

ANALYSIS OF THE PUBLISHING INDUSTRY IN EUROPE. ENTERPRISE CLUSTER.

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Abstract: In the field of cultural industries, the publishing sector is one of the most important areas and embraces a wide range of genres and formats. Its importance is to a large extent due to its huge turnover, the number of jobs it generates, its contribution to GDP, and so on. This sector has been the focus of numerous studies for many years, addressed from a variety of standpoints such as: supply and demand, global markets, intellectual property rights, digital formats, the consequences of the economic crisis, and so on.

The present study seeks to gain an understanding of this sector from the viewpoint of the financial situation of the firms involved, exploring such aspects as size, specialisation, and financial economic profile. To achieve this, the present work aims to analyse available information concerning financial ratios corresponding to a sample of firms engaged in the publishing industry in the 28 European countries. The initial goal is to enhance our understanding of the sector, describe it, investigate current trends in the European market, and seek out similarities between countries. Additionally, multivariate dimension reduction and data classification techniques are used to devise a map of enterprises that display similar features within the sector.

Key words: Cultural Industries, Publishing Sector, Financial Data, Cluster Analysis.

JEL Codes: C38, G00, Z11.

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1. Introduction

In any of its formats, a book is a means of spreading knowledge and conveying literary creation which proves key in the educational process and which for many is an important source of leisure and personal enrichment. The publishing sector is thus an area of great importance in the field of cultural industries, since it is the oldest and also has the largest volume of sales. Its traditional market is enormous in addition to which it evidences vast potential given the ever-increasing progress of new technologies and the advantages afforded by a global market.

In its annual 2013 report, the International Publishers Association (IPA) stated that total turnover in the publishing sector for 2012 amounted to some 114 thousand million Euros worldwide, a figure which is highly concentrated in a small number of countries. The twenty countries with the largest book sales account for 84% of the market and, more specifically, 60% of global spending is shared amongst just six countries: the United States (26%), China (12%), Germany (8%), Japan (7%), France (4%) and the United Kingdom (3%). In this map of the publishing world, in addition to the aforementioned countries, two regions stand out for their importance: the European Union with 33% of world sales, and the BRIC¹ countries with 18%, where China is one of the main powerhouses.

Nowadays, it is impossible to talk of the publishing sector without mentioning electronic books, with the early portable digital readers having first come on to the market in the late 90s. In 2000, the publication of a book exclusively in digital format by the writer Stephen King heralded a landmark in marketing potential², and digital books are currently gaining ground in markets, although not to the same extent in all countries. Anglo-American markets lead the way in this digital subsector of the publishing market with the highest turnover³: 12.5% in the United Kingdom, 15% in Canada and 20% in the United States. In its early days, the electronic book market in the US represented a tiny fraction of overall turnover, although the trend began to change after 2009 when the digital business already stood at 3.17% of total sales, before reaching its present levels. The factors behind this rapid growth have mainly been related to language, the level of development in these countries, which has allowed the technology related to digital books to be acquired rapidly, and the marketing strategies aimed at increasing e-book sales among children and teenagers. In Europe⁴, books in digital format have gained ground in markets although far more slowly, with figures of 5.4% in Germany, 4% in the Netherlands, 3% in France and Spain, and 1.8% in Italy in 2012. In addition to the damaging effect which the crisis has had on consumer spending, one further reason behind such slow growth in recent years is the taxation levied in the European Union on e-commerce⁵. ICT is here to stay in the world of education, and the future of culture and in particular the book is closely linked to technological progress and is unstoppable, such that in the long run this sector is likely to undergo enormous growth.

Faced with this situation, the publishing sector is gradually adapting to the changes in people's consumer habits, and is innovating both in terms of production and marketing

¹ Brazil, Russia, India and China, vast countries with huge populations, which in recent years are experiencing high economic growth rates and involvement in world trade.

² Stephen King launched his novel "Riding Bullet" in digital format at a cost of 2.5\$ and sold 500,000 copies in 48 hours. It could only be read on computer.

³ Data taken from Clee (2013) for UK; BookNet Canada (2013) for Canada and from the BookStats Highlights (2013) commissioned by the Association of American Publishers (AAP) and by Book Industry Study Group (BISG) for USA.

⁴ Data taken from Observatorio de la Lectura y el Libro (2013).

⁵ According to Directive 2006/112/EC, of 28 November 2006, VAT levied on digital books ranges between 18% and 21%.

models. Content remains the key factor for consumers, although now they can access the media and entertainment anywhere and at any time. A substantial drop is currently being observed in the amount of time people devote to watching television as a result of using Internet, meaning that advertising and sales through this means of communication are becoming increasingly important and gaining ground to the detriment of conventional models⁶. For these reasons, in addition to focusing their efforts on production, publishers also need to pay particular attention to other aspects which are now key such as setting prices and controlling distribution.

Firms involved in this sector have enormous opportunities thanks to technological innovation and the development of communications. Yet, they also face a struggle to strike the right balance in the market, where they are confronted with three-fold competition from electronics firms manufacturing reading devices, telecommunications firms supplying Internet connections, and various multinational firms operating in Internet, such as Amazon, Apple, Barnes & Noble, Google and Kobo, etc. None of these are devoted specifically to publishing and yet they are the ones who are reaping the greatest benefit from the profits to come out of the sector due to their rapid growth and dominant market position. Meanwhile, the legislative framework of the various authorities is developing extremely slowly in the fight against piracy and unfair competition⁷.

The present article seeks to provide further insights into the publishing sector in Europe and to explore certain financial aspects of its most representative firms. We describe the most salient features of the cultural industry in countries such as Germany, France, the UK, Spain and Italy, and we conduct an empirical analysis of the available financial ratios of the publishing firms with the largest turnover.

2. The publishing sector in Europe

Cultural industries in Europe are a key business sector, ahead of others such as energy or agriculture. According to data in the 2010 Tera Consultants report, the creative industries contributed 4.5% to gross added value in what was at the time a 27-country Europe, 6.5% in the UK, 4.9% in France, 4.2% in Germany, 3.8% in Italy, and 3.6% in Spain. As regards employment, figures are similar to those above, since they account for 3.8% in the EU-27, 5.4% in the UK, 3.7% in France, 4.1% in Germany, 3.6% in Italy, and 3.5% in Spain.

The publishing industry is the sector generating the greatest wealth within the cultural industries. According to data from the Federation of European Publishers (2012), total revenue obtained in 2012 by book publishers in the 28 countries of the European Union amounted to 22.5 thousand million Euros, and gave 130,000 full-time jobs. Leaving aside a slight drop in these figures compared to the previous year as a result of the economic crisis, the main markets in terms of turnover were Germany, the United Kingdom, France, Spain, and Italy, who are five of the world leaders in the publishing sector and it is to these countries that we devote much of our study. Data concerning the position of these countries in the ranking of the 60 leading publishing firms in the world in 2012 may be consulted (Table 1), together with a comparative study referring to the publishing industry in Germany, the United Kingdom, France, Italy, and Spain for 2011 (Table 2).

⁶ According to forecasts published by PricewaterhouseCoopers (2013), by 2017 digital media are expected to represent 37% of advertising revenue compared to 26% in 2012, and physical purchases will only account for 53% of total consumer spending.

⁷ Work is being done on regulating the digital book market with regard to taxation and the removal of restrictions imposed by the device or digital book distributor.

On the demand side, the cultural habits of Europeans and, in particular, reading habits, play a key role. Age and consumers' cultural and economic level are the main factors determining cultural participation, with level of education being the most important in the case of reading according to the Special Eurobarometer 399 (European Commission, 2013). This latter report shows that it is the northern European countries that most frequently engage in cultural activities. Sweden particularly stands out as having the highest participation rates in all facets of culture, with 90% of those surveyed for this report having read at least one book over the last year. This figure is 68% across the European Union as a whole, and is at its lowest in Portugal (40%). Among the European countries with the strongest publishing industry, the UK (80%), Germany (79%) and France (73%) are above the average, with Spain (60%) and Italy (56%) below. The reasons why people do not read are mainly lack of time amongst those aged between 25 and 39, and lack of interest amongst those who left school before the age of 15 (European Commission, 2013).

Obviously, percentages of book purchases are slightly below percentages of readers. We only have data available for Spain, where 55.4% of those surveyed purchased at least one book in 2011⁸ and France, where the figure was 54% of those over 15 years of age who purchased books 2012⁹. The most successful kind of books on the market in most of the countries analysed were: literature, children and young adult's fiction. Together with production, distribution is key to this particular sector, with bookstores and bookstore chains or specialised cultural stores tending to lead the way, followed by large department stores and supermarkets. Yet, purchasing habits are not the same in all countries. For instance, in the UK Internet sales already top the list, outstripping bookstores, and in Germany second behind bookstores are catalogue sales, which are extremely popular in Germany, and direct sales from publishing companies.

