), half of them for technical reasons (because they need materials and processes that are not available in the country) and the rest for economic reasons.

In addition, the sales report shows the other side of a market that has been at a standstill for the last 5 years, at about 52 million copies. Sales amounted to 8 billion pesos; however, if we deduct the effect of inflation, they have remained around 2 billion (constant) pesos for five years. In 2015, 73% of copies were sold to the domestic private market, 14% to the public sector, and 13% were exported. It should be noted that sales to the public sector have given a strong boost to many publishers' businesses, both to those focused on the education market and to other publishers of children's literature who have found in public demand a major opportunity for growth. However, this contribution was made without consistent planning (this is reflected by highly unstable copies sold and contents chosen, as shown on page 13), which hinders any cost and content optimization that publishers may offer. Finally, the low export level is due to excessively high internal costs that result in low competitiveness in foreign markets.

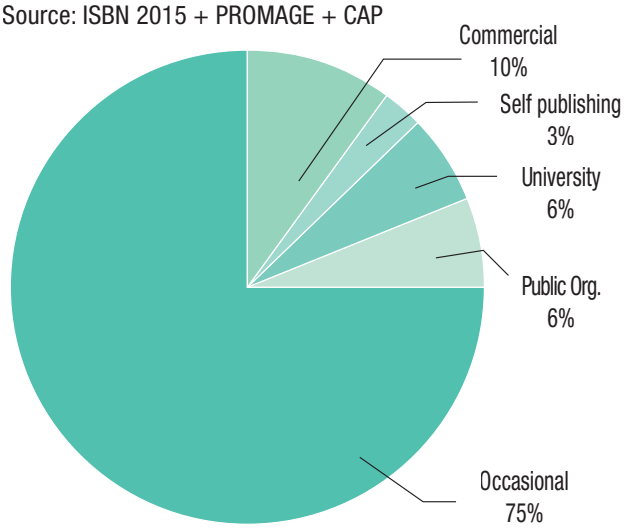
The last item in the report shows both sides of foreign trade for the period 2011-2015. It is remarkable how virtually all foreign trade has dropped to half of what it was 5 years ago. If we understand that most (commercial, not industrial) imports account for non-substitutable books that would otherwise not be produced in the country, we may conclude that this was a period of net loss to the publishing industry: loss of non-substitutable supply, and loss of foreign demand.

a. PUBLISHERS AND NON-PUBLISHERS

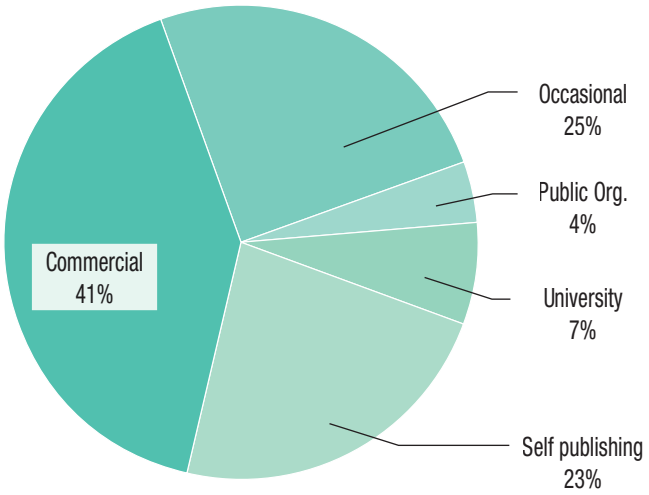
In 2015, Argentina had 230 commercially active publishing houses (ECA), i.e. those whose business is to publish and sell books, and which have published at least 5 new titles a year for 5 years. For the purposes of this report, it is these companies that are considered publishing houses proper. ISBN, however, shows 2,276 publishers. The truth is that, out of that total, 1,697 were occasional (sporadic publications by all kinds of organizations, whether private, public, for profit or not-for-profit, such as NGOs, etc.); 133 were publications by public organizations; 140 were university-published (i.e. not commercial), and 76 were self-publishing imprints. Let us examine how the titles published in 2015 can be reclassified. The 28,966 titles recorded under ISBN are, in decreasing order: 11,871 (41%) books published by the ECA; 7,352 (25%) occasional publications; 6,539 (23%) self-publishing authors; 2,116 (7%) university publications, and 1,088 (4%) publications by public organizations. See the chart below:

2015 - PUBLISHERS BY TYPE OF BUSINESS Source: ISBN 2015 + PROMAGE + CAP	TOTAL Companies		TOTAL Titles	
Total ISBN	**2,276**		**28,966**	
Commercially active publishers (ECA)	**230**	10%	**11,871**	41%
Self-publishing Imprints	76	3%	6,539	23%
University Publications	140	6%	2,116	7%
Publications by Public Organizations	133	6%	1,088	4%
Occasional Publications	1,697	75%	7,352	25%

Publications by type of business
Source: ISBN 2015 + PROMAGE + CAP



Titles published per segment
Source: ISBN 2015 + PROMAGE + CAP

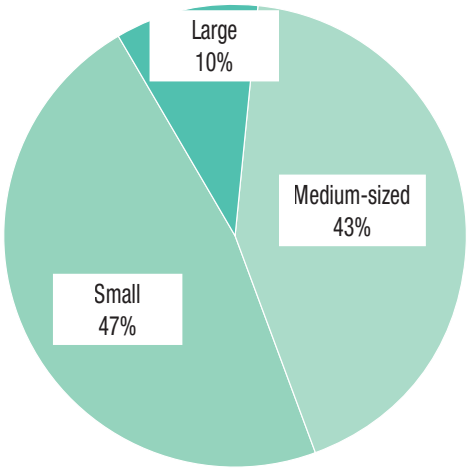


b. PUBLISHERS BY SIZE AND HISTORY

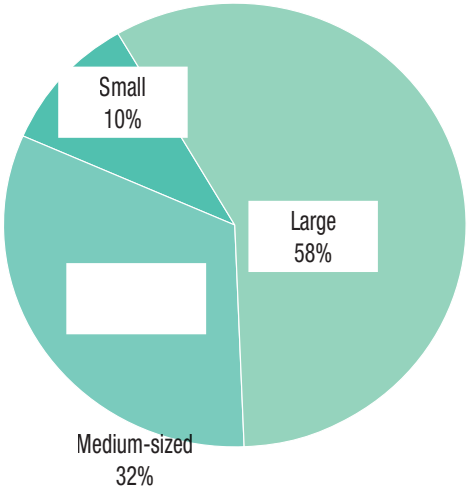
We have classified the universe of commercially active publishers (ECA) by size, into three types, depending on the number of new titles published annually (see chart). Large publishing houses, which publish 58% of titles, account for 10%; 43% are medium-sized and publish 32% of titles, and 47% are small and publish 10% of titles.