The business sector in these five countries also varies enormously, ranging between approximately 1000 and 3000 firms, with turnover levels at market prices of over 1,800 million Euros, with Germany leading the way followed by the UK. In 2011, over 54,000 book titles were produced in each of the five countries, with the UK occupying top spot with 170,267, followed by Spain with 104,724, with 19.8% of these being produced in digital format. The main feature worth highlighting is that publishing sector firms are highly concentrated. In other words, there is a small number that dominate the market, with the remainder being spread over a large number of SMEs. For example, in Germany the large firms with a turnover of above 50 million Euros take almost 70% of the total revenue in the sector. In Spain, 4% of the largest firms account for over 64% of the business. In the UK, 12.6% of firms reported a turnover of above one million pounds whereas for over half of the firms this figure was below 100,000 pounds a year. In the French book distribution sector, the five main companies had a market share of over 50%.

In many European countries, book prices are regulated through laws known as Fixed Price Laws¹⁰. These include Austria, Denmark, Germany, Greece, Hungary, Italy, the Netherlands, Portugal, France, and Spain. These Fixed Price Laws establish that publishers can set the price of a book, making it the same in all kind of outlets, allowing for a maximum discount of around 5%, except for book fairs and public libraries. This law is based on the notion that a book is a cultural good and that therefore production of and access to it should be protected, this running in line with the official stance of the European Parliament. By contrast, there are also countries which adopt a free pricing system such as Belgium, Finland, Ireland,

⁸ See Conecta (2013).

⁹ See Lacroix (2012, pp 139-153).

¹⁰ By way of an example, we can cite the Loi 81/766, of 10 August 1981 in France, and Ley 10/2007, of 22 June 2007 on reading, books, and libraries in Spain, as well as Decreto-Lei 176/96, of 21 September 1996 in Portugal.

Luxembourg, the UK, Sweden, and Switzerland, where there is opposition to any protectionist measures in the cultural sector. By way of an illustration, the average price of a printed book is 18 € in Italy, 14.45 € in Germany, and 13.87 € in Spain.

The VAT applicable to books is a thorny issue in most countries, since VAT in the European Union is not the same for printed books as for digital books. In line with EU Directive 2006/112/EC, European legislation considers electronic books to be a digital download service, such that it is taxed at between 18% and 21%, whereas the printed book tends to benefit from reduced VAT in most countries. In 2012, France decided not to apply this rule and cut VAT on digital books to 7% while Luxembourg set it at 3%. As a result, Amazon registered in Luxembourg and, taking advantage of said country's tax law, currently holds a monopoly on the sector in Europe. The European Union is at present studying fresh digital book market regulation to make firms charge VAT in the purchaser's country of residence and not in the distributor's.

Exports and translation licences in the sector are proving another key factor to resisting the current crisis and the countries benefitting most in this sense are those whose language affords them the greatest possibilities. Export figures are closely related to the size of the publishing market in each of the countries. As regards translations into other languages, English, Spanish and Chinese stand head and shoulders above the rest. The percentage of works translated in the domestic market of the five leading European countries ranges from 3% in the UK to 22% in Spain, with English being the main source language for translation.

Table 1. Ranking of the 60 largest publishing companies in 2012. (Germany, UK, France, Italy, Spain)

Country	Rank (2012)	Publishing Company (Group or Division)	2012 Revenue in \$M
DE	5	Random House	\$3,328
DE	9	Holtzbrinck	\$2,220
DE	16	Springer Science and Business Media	\$1,298
DE	32	Klett	\$604
DE	33	Cornelsen	\$577
DE	44	Westermann Verlagsgruppe	\$361
DE	51	Haufe Gruppe	\$291
DE	52	Weka	\$258
GB	1	Pearson	\$9,158
GB	20	Informa	\$1,126
GB	21	Oxford University Press	\$1,125
GB	43	Cambridge University Press	\$396
FR	6	Hachette Livre	\$2,833
FR	37	Media Participations	\$455
FR	38	Lefebvre-Sarrut	\$447
FR	45	La Martinière Groupe	\$351
FR	46	Flammarion	\$349
FR	48	Groupe Gallimard	\$329
FR	56	Editions Atlas	\$230
FR	58	Groupe Albin Michel	\$224
IT	13	De Agostini Editore	\$1,724
IT	35	Mondadori	\$511
IT	36	Messagerie / GeMS (Gruppo editoriale Mauri Spagnol)	\$491
IT	47	RCS Libri	\$333
ES	7	Grupo Planeta	\$2,597
ES	25	Grupo Santillana	\$985

Source: own, based on PW (2013).

Table 2. Comparative study of the five European powers in the publishing sector

	Germany	UK	France	Italy	Spain
Reading: at least one book in the last year	79%	80%	73%	56%	60%
Type	Literature and Fiction (33.8%) Children and young adult (15.2%) Handbooks and reference works (13.9%)	Paperback fiction (30.7%) (in 2010) Children's books (29.7%) (in 2010)	Literature (24.2%) Practical books and reference works (16.8%) Children and young adult (13.4%)	Fiction 39% (2013) Children's books 19% General non-fiction 17%	Non-university texts (31.3%) Literature (19.9%) Children and young adult (12.2%)
Distribution	Bookstores (49.7%) Catalogue (18%) Direct sales from publisher (19.1%)	Bookstore chains (33%) Supermarkets (9%) Internet (35%)	Bookstores (23.4%) (2010) Specialised culture stores (22.3%) Hypermarkets (19.1%)	Chains (40.8%) (2013) Bookstores (30.5%) Large distributors (24.0%)	Bookstores /Bookstore chains (55.5%) Department stores
Active publishing firms	1,803	2,200	1,000	2,225 (2012)	3,187 (2012)
Publications	96,279 new book titles	170,267 total publications	64,347 new titles and new editions	54,057 (2010)	104,724 total publications (2012)
turnover at market prices	9,601 million €	3,128 million pounds	2,838 million €(2010)	3,417 million €	1,840.5 million €
VAT	7% printed book 19% digital book	0% printed book 20% digital book	5.5% printed book 7% digital book	4% printed book 21% digital book	4% printed book 21% digital book
Exports	1,182 million €	European Union (44%) Asia and Oceania (23%) North America (13%)	642 million €(2010)	42 million €	506.53 million Euros turnover
Exports	Austria (31%) Switzerland (26%) France (9%) UK (9%)	10 countries, prominent amongst which are: USA (11%), Germany (10%) and Australia (9%) Rest of the world (43%)	French-speaking (78%) Belgium, Switzerland, Canada, Maghreb, Sub-Saharan Africa Rest of Europe and USA		European Union 62.3% of turnover Latin America 31.8% of turnover North America 2.8% of turnover
Translations from other languages	Translated works: 12.3% English (63.8%) French (10.4%) Japanese (6%) Italian (3%)	Translated works: 3% German French Spanish	Translated works 15.9% English (59.9%) Japanese (8.8%) German (6.5%) Italian (4.6%) Spanish (3.6%) (2010)	Translated works: 19.7% English (59.2%) French (14.1%) German (10.4%) Spanish (3.9%) (2010)	Translated works 22% (2012) English (51.2%) French (10.3%) Italian (6.2%) German (5.1%)
Translations into other languages	Chinese / Russian / Spanish / English / Polish / Italian / French / Czech / Korean / Dutch		Spanish / Chinese / Italian / Korean / German / Dutch / English / Portuguese / Russian / Turkish		

Source: own, based on the European Commission (2013) for data on reading habits, Bayón (2012) for data from Germany, Campos (2012) for data from the UK, Carranza (2012) for data from France, Leturia (2013) for data from Italy, and Observatorio de la lectura y el libro (2013) for data from Spain.

3. Descriptive analysis of firms in the publishing sector

After this global view of the European publishing sector, we conduct an empirical analysis of the available financial data corresponding to a selection of European firms. Data are taken from the Analyse Major Database from European Sources (Amadeus), drawn up by the Van Dijk Bureau, and are therefore not a random sample of all firms in the EU-28, but do, nonetheless, provide valuable economic-financial information for 2,581 firms. The variables used in this study are shown in Table A 1 of the Annex and, given their definition and significance, may be grouped into three categories: *size variables* (OPRE, PL, TOAS and NE), *profitability variables* (R1, R2, R3, R4, R5, R6, R7, R8, R9 and R10) and *financial structure variables* (S1, S2, S3, S4 and S5).

Since the data display enormous dispersion in all the variables analysed, the robust means and the median are more appropriate averages than the arithmetic means of the data. In this descriptive study, we use Tukey's biweight estimator as the average¹¹. An initial descriptive analysis of the *size variables* using the data available between 2008 and 2012 indicates that the Operating Revenue (OPRE) variable has experienced a fall since the first year although it has become more stable since 2009. However, the Profit and Loss (PL) variable for the period has fallen for every year, indicating that despite having maintained the level of sales, profit margins have dropped leading to poorer performance.