Size (2015)	Companies		Titles	
Total	**230**		**11,871**	
Large More than 100 titles per year	24	10%	6,912	58%
Medium-sized 20-99 titles per year	98	43%	3,820	32%
Small Less than 20 titles per year	108	47%	1,139	10%

Publishers by size
Year 2015: number of commercial publishers
Source: ISBN - PROMAGE



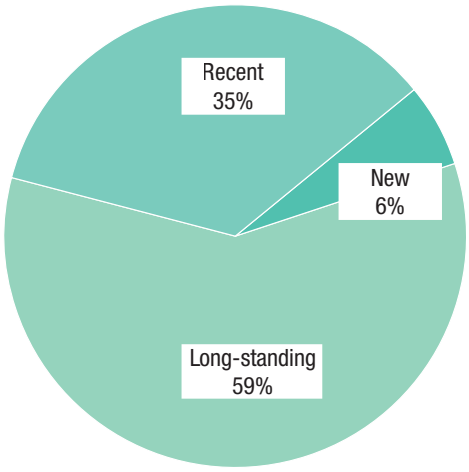
Titles published per segment
Year 2015: number of commercial publishers
Source: ISBN - PROMAGE



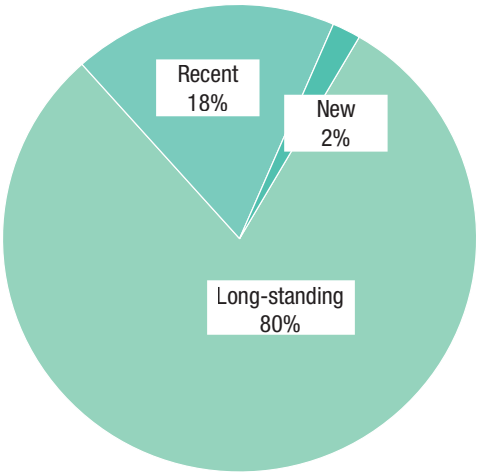
Finally, if we examine market composition in terms of publishers with a long history, recent or new, this is what 2015 looked like (this proportion obviously stayed almost the same as compared to the previous year, because these are structural market data).

Commercial publishers (ECA) by history Commercial publishers (ECA)	**Companies**		**Titles**	
Total	**230**		**11,871**	
Long-standing: More than 10 years	135	59%	9,499	80%
Recent: 6-10 years	82	35%	2,182	18%
New: 5 years	13	6%	190	2%

Commercial publishers by history
Year 2015: number of commercial publishers
Source: ISBN – PROMAGE



Titles published per segment
Year 2015: number of commercial publishers
Source: ISBN - PROMAGE



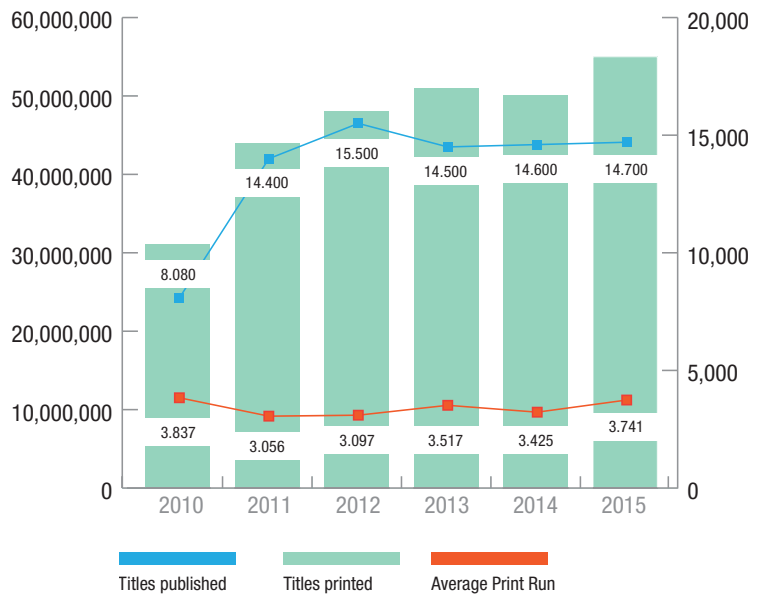
Business history and size: There is a direct relationship between a publisher's business history and its size: the longer it has been in business, the bigger it is. This is only natural, because books get accumulated in the publishers' back lists– more books are added than discontinued every year. This "positive birth rate" for catalogs is key to understanding how the book industry works. It is an industry with an ever-growing supply, and this goes against long-term profitability, because the channels through which books are sold do not grow as much. As a result, more books fill the stores, with smaller chances of getting displayed and sold (and more chances of ending up as remainders or unsold stock).

c. COMMERCIAL PUBLISHERS PRODUCTION

Let us now examine the production of books by commercially active publishers in 2015 against previous years. **These figures include new titles and reprints**. We can see that title production has been rather stagnant since 2011. Although the total number of copies did increase 10% in 2015 as compared to 2014, these upward or downward movements are sometimes related to specific cases of bestsellers and not to a true growth in production. In addition, this increase in the number of copies pushes the average print run upward. Surely, an average print run exceeding 3,500 copies must still be considered a positive indicator in the industry, because it describes a self-sustaining, potentially profitable market. However, it is a market that has not grown as a whole in 5 years; some publishers have grown, others had lower production rates, and these effects have canceled each other out.

Publishing production / Copies and Average Print Run

Year 2015: commercial publishers - Source: ISBN – PROMAGE



SOURCE: PROMAGE ECA	2010	2011	2012	2013	2014	2015
Titles published **(novelties + reprints)**	8,080	14,400	15,500	14,500	14,600	14,700
Copies printed	31,000,000	44,000,000	48,000,000	51,000,000	50,000,000	55,000,000
Average Print Run	3,837	3,056	3,097	3,517	3,425	3,741

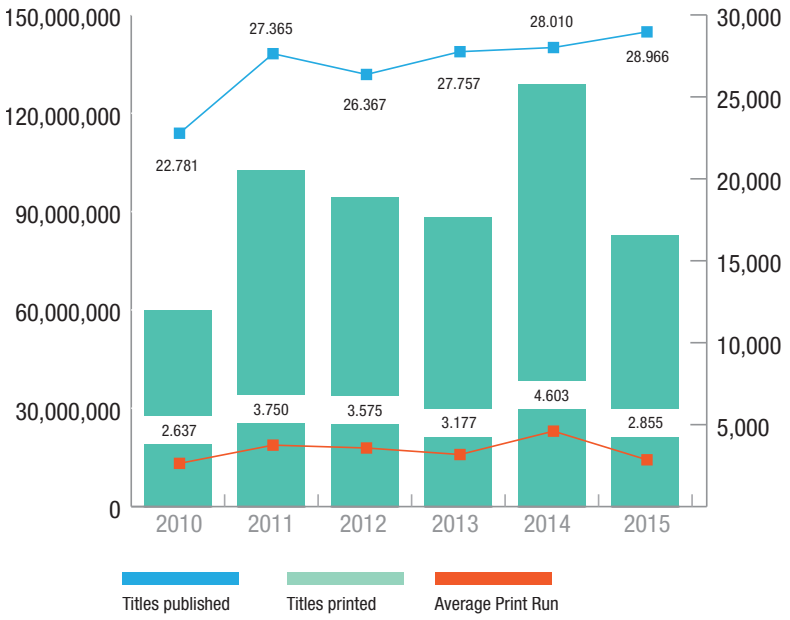
d. TOTAL PRODUCTION ACCORDING TO ISBN

SOURCE: ISBN exclusively	2010	2011	2012	2013	2014	2015
Titles published	22,781	27,365	26,367	27,757	28,010	28,966
Copies printed	60,070,101	102,607,101	94,272,206	88,171,750	128,929,260	82,697,356
Average Print Run	2,637	3,750	3,575	3,177	4,603	2,855

When we look at all ISBN publications, not only are the figures higher but there are also some distortions, such as when the number of units printed peaked in 2014, due to an exceptional edition by a mass medium and not to the production of a commercial publisher. Thus, these large variations from year to year have specific causes not pertaining to the publishing industry, as analyzed in this report. The true state of the industry is reflected by the chart above.

Publishing production / Copies and Average Print Run

Year 2015: commercial publishers - Source: ISBN – PROMAGE



e. DIGITAL BOOK PRODUCTION

According to ISBN, digital book production reached 5,006 titles, 17% of the total. Only 1,732 of these were produced by commercial publishers (15% of their production). Note the large number of occasionally produced digital books and the small number of self-publishing imprints and university publications, in comparison with other markets where digital media have developed more predominantly for academic and self-publications. It should be noted that a large portion of digital titles already have a print version, so their development costs are amortized. In addition, due to the characteristics of digital media, there are no print run indicators.

Novelties on paper and digital media by type of publisher Source: ISBN 2015 + PROMAGE + CAP	2015	TOTAL Titles	Paper		Digital	
Total ISBN		**28,966**	**23,960**	**83%**	**5,006**	**17%**
Commercially Active Publishers (ECA)		11,871	10,139	85%	1,732	15%
Self-publishing Imprints		6,539	5,666	87%	873	13%
University Publications		2,116	1,303	62%	813	38%
Publications by Public Organizations		1,088	864	79%	224	21%
Occasional Publications		7,352	5,988	81%	1,364	19%

f. BOOK IMPORTS - SEPARATING THE WHEAT FROM THE CHAFF

Imported books complete the supply in the Argentine market every year. For the first time ever, this report gives the true facts about book imports, and makes it clear why the aggregate amount must never be the basis of any conclusions for analysis.

We will now examine tariff item codes 49.01 and 49.03 corresponding to books in the international customs nomenclature system, although the official concept includes other products . That is precisely why they need to be discriminated, because we only want to measure book imports.

This report is the result of a thorough study of those records in order to determine concepts that do yield relevant, useful facts to understand what is going on in the market.

Thus, we have classified book imports into the following three areas, as shown in the tables below, for 2014 and 2015.

1) **Industrial imports:** cases where whole print runs are imported at industry cost values from printing countries such as Brazil, Chile or China. These productions are printed outside the country for either technical or economic reasons. Imports made for technical reasons require materials or processes that are not available in the local graphic industry; therefore, they tend to be structural and lasting. On the other hand, imports made for economic reasons vary according to the period analyzed, because they depend on the country's internal cost structure and on exchange rate evolution.

2) **Commercial imports:** these are imports of varying quantities at commercial value, whose publishing rights are owned by foreign publishers. This includes a very large number of books that are imported in small numbers by bookstores, distributors and publishers-distributors, produced by foreign publishers (mostly in Spanish, but also in other languages), i.e. they are locally non-substitutable books. Also in this imports group are books that are imported in larger numbers, whose rights belong to global publishers that produce one print run for several territories, in order to reach readers from various countries at reasonable prices. All these commercially imported books are effective in bringing as much bibliodiversity as possible to Argentine readers. They are also essential to a broader supply by bookstores, the natural book sales channel, which complete the value chain (see distribution channels) and are strategic partners of the publishing industry.

3) **Imports outside the publishing market:** those that are not graphic products per se but supplement other publications, or books that do not pertain to the publishing market. These include, notably, very brief low-cost publications such as brochures from religious organizations, printed for non-commercial purposes. Please note the extraordinary volume that this item had in 2014 (highlighted in yellow), which clearly shows the need to discriminate between import figures to avoid misleading distortions.