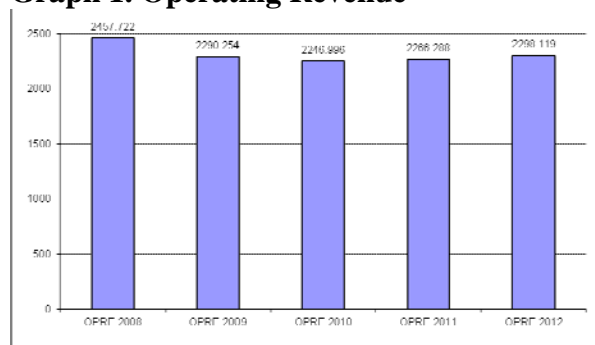
As regards the Total Assets variable, moderate growth over time is in evidence, which might be indicative of minor investments that have not affected sales. Finally, the number of employees per firm (NE) has not undergone any significant changes, having remained stable at around 20.

Overall, it can be seen that performance has worsened, and that size and sales have remained similar, which might point to a drop in trade margins.

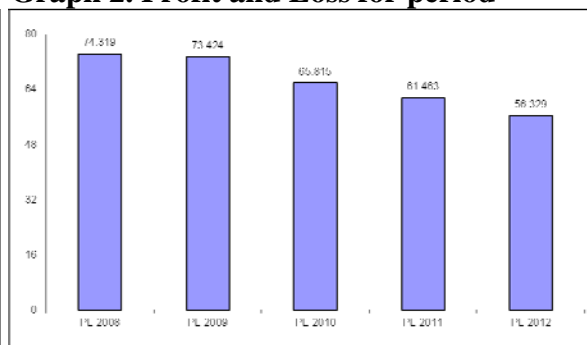
Table 3. Mean values of the variables related to firm size

Year	OPRE		PL		TOAS		NE	
	Mean	N	Mean	N	Mean	N	Mean	N
2008	2457.722	1644	74.319	1541	2364.720	1956	17.939	1536
2009	2290.254	1742	73.424	1605	2420.672	2028	18.782	1778
2010	2246.996	1807	65.815	1635	2492.827	2065	20.519	1712
2011	2266.288	1815	61.463	1631	2539.406	2070	20.081	1776
2012	2298.119	1656	56.329	1523	2626.236	1926	19.325	1635

Graph 1. Operating Revenue

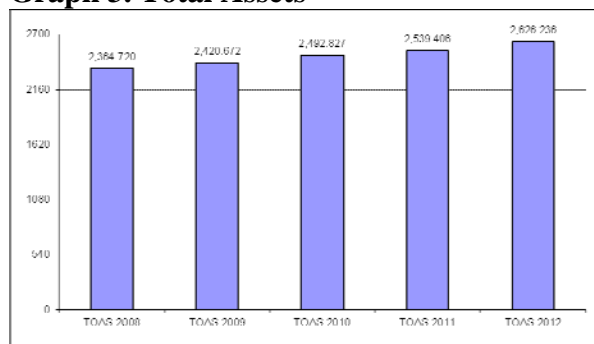


Graph 2. Profit and Loss for period

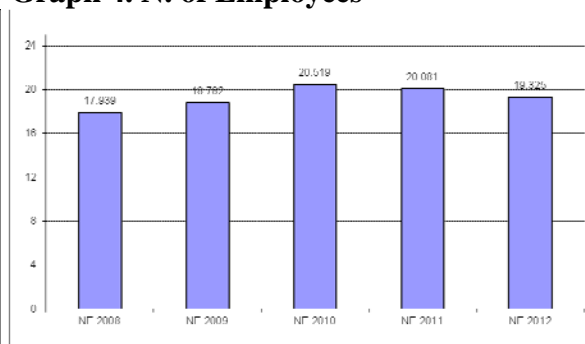


¹¹ The value of weighting constant for this estimator is 4.685. For further information see Mosteller and Tukey (1977).

Graph 3. Total Assets



Graph 4. N. of Employees



If we analyse the mean values of the profitability ratios (R1 to R10) using the data available over the period 2008 to 2012, we see that the general tone is one of constant and significant decline in all values, a point already in evidence when evaluating the PL variable over the period analysed (

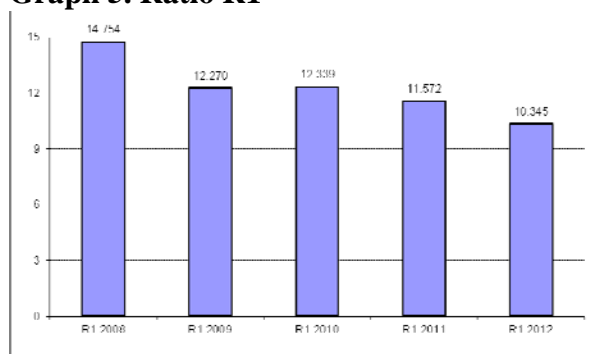
Table 4 and Graphs 5 to 14). Observing the data in closer detail, a sharper drop in ratios R1, R2, R4 and R5 (ratios of return on equity) can be seen, these falling between 25-30%, whereas R3 and R6 (ratios of return on assets) slip back by around 20%. Finally, in the case of ratios R7, R8, R9 and R10 the decrease is less noticeable, and varies between 14% for R10 and 24% for R9. In general terms, it can be said that firms have found it more difficult to maintain their overall efficiency, although margins have not been overly affected.

Table 4. Mean values of ratios R1 to R10

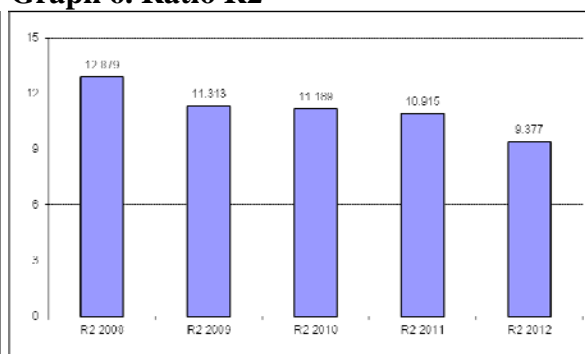
Year	R1		R2		R3		R4		R5	
	Mean	N	Mean	N	Mean	N	Mean	N	Mean	N
2008	14.754	1417	12.879	1076	4.885	1522	10.462	1422	9.802	1076
2009	12.270	1477	11.313	1115	4.361	1590	8.743	1479	8.594	1116
2010	12.339	1499	11.189	1115	4.155	1623	8.770	1505	8.587	1113
2011	11.572	1482	10.915	1097	3.918	1609	8.032	1488	8.284	1097
2012	10.345	1382	9.377	1018	3.868	1501	7.645	1386	7.372	1019

Year	R6		R7		R8		R9		R10	
	Mean	N	Mean	N	Mean	N	Mean	N	Mean	N
2008	3.555	1525	4.804	1400	7.971	1280	5.557	1408	5.887	1275
2009	3.232	1589	4.147	1464	7.522	1327	4.980	1472	5.486	1323
2010	3.149	1624	3.987	1525	7.062	1374	4.730	1526	5.349	1370
2011	2.907	1609	3.594	1525	6.522	1389	4.241	1536	5.037	1384
2012	2.859	1504	3.719	1415	6.678	1297	4.216	1425	5.063	1298