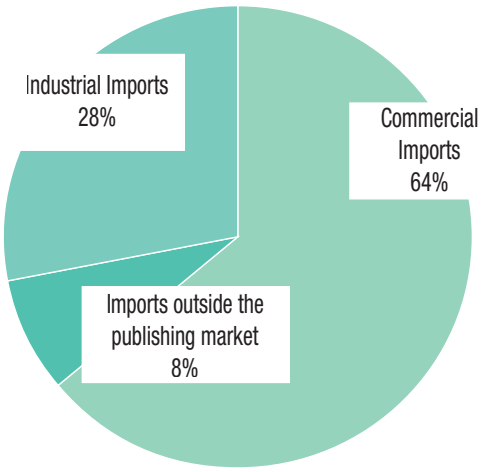
NOTE: At the end of this report, we have included import and export information about newspapers and magazines, which are also publishing products, recorded under tariff item code 49.02 (see page 16).

2014 - Imports by Tariff Item Code Source: ISBN 2014 + PROMAGE + CAP	**TOTAL UNITS**		**TOTAL VALUE IN U$D**	
TOTAL IMPORTS FOR TARIFF ITEMS 49.01 + 49.03	**41,728,950**		**46,736,773**	
Industrial Imports	5,932,834	14%	12,978,711	28%
Commercial Imports	6,068,121	15%	29,757,649	64%
Imports outside the publishing market	29.727.995	71%	4,000,413	8%

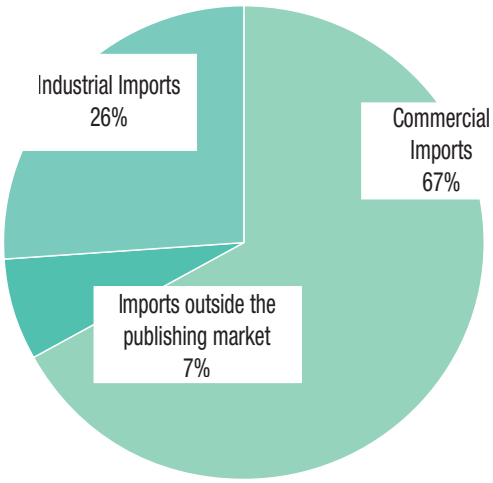
2015 - Imports by Tariff Item Code Source: ISBN 2015 + PROMAGE + CAP	**TOTAL UNITS**		**TOTAL VALUE IN U$D**	
TOTAL IMPORTS FOR TARIFF ITEMS 49.01 + 49.03	**20.038.080**		**46.114.417**	
Industrial Imports	6.488.824	32%	12.134.564	26%
Commercial Imports	6.725.625	34%	31.002.405	67%
Imports outside the publishing market	6.823.631	34%	2.977.448	7%

If we take imports in terms of their total value in USD for the last two years, we see that most of them (64% to 67%) are clearly commercial imports intended for increasing bookstore supply and market bibliodiversity. As to the rest, 7% to 8% are non-graphic products or books not pertaining to the publishing market, and 26% to 28% correspond to industry imports.

Book imports in USD 2014
Source: Nosis + PROMAGE + CAP



Book imports in USD 2015
Source: Nosis + PROMAGE + CAP



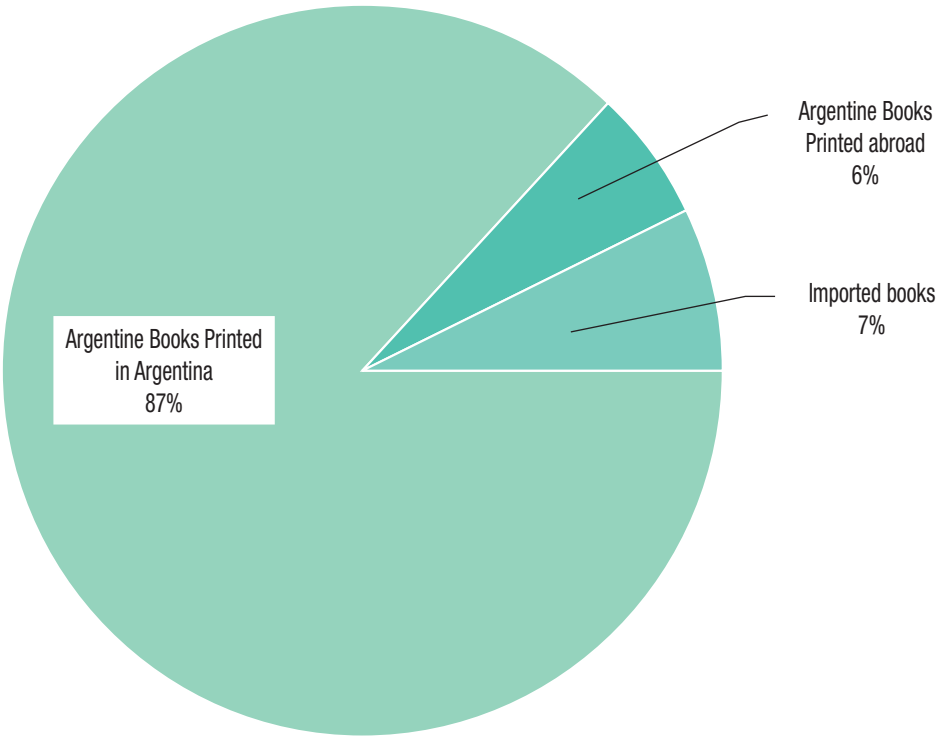
g. BOOK SUPPLY IN ARGENTINA: TOTAL VOLUME

Now that we have reviewed book production volumes in Argentina and differentiated those making up ECA (commercially active publishers) supply from the total, and having also seen book import volumes, we are now in a position to measure (in terms of number of copies) the total supply circulating annually in the Argentine publishing market. We must deduct from these figures those of exports (of locally produced books and of previously imported books), because we want to measure only those books that are added in a year to the available supply in our domestic market.

Thus, the chart below shows the total supply volume, resulting from adding up ECA production plus commercial and industry imports, minus exports. It should be noted that these import figures making up the supply that is available to Argentine readers do not exactly match the total imports in the previous section, because here we are deducting those imports that later became exports. Similarly, the total number of books available--55,200,000 copies--should not be confused with total ECA production volume--55,000,000--because part of that production has been exported as well.

Total Book Supply 2015 Source: ISBN, Promage, NOSIS/Customs System, CAP	**Copies**	
Total copies making up annual supply	**53,675,000**	
Argentine Books Printed in Argentina	46,780,000	87%
Argentine Books Printed abroad	2,970,000	6%
Imported Books Published Abroad (foreign ISBN)	3,925,000	7%

Book Supply: Argentina 2015 (ECA)
Source: PROMAGE + CAP



Summing up, we can say that in 2015 book supply in Argentina brought into the market 87% of locally published books, and 13% of imported books (both kinds).

a, SALES IN THE DOMESTIC MARKET

As is to be expected, just as production has been stagnant for the last few years, so have sales--they are the two sides of the market, In this case, it is important to analyze constant prices; otherwise, in a highly inflationary economy, the figures might show a sales growth in pesos which is really not true in units, but rather the result of price hikes,

Thus, in addition to sales by units, the table below shows both current prices and prices without the effect of inflation, or constant, It should be noted that we take retail list prices (Argentina's book market works with fixed retail prices, controlled by the publishers), even for sales to the public sector, to make them comparable, These sales to the public sector accounted for 14% of sales,

TOTAL DOMESTIC MARKET Source: Promage	**2010**	**2011**	**2012**	**2013**	**2014**	**2015**
Million copies	47,4	48,5	47,6	55,6	52,0	52,7
Million current $$	$ 2,140	$ 2,780	$ 3,215	$ 4,290	$ 5,730	$ 8,000
Million constant $$	$ 2,140	$ 2,047	$ 1,898	$ 2,023	$ 2,055	$ 2,264
Average Constant Price	$ 45	$ 42	$ 40	$ 36	$ 40	$ 43

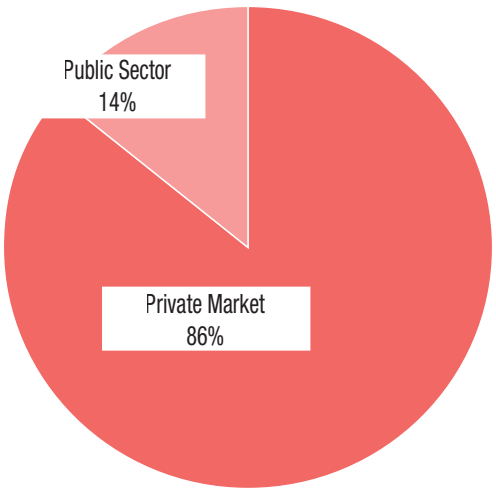
Private Market	**2010**	**2011**	**2012**	**2013**	**2014**	**2015**
Copies	41.8	42.7	43.2	41.4	42.3	44.1
Current $$	$ 1,900	$ 2,500	$ 3,000	$ 3,600	$ 4,900	$ 6,850
Constant $$	$ 1,900	$ 1,841	$ 1,771	$ 1,698	$ 1,757	$ 1,939
Average Constant Price	$ 45	$ 43	$ 41	$ 41	$ 42	$ 44

Public Market	**2010**	**2011**	**2012**	**2013**	**2014**	**2015**
Copies	5.6	5.8	4.4	14.2	9.7	8.6
Current $$	$ 240	$ 280	$ 215	$ 690	$ 830	$ 1,150
Constant $$	$ 240	$ 206	$ 127	$ 325	$ 298	$ 325
Average Constant Price	$ 43	$ 36	$ 29	$ 23	$ 31	$ 38

NOTE: For this constant price (i.e. without inflation) calculation, we have taken INDEC's (the national statistics bureau) salary index, the one with the greatest influence on price increases in the industry.

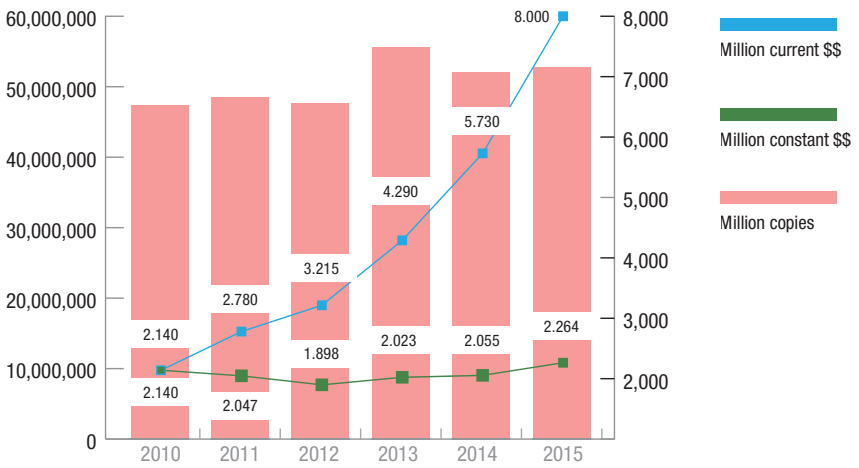
2015 Sales - Domestic Market

Year 2015 - $$ RRP - Source: PROMAGE



Total Domestic Market 2015

Sales by copies, current $ and constant $ - Source: PROMAGE



NOTE ON DIGITAL BOOK SALES

This report does not include a measurement of digital book sales, because these are impossible to discriminate geographically (i.e. whether they have been made in the domestic market or outside the country), or by origin of their publisher, because digital book ISBNs can be obtained from any country in the world. These sales also include individual transactions that do not go through any measurable channels, because they go straight to virtual platforms outside Argentine sales channels.