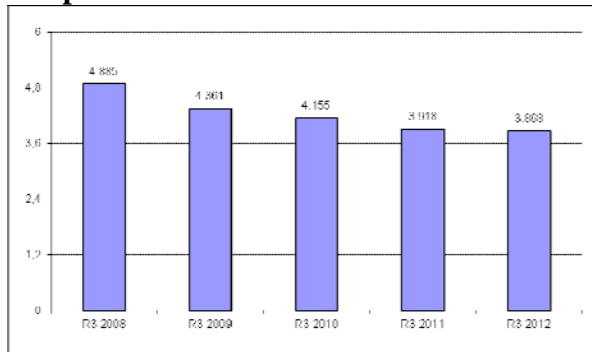
Graph 5. Ratio R1



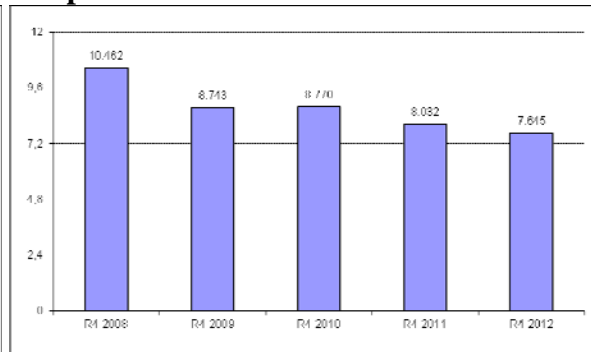
Graph 6. Ratio R2



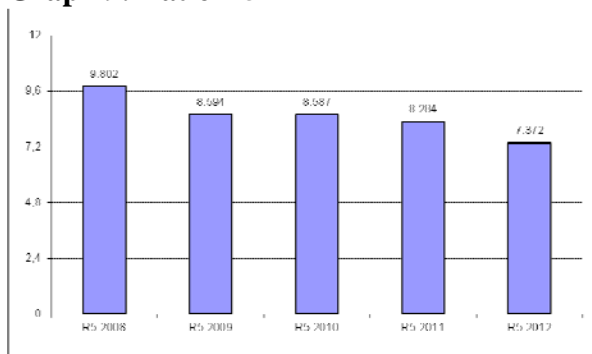
Graph 7. Ratio R3



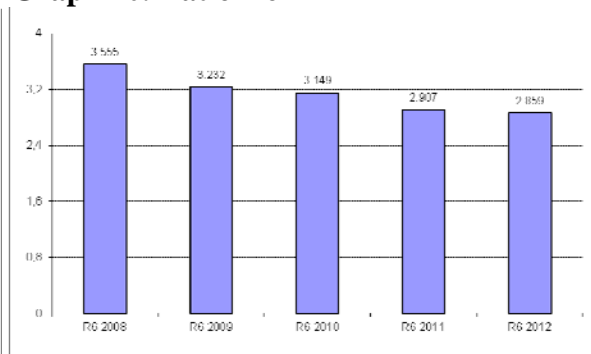
Graph 8. Ratio R4



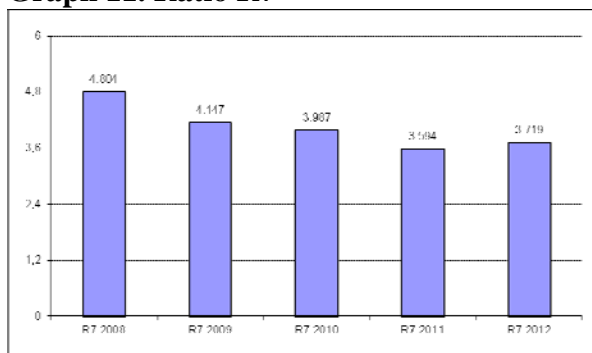
Graph 9. Ratio R5



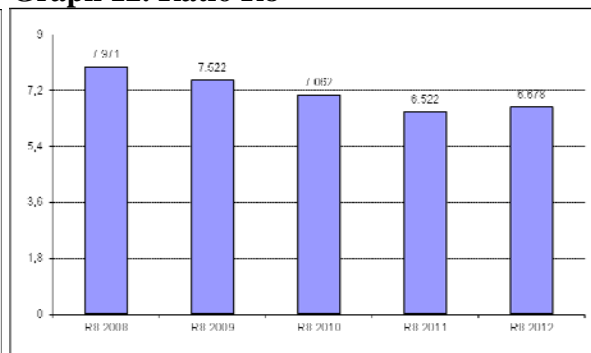
Graph 10. Ratio R6



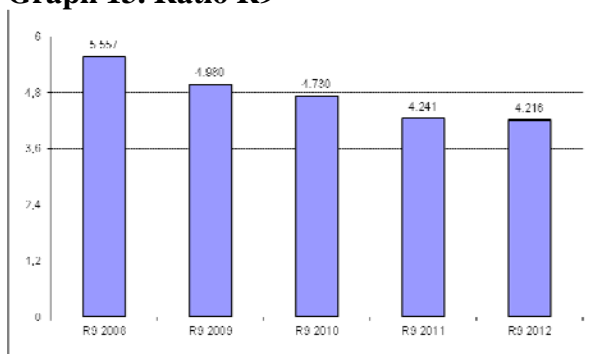
Graph 11. Ratio R7



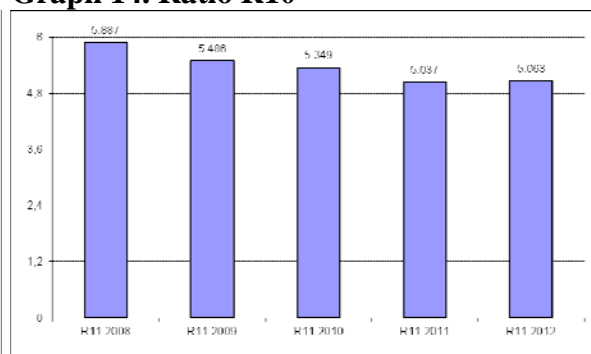
Graph 12. Ratio R8



Graph 13. Ratio R9



Graph 14. Ratio R10



Finally, when analysing the group of structure ratios, we see that the Current Ratio (S1) and Liquidity Ratio (S2) have evolved in a similar manner, displaying gradual growth over the period observed. It can be said that both ratios have behaved well (S1 is always around 1.5, and S2 has values above 1, indicating sufficient capacity to meet payments due). The Shareholders Liquidity ratio (S3) has remained stable within consolidated reference parameters and points to firms exhibiting strong capitalisation. Solvency ratios (S4 and S5)

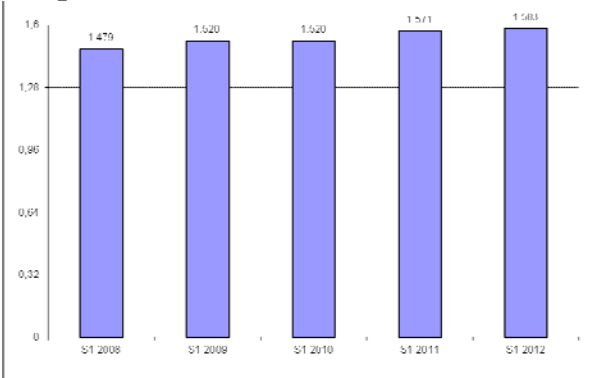
have also remained stable, exhibiting an upward trend, again indicating that the sector is improving its financial independence, which is closely linked to the gearing ratio (S6), suggesting less use of outside capital. Without going into the causes underlying this, it might be thought that difficulties in securing outside funding (particularly for small firms) is leading to less dependence on such resources, which in turn is strengthening firms' financial position.

As a general conclusion, it could be said that during this period of crisis, firms' profitability has fallen substantially but that, on the other hand, liquidity and solvency have improved.

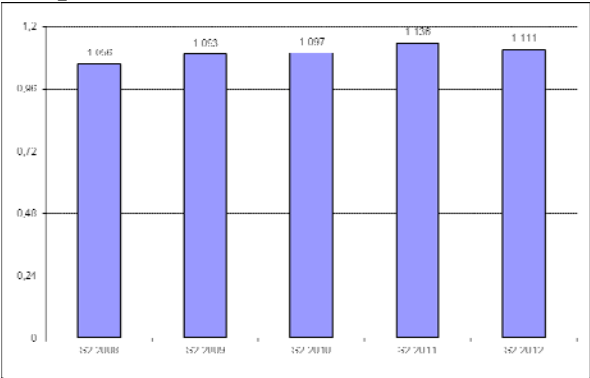
Table 5. Mean values of ratios S1 to S6

Year	S1		S2		S3		S4		S5		S6	
	Mean	N	Mean	N	Mean	N	Mean	N	Mean	N	Mean	N
2008	1.479	1822	1.056	1808	1.829	1413	39.247	1921	35.513	1088	19.477	1454
2009	1.520	1892	1.093	1867	1.788	1451	40.229	1993	34.872	1110	16.809	1510
2010	1.520	1948	1.097	1927	1.812	1475	40.725	2035	35.155	1115	16.620	1555
2011	1.571	1933	1.136	1908	1.889	1492	41.479	2042	35.768	1079	17.232	1541
2012	1.583	1784	1.111	1766	1.876	1373	42.395	1892	36.451	998	15.168	1423