In addition (and this fact is conclusive), the information gathered daily by Argentine publishers states that, for most, this segment does not exceed 1% of their income, and in many cases it is still far from that figure.

b. SALES BY DISTRIBUTION CHANNELS

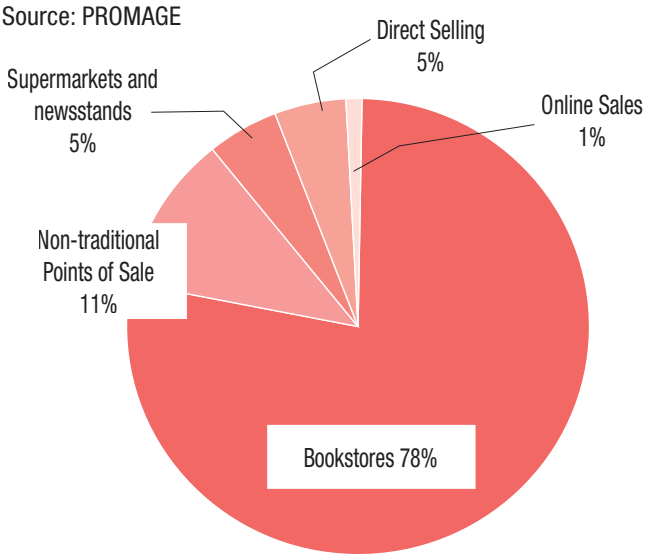
The vast majority (78%) of sales in the Argentine domestic market takes place in bookstores, or what is called the traditional book channel; 5% of sales are made in supermarkets and newsstands, and 11% at non-traditional points of sale, another 5% through direct selling systems (including book fairs), and only 1% through the Internet (basically, virtual bookstores and digital platforms).

Distribution Channels Source: PROMAGE	
Bookstores	78%
Non-traditional Points of Sale	11%
Supermarkets and newsstands	5%
Direct Selling	5%
Online Sales	1%
Total	**100%**

Sales by distribution channels

Year 2015: Distribution in $$ - RRP

Source: PROMAGE



Types of bookstores in Argentina

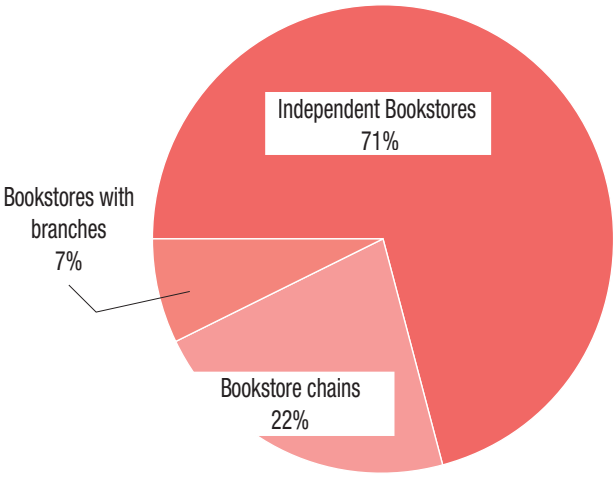
If we look at bookstore composition, we see that 70% are independent bookstores; 22% are bookstore chains, and 74% are bookstores that have 3 or 4 branches. This reveals a highly atomized market where publishers cater to a large number of customers who are independent from one another, unlike other countries where sales channels are highly concentrated.

Types of Bookstores Source: PROMAGE		
Independent Bookstores	855	71%
Bookstore chains	265	22%
Bookstores with branches	90	7%
Total	**1,210**	**100%**

Types of bookstores in Argentina

Year 2015 - Retail Points of Sale. Specializing in Books

Source: DataLibro – PROMAGE



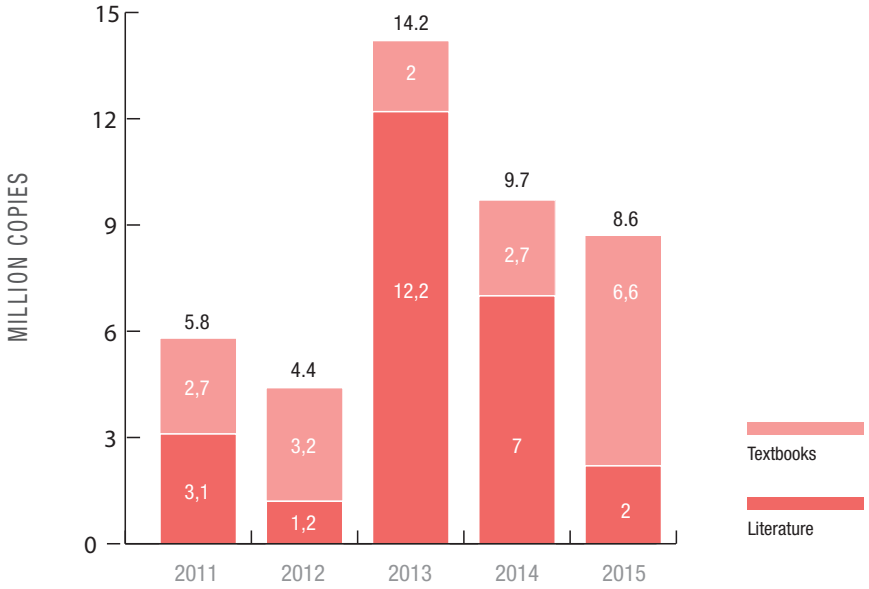
b.1. EVOLUTION OF PUBLIC SECTOR SALES

When it comes to sales to the public sector, which are dependent on the purchase policies of Ministries of Education (mainly, of the National and Buenos Aires City governments) for distribution to state-run schools and libraries, it is important to examine their evolution in the last 5 years. From 5.8 million copies in 2011, they peaked at more than 14 million in 2014, only to fall to 8.6 million in 2015. That is, there does not seem to be a stable purchase policy in this channel. Additionally, it should be noted that the 2013 peak was strongly driven by literature purchases (12 million), while textbook purchases dropped to their lowest point in the period: 2 million. This combination was completely reversed in 2015, when literature purchases fell to 2 million, and textbook purchases rose to 6.6 million copies. In other words, abrupt changes can be observed in decisions to purchase textbooks and/or complementary materials, sometimes from one year to the next.

PUBLIC SECTOR SALES BY GENRE Source: PROMAGE	**2011**	**2012**	**2013**	**2014**	**2015**
Publishers with sales	80	80	85	82	80
Million copies TOTAL	**5.8**	**4.4**	**14.2**	**9.7**	**8.6**
Textbooks	2.7	3.2	2.0	2.7	6.6
Literature	3.1	1.2	12.2	7.0	2.0
Textbook share (in copies)	**47%**	**73%**	**14%**	**28%**	**77%**

Public Sector - Public purchase composition

Year 2015 - Source: PROMAGE - in million copies



c. EXPORTS

This section presents book export figures, with similar differentiation to that of imports. Based on the information on exports of tariff item codes 49.01 and 49.03, which basically show books and children's books (see footnote on page 8), and examining it by quantities, values, destinations and topics, we can understand our export scenario. In this case, we will split them into large and small volume exports, because they are all commercial, not industrial, exports. In other words, they are exports by publishers, not printers.

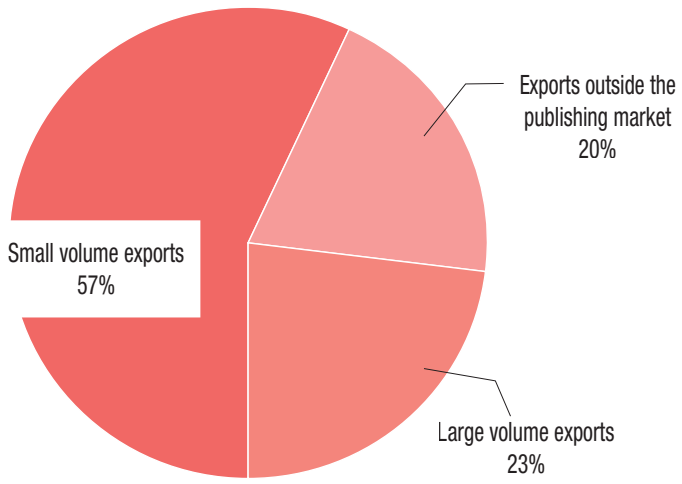
1) **Large volume commercial exports:** Argentina-produced and published commercial books exported in volumes higher than 1,000 copies per title/destination.
2) **Small volume commercial exports:** Argentina-produced and published commercial books exported in volumes lower than 1,000 copies per title/destination.
3) **Exports outside the publishing market:** Non-graphic supplementary material, or religious books and brochures, of no circulation in the publishing market.

2014 - Exports by Tariff Item Code Source: Nosis 2014 + PROMAGE + CAP	Total Units		Total Value in U$D	
TOTAL IMPORTS FOR TARIFF ITEMS 49.01 + 49.03	**17,354,675**		**29,081,952**	
Large volume exports	5,342,773	31%	6,819,165	**23%**
Small volume exports	3,972,162	23%	16,425,874	**57%**
Exports outside the publishing market	8,039,740	46%	5,836,913	**20%**

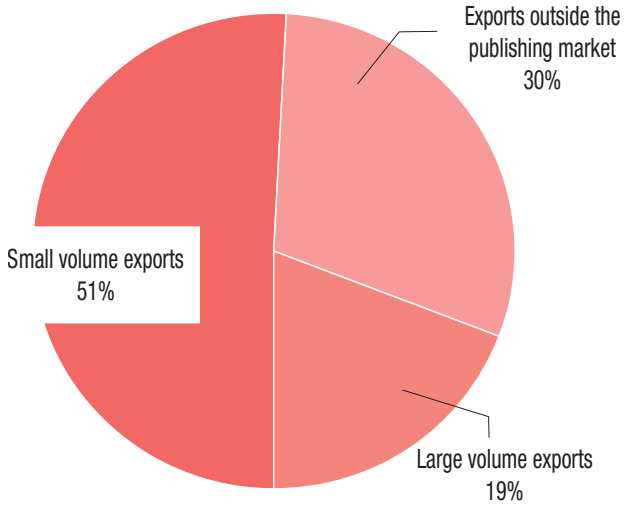
2015 - Exports by Tariff Item Code Source: Nosis 2015 + PROMAGE + CAP	Total Units		Total Value in U$D	
TOTAL IMPORTS FOR TARIFF ITEMS 49.01 + 49.03	**19,884,731**		**26,343,841**	
Large volume exports	4,330,380	22%	5,101,217	**19%**
Small volume exports	3,264,171	16%	13,290,727	**51%**
Exports outside the publishing market	12,290,180	62%	7,951,897	**30%**

As we can see, it is important to discriminate exports that do not pertain to the publishing market so as to avoid skewed results. Large volume imports should be interpreted as those that might be printed locally but whose recipients prefer to buy in our country. It is a smaller portion of the demand, which shows the low degree of competitiveness of Argentine books in the last few years as a consequence of high internal costs. On the other hand, this is suggestive of a market with a high potential for growth. Small volume exports generate the most value, although in 2015 they accounted for only 16% of exported units.