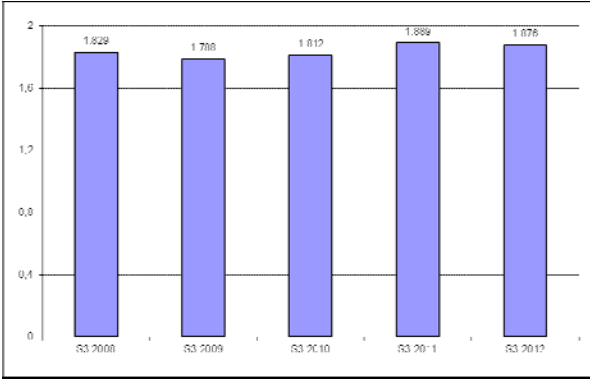
Graph 15. Ratio S1



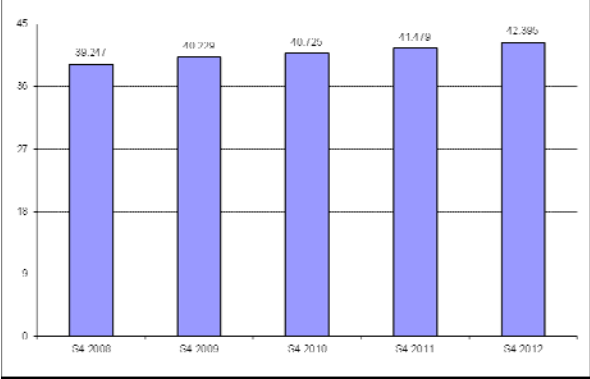
Graph 16. Ratio S2

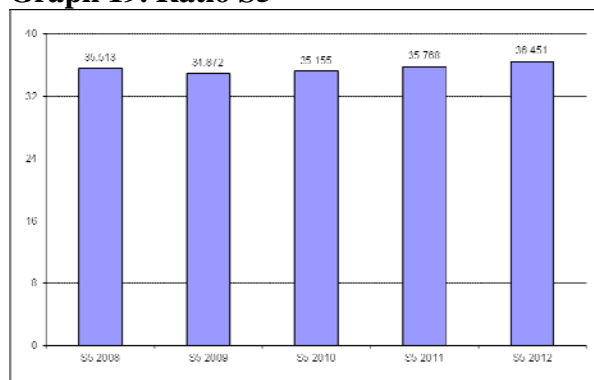
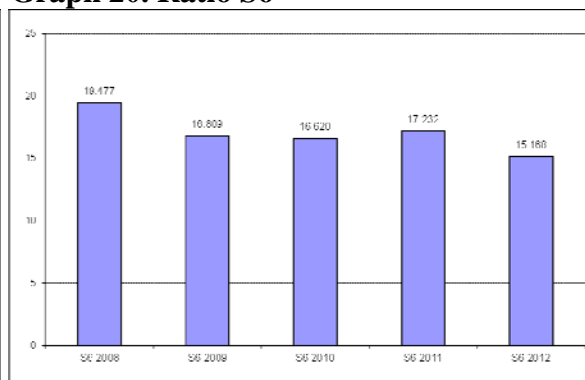


Graph 17. Ratio S3



Graph 18. Ratio S4



Graph 19. Ratio S5**Graph 20. Ratio S6**

4. Empirical Study. Factorial and cluster analysis

The book publishing sector is vast, and is highly concentrated since there is a small group of large firms that dominate the market together with many small and medium firms whose reach is less. In addition, there are notable differences between countries, in turnover, in consumer habits, demand, external impact, etc. For these reasons, the data set used in the descriptive analysis above is too wide-ranging and heterogeneous to apply multivariate reduction techniques and data classification successfully.

In this section, we aim to conduct an empirical study of European firms, restricting our selection to a smaller and more homogeneous set, specifically the 123 firms belonging to the book publishing sector (NACE code 5811), whose operating revenue exceeded 10,000,000 € in 2012. Table 6 provides a descriptive analysis of the variables studied. An initial observation of the data reveals that the Pearson variation coefficients are extremely high, indicating major dispersion in all the variables, confirming that the median or robust means prove to be better averages when interpreting the results, even if we confine ourselves to a smaller data set.

Table 6. Descriptive analysis

	N	Mean	Median	Std. Dev.	Coeff. Var. (%)	Minimun	Maximun
OPRE	123	100268.808	27399.635	283166.094	282.4069615	10047.635	1995700.000
PL	123	5015.932	696.987	17508.929	349.0663151	-12941.778	128900.000
TOAS	123	125627.401	21709.884	395164.022	314.5524136	3406.884	3145954.000
NE	123	390.008	76	1309.391	335.7343952	8	10152
R1	123	14.327	14.905	43.388	302.8407901	-176.188	132.691
R2	123	16.145	13.856	30.206	187.0919789	-96.528	111.789
R3	123	5.848	4.620	11.332	193.7756498	-16.743	66.041
R4	123	7.786	10.938	42.348	543.8993064	-164.927	110.008
R5	123	11.450	11.046	26.396	230.5327511	-96.528	97.474
R6	123	3.947	2.824	9.391	237.9275399	-21.578	45.270
R7	123	4.777	3.367	8.989	188.1724932	-20.341	35.479
R8	123	9.286	7.118	10.333	111.2750377	-16.504	48.004
R9	123	5.451	4.462	8.317	152.5775087	-17.699	35.442
R10	123	6.973	5.692	9.663	138.5773699	-20.810	45.019
S1	123	1.420	1.369	0.516	36.33802817	0.312	3.207
S2	123	1.130	1.078	0.527	46.63716814	0.273	3.174
S3	108	19.771	3.102	61.598	311.5573314	0.151	463.096
S4	123	29.108	29.559	12.492	42.91603683	3.039	49.843
S5	123	45.573	41.963	26.242	57.58234042	3.134	99.373
S6	123	117.147	46.146	167.637	143.0996953	0.000	999.456

In this set of firms comprising fifteen countries (Table 7), those most strongly represented are the five leading countries in Europe (Germany, the UK, France, Italy and Spain), Sweden and Belgium. It can once again be seen that this sector is highly concentrated, given that the seven countries with most firms in this group account for 92% of the total analysed (Table 7) and that the financial information from these firms reveals certain significant differences for the seven countries most represented in the sample, both in mean and in median (Table 8). Broadly speaking, the profitability ratios evidence fairly homogeneous behaviour by countries, although the same cannot be said for the structure ratios and operating revenue and total assets values.

Table 7. Composition of the sample by countries

Country	Frequencies	Percentages	Country	Frequencies	Percentages
IT	28	22.8	PL	2	1.6
GB	24	19.5	CZ	1	.8
ES	16	13.0	GR	1	.8
FR	15	12.2	IE	1	.8
SE	11	8.9	LU	1	.8
BE	9	7.3	PT	1	.8
DE	9	7.3	SK	1	.8
FI	3	2.4	Total	123	100.0

Table 8. Test for equality of means / equality of medians. Factor: country

Variable	equality of means		equality of medians		Variable	equality of means		equality of medians	
	F	p-value	K – W	p-value		F	p-value	K – W	p-value
OPRE	1.846	0.097	24.4792	0.000	R1	1.225	0.300	8.572	0.199
PL	1.402	0.221	5.25327	0.512	R2	1.581	0.160	7.4336	0.283
TOAS	1.893	0.089	24.4826	0.000	R3	1.297	0.265	8.17223	0.226
NE	1.759	0.115	32.4769	0.000	R4	2.025	0.069	11.8718	0.065
S1	2.985	0.010	15.8878	0.014	R5	1.792	0.108	9.28327	0.158
S2	2.311	0.039	13.3222	0.038	R6	1.604	0.153	10.1415	0.119
S3	2.028	0.070	28.6075	0.000	R7	0.351	0.908	3.32356	0.767
S4	3.362	0.005	16.4669	0.012	R8	0.662	0.680	3.95975	0.682
S5	3.45	0.004	16.4384	0.012	R9	0.183	0.981	1.94961	0.924
S6	2.75	0.016	31.6139	0.000	R10	0.764	0.599	4.66033	0.588

Significance level: 10%

The formulation of the work consists of conducting factorial analysis of the initial information matrix comprising 123 firms and 20 variables. The aim is to construct new variables based on the initial ones, provided they are not correlated with one another and that they explain the highest possible percentage of joint variance of the original variables. These new variables or factors are obtained using the principal component method, with varimax rotation so as to improve the interpretation of the results. After carrying out an initial test introducing all the variables in the model, it was seen that variable S3 displayed extremely low communality (0.269). In other words, the proportion of S3 variance that might be explained by the factorial model is very small, which is why it was decided to exclude it from the analysis. When repeating the same procedure with all the variables except for S3, the following results were obtained.

Firstly, there are strong correlations among the chosen variables, thus bearing out the timeliness of performing factorial analysis to reduce the dimensions. Table 11 clearly shows several groups of variables that have high correlations with one another: OPRE, PL, TOAS and NE show significant correlations, R1, R2, R3, R4, R5, R6, R7, R8, R9 and R10, would form another group, S1 and S2 a third group, and, finally, S4, S5, and S6. Table 9 shows the results of the various adequacy tests of factorial analysis to the data. Bartlett's Test of

Sphericity verifies whether the correlation matrix is the identity. In our case, the hypothesis is rejected, evidencing that the variables in the model are correlated. The Kaiser-Meyer-Olkin Measure comparing correlation coefficients with the partial correlations and with a value of 0.665 performing factorial analysis is acceptable. Table 10 shows the communalities of the variables involved in the model.