Book exports in USD 2014
Source: Nosis + PROMAGE + CAP



Book exports in USD 2015
Source: Nosis + PROMAGE + CAP

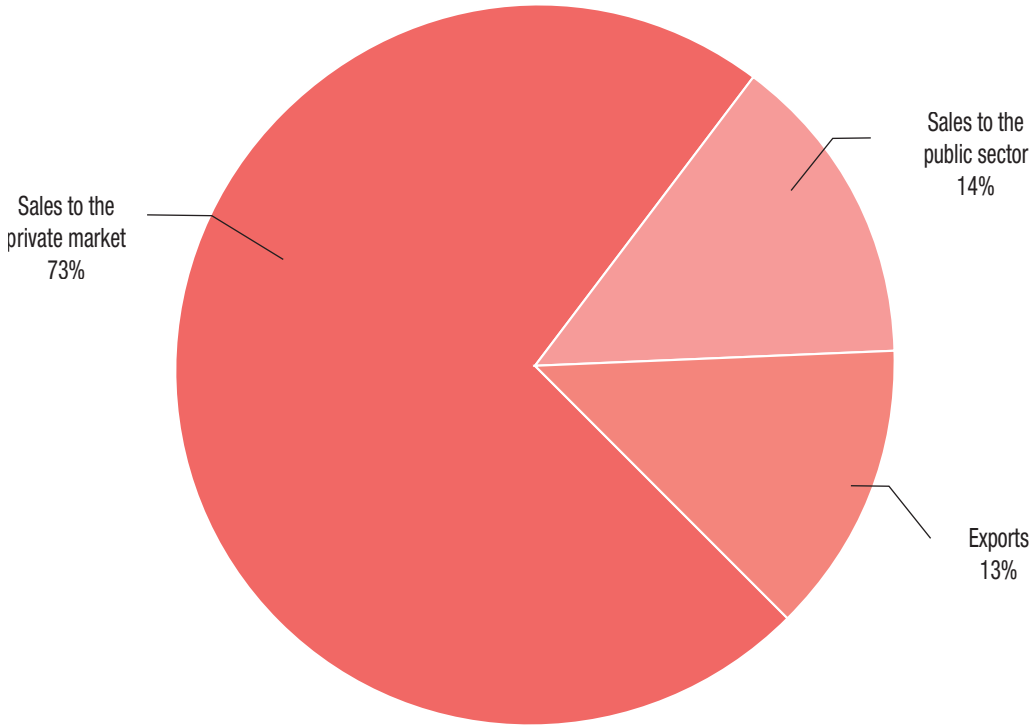


d. TOTAL BOOK DEMAND IN ARGENTINA: TOTAL VOLUME

Just as we have examined the volume in copies of the total supply and its composition, here we can see the volume in copies of the total demand and its composition. Note that 87% of sales are made inside the country –73% in the private market, and 14% to the public sector–, and 13% are sales to foreign markets. Here, again, we can see the low export volume for 2015.

Total Book Demand 2015 Source: Promage, NOSIS/Customs System, CAP	**Copies**	
Total copies making up annual demand	**60,300,000**	
Private Domestic Market	44,100,000	73%
Public sector domestic market	8,600,000	14%
Foreign markets / Exports	7,600,000	13%

Book demand in copies
Argentina 2015
Source: Nosis + PROMAGE + CAP



This report has examined imports as part of the book supply in the Argentine market, and exports as part of the foreign demand for Argentine books.

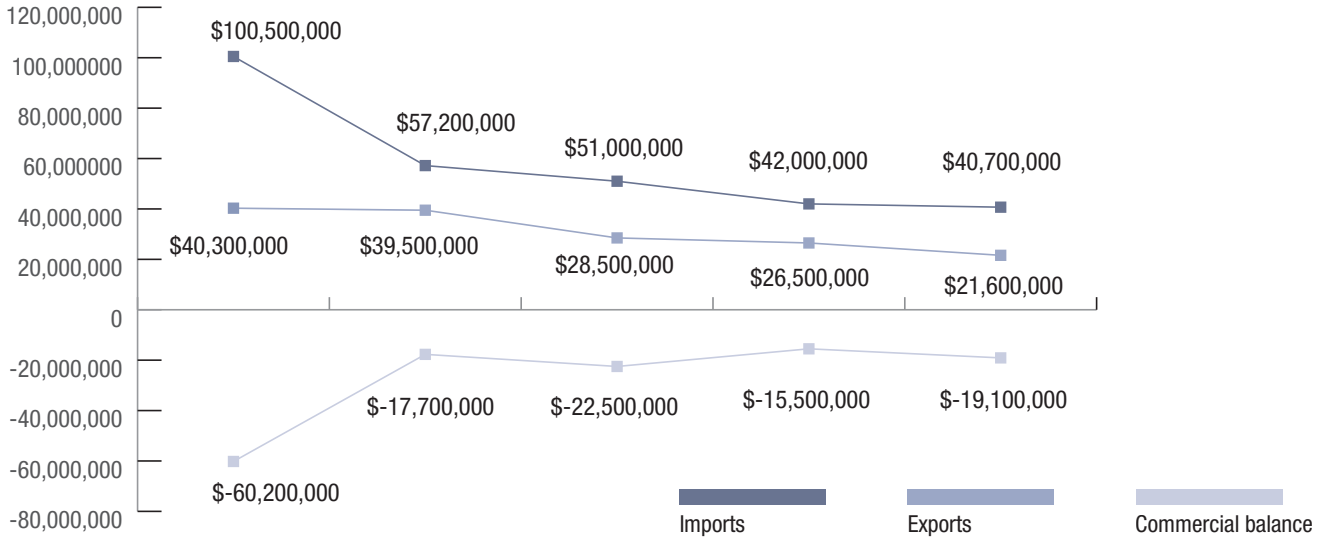
The table below combines imports and exports in the last few years for a macroeconomic analysis of the industry. It shows how imports and exports have been on a steady downward trend since 2010, both having dropped to about half of their level five years ago.

	2011		2012		2013		2014		2015	
	$$	Copies	$$	Copies	$$	Copies	$$	Copies	$$	Copies
Imports	100,500,000	46,000,000	57,200,000	19,700,000	51,000,000	14,600,000	42,000,000	11,100,000	40,700,000	10,600,000
Exports	40,300,000	41,000,000	39,500,000	17,200,000	28,500,000	11,300,000	26,500,000	10,500,000	21,600,000	9,100,000
Commercial balance	-60,200,000	-5,000,000	-17,700,000	-2,500,000	-22,500,000	-3,300,00	-15,500,000	-600,000	-19,100,000	-1,500,00
Commercial Imports		**27,600,000**		**9,200,000**		**7,380,000**		**6,400,000**		**6,600,000**
Industrial Imports		**18,400,000**		**10,500,000**		**7,220,000**		**4,700,000**		**4,000,000**

Foreign Book Trade - in USD

2011-2015: Tariff Item 49.01

Source: NOSIS – PROMAGE



FOREIGN TRADE OF NEWSPAPERS AND MAGAZINES

One last piece of information to consider is about imports and exports of newspapers and magazines, recorded by customs under tariff item code 49.02. As we can see here, their balance for 2015 was positive. Finally, note that both these imports and exports are of the commercial kind, i.e. they contribute to demand and bibliodiversity in the case of imports, and to foreign demand in the case of exports.

Imports and Exports of Newspapers and Magazines - Tariff It, 49,02 Source: Nosis 2015 + PROMAGE + CAP	**TOTAL UNITS**	**TOTAL VALUE IN U$D**
Total Imports of Newspapers and Magazines	5,262,000	USD 2,770,000
Total Exports of Newspapers and Magazines	7,755,000	USD 2,983,000
POSITIVE COMMERCIAL BALANCE TARIFF IT, 49,02	**2,493,000**	**USD 213,000**

CAP
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