Table 9. KMO and Bartlett's test

Kaiser-Meyer-Olkin Measure of Sampling Adequacy		.665
Approx. Chi-square		4279.415
Bartlett's Test of Sphericity	df	171
	Sig.	.000

Table 10. Communalities

	Initial	Extraction
OPRE	1.000	.995
PL	1.000	.900
TOAS	1.000	.848
NE	1.000	.946
R1	1.000	.892
R2	1.000	.920
R3	1.000	.871
R4	1.000	.828
R5	1.000	.910
R6	1.000	.886
R7	1.000	.901
R8	1.000	.943
R9	1.000	.884
R10	1.000	.859
S1	1.000	.941
S2	1.000	.926
S4	1.000	.955
S5	1.000	.925
S6	1.000	.694

Table 11. Correlation matrix

		OPRE	PL	TOAS	NE	R1	R2	R3	R4	R5	R6	R7	R8	R9	R10	S1	S2	S4	S5	S6
Correlation	OPRE	1.000	.915	.923	.969	.041	.016	.030	.047	.026	.034	.096	.082	.127	.049	-.048	-.032	.084	.064	-.017
	PL	.915	1.000	.755	.914	.149	.127	.166	.149	.136	.174	.277	.177	.280	.167	-.060	-.040	.171	.149	-.100
	TOAS	.923	.755	1.000	.822	.016	-.001	-.004	.024	.013	.002	.068	.127	.133	.065	-.033	.007	.041	.022	.060
	NE	.969	.914	.822	1.000	.037	.007	.029	.040	.015	.030	.080	.053	.099	.030	-.019	-.023	.095	.076	-.025
	R1	.041	.149	.016	.037	1.000	.905	.840	.864	.861	.807	.740	.544	.710	.529	.162	.189	.312	.267	-.357
	R2	.016	.127	-.001	.007	.905	1.000	.877	.780	.949	.842	.745	.559	.717	.536	.053	.110	.260	.233	-.295
	R3	.030	.166	-.004	.029	.840	.877	1.000	.709	.800	.944	.854	.607	.820	.576	.154	.211	.368	.349	-.308
	R4	.047	.149	.024	.040	.864	.780	.709	1.000	.856	.807	.635	.402	.592	.519	.201	.207	.321	.278	-.360
	R5	.026	.136	.013	.015	.861	.949	.800	.856	1.000	.868	.686	.493	.653	.560	.085	.127	.254	.229	-.274
	R6	.034	.174	.002	.030	.807	.842	.944	.807	.868	1.000	.815	.546	.770	.619	.177	.217	.371	.352	-.314
	R7	.096	.277	.068	.080	.740	.745	.854	.635	.686	.815	1.000	.776	.960	.762	.085	.190	.378	.353	-.335
	R8	.082	.177	.127	.053	.544	.559	.607	.402	.493	.546	.776	1.000	.812	.917	.026	.148	.241	.230	-.083
	R9	.127	.280	.133	.099	.710	.717	.820	.592	.653	.770	.960	.812	1.000	.726	.107	.197	.373	.351	-.276
	R10	.049	.167	.065	.030	.529	.536	.576	.519	.560	.619	.762	.917	.726	1.000	.021	.136	.254	.240	-.152
	S1	-.048	-.060	-.033	-.019	.162	.053	.154	.201	.085	.177	.085	.026	.107	.021	1.000	.870	.225	.234	.041
	S2	-.032	-.040	.007	-.023	.189	.110	.211	.207	.127	.217	.190	.148	.197	.136	.870	1.000	.148	.153	.076
S4	.084	.171	.041	.095	.312	.260	.368	.321	.254	.371	.378	.241	.373	.254	.225	.148	1.000	.984	-.604	
S5	.064	.149	.022	.076	.267	.233	.349	.278	.229	.352	.353	.230	.351	.240	.234	.153	.984	1.000	-.539	
S6	-.017	-.100	.060	-.025	-.357	-.295	-.308	-.360	-.274	-.314	-.335	-.083	-.276	-.152	.041	.076	-.604	-.539	1.000	
Sig. (1-tailed)	OPRE		.000	.000	.000	.328	.432	.373	.304	.386	.355	.145	.185	.081	.294	.300	.361	.177	.241	.425
	PL	.000		.000	.000	.050	.080	.033	.050	.067	.027	.001	.025	.001	.033	.256	.328	.029	.050	.136
	TOAS	.000	.000		.000	.431	.496	.483	.398	.441	.490	.227	.081	.071	.238	.358	.470	.327	.407	.256
	NE	.000	.000	.000		.344	.468	.377	.332	.433	.372	.189	.280	.139	.369	.418	.402	.148	.200	.392
	R1	.328	.050	.431	.344		.000	.000	.000	.000	.000	.000	.000	.000	.000	.037	.018	.000	.001	.000
	R2	.432	.080	.496	.468	.000		.000	.000	.000	.000	.000	.000	.000	.000	.282	.113	.002	.005	.000
	R3	.373	.033	.483	.377	.000	.000		.000	.000	.000	.000	.000	.000	.000	.044	.010	.000	.000	.000
	R4	.304	.050	.398	.332	.000	.000	.000		.000	.000	.000	.000	.000	.000	.013	.011	.000	.001	.000
	R5	.386	.067	.441	.433	.000	.000	.000	.000		.000	.000	.000	.000	.000	.175	.081	.002	.005	.001
	R6	.355	.027	.490	.372	.000	.000	.000	.000	.000		.000	.000	.000	.000	.025	.008	.000	.000	.000
	R7	.145	.001	.227	.189	.000	.000	.000	.000	.000	.000		.000	.000	.000	.176	.018	.000	.000	.000
	R8	.185	.025	.081	.280	.000	.000	.000	.000	.000	.000	.000		.000	.000	.386	.051	.004	.005	.180
	R9	.081	.001	.071	.139	.000	.000	.000	.000	.000	.000	.000	.000		.000	.119	.014	.000	.000	.001
	R10	.294	.033	.238	.369	.000	.000	.000	.000	.000	.000	.000	.000	.000		.408	.067	.002	.004	.047
	S1	.300	.256	.358	.418	.037	.282	.044	.013	.175	.025	.176	.386	.119	.408		.000	.006	.005	.326
	S2	.361	.328	.470	.402	.018	.113	.010	.011	.081	.008	.018	.051	.014	.067	.000		.051	.046	.201
S4	.177	.029	.327	.148	.000	.002	.000	.000	.002	.000	.000	.004	.000	.002	.006	.051		.000	.000	
S5	.241	.050	.407	.200	.001	.005	.000	.001	.005	.000	.000	.005	.000	.004	.005	.046	.000		.000	
S6	.425	.136	.256	.392	.000	.000	.000	.000	.001	.000	.000	.180	.001	.047	.326	.201	.000	.000		

Determinant = 6.538E-017

Based on the 19 initial variables, the factorial model extracts five factors which explain 89.549% of total variance. These are specified in Table 12 with the percentages of variance explained by each factor. Table 13 shows the coefficients of the factors already rotated.

Table 12. Total variance explained

Component	Initial Eigenvalues			Extraction Sums of Squared Loadings			Rotation Sums of Squared Loadings		
	Total	% of variance	Cumulative %	Total	% of variance	Cumulative %	Total	% of variance	Cumulative %
1	8.235	43.345	43.345	8.235	43.345	43.345	5.856	30.821	30.821
2	3.632	19.116	62.460	3.632	19.116	62.460	3.675	19.341	50.162
3	2.090	10.999	73.459	2.090	10.999	73.459	3.009	15.834	65.996
4	1.790	9.419	82.878	1.790	9.419	82.878	2.530	13.314	79.310
5	1.276	6.716	89.594	1.276	6.716	89.594	1.954	10.284	89.594
6	.478	2.517	92.111						
7	.440	2.316	94.427						
8	.271	1.424	95.852						
9	.209	1.097	96.949						
10	.194	1.020	97.970						
11	.134	.707	98.677						
12	.107	.564	99.240						
13	.054	.285	99.526						
14	.042	.223	99.748						
15	.027	.143	99.891						
16	.011	.060	99.951						
17	.005	.025	99.976						
18	.003	.018	99.993						
19	.001	.007	100.000						

Extraction Method: Principal Component Analysis

Table 13. Rotated components matrix

	Component				
	1	2	3	4	5
R5	.932	.013	.193	.065	.008
R2	.921	-.001	.255	.076	-.023
R1	.904	.026	.223	.135	.075
R4	.882	.036	.103	.160	.116
R6	.852	.020	.336	.185	.109
R3	.821	.013	.394	.184	.092
OPRE	.010	.997	.012	.020	-.020
NE	.009	.971	-.019	.040	-.002
PL	.113	.928	.114	.100	-.054
TOAS	-.028	.917	.068	-.046	.019
R8	.323	.062	.913	.038	.024
R10	.375	.028	.844	.070	.006
R9	.582	.117	.701	.188	.067
R7	.631	.085	.671	.209	.040
S4	.144	.066	.162	.940	.142
S5	.105	.046	.172	.925	.160
S6	-.309	.012	.071	-.747	.189
S1	.089	-.032	-.042	.105	.959
S2	.111	-.018	.100	.003	.950

Extraction Method: Principal Component Analysis.

Rotation Method: Varimax with Kaiser Normalization.

Rotation converged in 5 iterations.

Taking into account the correlations of the variables with the extracted factors, the following interpretation might be made of these:

F1. Profitability: a factor highly correlated with ROE, ROCE and ROA (ratios R1, R2, R3, R4, R5, and R6). It measures the economic and financial profitability of firms, in other words, with regard to assets and liabilities. It is quite closely linked to firm size.

F2. Size of the firm: a factor highly correlated with the variables: OPRE, PL, TOAS and NE.

F3. Margin: a factor highly correlated with ratios R7, R8, R9, R10, which measure the profit margin or operating profitability.

F4: Solvency: a factor positively correlated with solvency ratios (S4 and S5) and negatively with gearing (S6).

F5: Liquidity: a factor correlated with S1 and S2, which are the current liquidity ratio and the acid test.

The factorial scores estimated for each of the firms, used as classifying variables, allow a cluster analysis to be conducted grouping the firms studied using similarity criteria. At an initial exploratory stage, the study is carried out hierarchically using the Ward method with which it can be deduced, using the agglomeration schedule, that the appropriate number of clusters to be chosen in our case is five. At the second stage, a k-means cluster analysis is performed with the number of groups determined in the previous step. In order to describe each of the clusters correctly, for each factor Tables 14 to 18 provide the minimum and maximum percentile of the firms that make up the cluster, as well as the percentage of firms that are inside each interval delimited by the quartiles. Information concerning the firms that make up each cluster is shown in Tables A3 to A7 of the Annex.

Cluster 1: This cluster is composed of the four largest firms in our set of data. The main feature is that they are large scale firms, with high profitability and liquidity ratios. The two most profitable firms are the two UK firms (HM Publishers Holdings Limited and Holtzbrinck Publishers Holdings Limited).

Table 14. Description of Cluster 1 in terms of its percentiles and quartiles

Cluster 1	Min percentil	Max percentil	Q ₁ (%)	Q ₂ (%)	Q ₃ (%)	Q ₄ (%)
F1: Profitability	40	71	0.00	25.00	75.00	0.00
F2: Size	98	100	0.00	0.00	0.00	100.00
F3: Margin	46	68	0.00	75.00	25.00	0.00
F4: Solvency	32	77	0.00	75.00	0.00	25.00
F5: Liquidity	5	77	25.00	0.00	50.00	25.00

Cluster 2: This cluster is composed of 39 firms and its main feature is that it has extremely high levels of solvency and liquidity, low profitability, and margin ratios, and because it varies in size. 28.2% of this cluster's composition is UK and 23.0% Spanish.

Table 15. Description of Cluster 2 in terms of its percentiles and quartiles

Cluster 2	Min percentil	Max percentil	Q ₁ (%)	Q ₂ (%)	Q ₃ (%)	Q ₄ (%)
F1: Profitability	3	76	35.90	33.33	28.21	2.56
F2: Size	9	97	20.51	33.33	30.77	15.38
F3: Margin	2	84	23.08	38.46	33.33	5.13
F4: Solvency	48	100	0.00	2.56	38.46	58.97
F5: Liquidity	11	98	7.69	28.21	38.46	25.64

Cluster 3: This cluster is composed of five firms characterised by their very high liquidity ratios and high margin. In addition, they are firms with low profitability and evidence very little solvency. 40.0% are located in Germany.

Table 16. Description of Cluster 3 in terms of its percentiles and quartiles

Cluster 3	Min percentil	Max percentil	Q ₁ (%)	Q ₂ (%)	Q ₃ (%)	Q ₄ (%)
F1: Profitability	7	31	80.00	20.00	0.00	0.00
F2: Size	10	95	20.00	20.00	20.00	40.00
F3: Margin	42	98	0.00	20.00	20.00	60.00
F4: Solvency	2	19	100.00	0.00	0.00	0.00
F5: Liquidity	94	100	0.00	0.00	0.00	100.00

Cluster 4: This is the most numerous cluster, comprising 45 firms characterised by their extremely low solvency and liquidity ratio and also with a low margin. 24.4% of the firms in this group are Italian and 15.6% UK.

Table 17. Description of Cluster 4 in terms of its percentiles and quartiles

Cluster 4	Min percentil	Max percentil	Q ₁ (%)	Q ₂ (%)	Q ₃ (%)	Q ₄ (%)
F1: Profitability	1	95	26.67	28.89	22.22	22.22
F2: Size	15	92	8.89	33.33	31.11	26.67
F3: Margin	1	88	42.22	22.22	20.00	15.56
F4: Solvency	1	57	51.11	42.22	6.67	0.00
F5: Liquidity	1	88	51.11	28.89	11.11	8.89

Cluster 5: This is a large cluster, comprising 30 firms characterised by their very high profitability and margin ratios, and with high solvency and liquidity. The firms are basically quite small, although the cluster does evidence good ratios in all the factors. In this cluster, 30% of the firms are Italian and 20% Swedish.

Table 18. Description of Cluster 5 in terms of its percentiles and quartiles

Cluster 5	Min percentil	Max percentil	Q ₁ (%)	Q ₂ (%)	Q ₃ (%)	Q ₄ (%)
F1: Profitability	14	100	3.33	10.00	20.00	66.67
F2: Size	1	96	60.00	6.67	10.00	23.33
F3: Margin	7	100	10.00	6.67	20.00	63.33
F4: Solvency	14	92	10.00	26.67	40.00	23.33
F5: Liquidity	2	95	13.33	23.33	26.67	36.67

4. Conclusions

1. In the field of cultural industries, the publishing sector occupies a key role thanks to its turnover, the number of jobs it provides, and the possibilities it affords for development due to the combination of new technologies and globalisation. Europe, together with countries such as the USA, China and Japan, hold a dominant position in this sector. Specifically, the five main European powers in the publishing sector in terms of their levels of production and turnover are: Germany, the UK, France, Italy and Spain.
2. The comparative study of the five European powers shows that in these countries the most popular types of books are literature/fiction as well as children and young adult literature. Books are mainly purchased in bookstores or bookstore chains and department stores or supermarkets. The scale of the publishing sector in these five countries is reflected in the number of active publishing companies, which ranges between approximately 1,000 and 3,000, with levels of turnover varying between 1,800 and 9,600 million Euros, and an annual number of publications ranging between

54,000 and 170,000. Exports and translation licences are two important strategies to increase revenue and have helped to improve the situation of firms during the crisis.

3. The analysis of the evolution of the publishing sector in Europe between 2008 and 2012 shows that the crisis has mainly been felt in the reduction in firms' performance as well as a trend towards lower profitability ratios. This fall in performance is mainly reflected through financial profitability. By contrast, however, solvency and liquidity ratios have improved, which might be explained by the growth in firms' self-financing brought about, we feel, by the increasing difficulties they face in securing bank loans, which is particularly true in the case of small firms.
4. The empirical study of the 123 firms in our database whose operating revenue exceeds 10,000,000 Euros, extracts five factors which explain 89.549% of total variance. These factors are: Profitability, Size, Margin, Solvency and Liquidity. A classification of the firms based on the five factors determined allows us to form five clusters of firms: the first comprising four of the largest firms; the second comprising 39 firms, characterised by their high solvency and liquidity, but low profitability and margin; the third comprising five firms displaying high margin and liquidity but low profitability and solvency; the fourth cluster being composed of 45 firms displaying low solvency, liquidity, and margin, and finally the fifth cluster which is composed of 30 rather small firms, yet which display good data in all the factors analysed.

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Table A 1. Variables: codes and description

Code	Variables	Description
OPRE	Operating revenue (Turnover) th. EUR	Total operating revenues (Net sales + Other operating revenues+ Stock variations). The figures do not include VAT
PL	P/L for period (Net Income) th. EUR	Net income for the year before deduction of minority interests if any (Profit after taxation + Extraordinary and other profit).
TOAS	Total assets th. EUR	Total assets (Fixed assets + Current assets)
NE	Number of employees (last value)	Total number of employees
R1	ROE using P/L before tax (%)	(Profit before tax / Shareholders funds) * 100
R2	ROCE using P/L before tax (%)	(Profit before tax + Interest paid) / (Shareholders funds + Non current liabilities) * 100
R3	ROA using P/L before tax (%)	(Profit before tax / Total assets) * 100
R4	ROE using Net income (%)	(Net income / Shareholder funds) * 100
R5	ROCE using Net income (%)	(Net income + Interest paid) / (Shareholder funds + Non current liabilities) * 100
R6	ROA using Net income (%)	(Net income / Total Assets) * 100
R7	Profit margin (%)	(Profit before tax / Operating revenue) * 100
R8	EBITDA margin (%)	(EBITDA / Operating revenue) * 100
R9	EBIT margin (%)	(EBIT / Operating revenue) * 100
R10	Cash flow / Operating revenue (%)	(Cash flow / Operating revenue) * 100
S1	Current ratio	Current assets / Current liabilities
S2	Liquidity ratio	(Current assets - Stocks) / Current liabilities
S3	Shareholders liquidity ratio	Shareholders funds / Non current liabilities
S4	Solvency ratio (Asset based) (%)	(Shareholders funds / Total assets) * 100
S5	Solvency ratio (Liability based) (%)	(Shareholders funds / (Non current liabilities + Current liabilities)) * 100
S6	Gearing (%)	((Non current liabilities + Loans) / Shareholders funds) * 100

Table A 2. Country codes

Country	Code	Country	Code	Country	Code	Country	Code
AUSTRIA	AT	ESTONIA	EE	ITALY	IT	PORTUGAL	PT
BELGIUM	BE	FINLAND	FI	LATVIA	LV	ROMANIA	RO
BULGARIA	BG	FRANCE	FR	LITHUANIA	LT	SLOVAKIA	SK
CROATIA	HR	GERMANY	DE	LUXEMBOURG	LU	SLOVENIA	SI
CYPRUS	CY	GREECE	GR	MALTA	MT	SPAIN	ES
CZECH REPUBLIC	CZ	HUNGARY	HU	NETHERLANDS	NL	SWEDEN	SE
DENMARK	DK	IRELAND	IE	POLAND	PL	UNITED KINGDOM	GB

Table A 3. Cluster 1: Firms grouped by country and corresponding percentiles in each factor

Country	Firm name	F1	F2	F3	F4	F5
DE	Verlagsgruppe Georg von Holtzbrinck Gesellschaft mit beschränkter Haftung	55	100	46	77	64
ES	Planeta Corporacion SL	40	99	68	32	5
GB	HM Publishers Holdings Limited	71	98	48	50	77
GB	Holtzbrinck Publishers Holdings Limited	66	98	49	39	73

Table A 4. Cluster 2: Firms grouped by country and corresponding percentiles in each factor

Country	Firm name	F1	F2	F3	F4	F5
BE	Editions Casterman	67	55	41	56	46
BE	Editions Dupuis	45	50	34	82	33
DE	Carl Hanser Verlags- leitungsgesellschaft mbH	41	78	43	70	81
DE	MVB Marketing- und Verlagsservice des Buchhandels GmbH	24	41	50	90	98
ES	Arkonte Gestion Integral SA	27	91	60	72	28
ES	Distribuidora Vicens Vives SA	34	67	20	60	72
ES	Editorial Casals SA	21	69	2	55	90
ES	Editorial De Serveis d'obres Literaries 90 SL	37	11	72	88	49
ES	Macmillan Iberia SA	60	62	54	95	70
ES	RBA Coleccionables SA	46	77	46	85	37
ES	RBA Holding De Comunicacion SL	36	90	63	94	48
ES	RBA Libros SA	56	13	84	93	32
ES	Santillana Ediciones Generales SL	11	24	40	85	17
FI	Kustannusosakeyhtiö Tammi	33	16	53	83	18
FR	Editions T.I.	75	25	29	63	68
FR	LES Nouvelles Editions De L Universite	22	49	15	80	60
FR	Societe d'information ET De Creations	3	51	37	64	82
GB	Faber And Faber Limited	54	32	70	93	89
GB	Jonathan Goodman Publishing Limited	72	21	69	97	87
GB	Lion Hudson PLC	5	28	31	100	63
GB	Music Sales Group Limited	20	76	27	73	43
GB	Music Sales Limited	18	65	6	98	57
GB	Parragon Books Limited	10	70	2	99	97
GB	Pearson Education Limited	54	97	78	91	59
GB	Phaidon Press Limited	49	41	47	86	67
GB	Quercus Editions Limited	63	35	61	63	63
GB	Scholastic Limited	47	73	67	62	93
GB	Titan Entertainment Group Limited	33	45	44	98	51
GR	Express Publishing A.E.E.	20	60	50	96	85
IT	Adriano Salani Editore SRL	59	30	38	52	55
IT	Casa Editrice Libreria Ulrico Hoepli SOC PER Azioni E PIU Breve Mente Hoepli SPA	28	57	14	69	75
IT	Ciscra S.P.A.	50	50	54	74	35
IT	Edizioni L Informatore Agrario SRL In Breve Edia	7	9	59	78	26
IT	Edizioni Piemme SPA Siglabile In Piemme SPA Potra Assume RE IL Marchio Piemme	51	44	51	84	84
IT	Istituto Della Enciclopedia Italiana Fondata DA Giovanni Treccani Societa' PER Azioni	12	58	4	61	62
IT	Skira Editore SPA	15	46	3	68	53
SE	Aktiebolaget Svensk Byggtjänst	76	34	13	76	74
SE	Skl Kommentus AB	4	63	41	48	42
SE	Studentlitteratur Aktiebolag	59	24	71	89	11

Table A 5. Cluster 3: Firms grouped by country and corresponding percentiles in each factor

Country	Firm name	F1	F2	F3	F4	F5
DE	EBSCO Information Services GmbH	7	75	58	15	96
DE	Springer-Verlag GmbH	13	95	90	4	100
FR	Editions Soleil	11	10	98	2	94
GB	Quarto Publishing PLC	31	88	42	6	98
IT	EMI Music Publishing Italia SRL	16	38	98	19	99

Table A 6. Cluster 4: Firms grouped by country and corresponding percentiles in each factor

Country	Firm name	F1	F2	F3	F4	F5
BE	Dupuis Logistic Services	87	47	5	9	22
BE	Groupe Larcier	9	29	88	5	9
BE	Indicator	35	15	89	53	2
BE	Societe De Distribution DU Livre Caravelle	2	53	80	7	30
BE	Uitgeverij Lannoo	25	80	17	38	45
CZ	Albatros Media, a.s.	24	26	85	30	15
DE	Mayr Miesbach GmbH	58	80	52	3	72
DE	Otto Harrassowitz GmbH & Co. KG Buchhdlg u. Verlag	80	85	8	22	11
DE	TASCHEN GmbH	41	64	22	50	33
DE	Walter de Gruyter GmbH	50	76	59	15	23
ES	Círculo De Lectores SA	30	84	39	29	7
ES	Comercial Grupo Anaya SA	81	89	11	28	46
ES	Ediciones B SA	93	20	45	7	1
ES	Editorial Planeta SA	26	92	64	57	3
FI	Werner Söderström Osakeyhtiö	2	46	67	42	24
FR	Bragelonne	61	52	19	17	69
FR	Gallimard Jeunesse	90	66	15	11	39
FR	Hugo & CIE	64	63	23	8	88
FR	Librairie Arthème Fayard	85	81	11	2	85
FR	Presses Universitaires De France	17	39	16	31	19
FR	Societe DES Editions Grasset ET Fasquelle	44	71	9	11	80
GB	Egmont UK Limited	69	82	36	13	38
GB	Igloo Books Group Holdings Limited	93	31	25	28	20
GB	Make Believe Ideas Ltd	95	27	12	20	24
GB	Osprey Publishing Limited	28	36	26	45	50
GB	Springer Science + Business Media UK Limited	6	72	1	33	52
GB	The Templar Company Limited	46	43	28	24	16
GB	Wolters Kluwer (UK) Limited	57	89	76	21	41
IT	De Agostini Scuola SPA	67	61	79	27	6
IT	Edizioni Centro Studi Erickson S.P.A.	29	17	81	46	21
IT	Gius. Laterza E Figli S.P.A.	23	54	24	18	37
IT	Gruppo Edicart SRL	38	33	33	41	28
IT	Gruppo Editoriale Zanardi S.R.L.	8	74	74	1	10
IT	Guido Veneziani Editore S.P.A. (IN Forma Abbreviata GVE S.P.A.)	53	85	33	25	14
IT	GUT Edizioni S.P.A.	1	54	65	16	20
IT	Newton Compton Editori SRL	65	48	35	26	79
IT	Raffaello Libri S.R.L.	63	18	56	54	29
IT	Societa' Editrice IL Mulino - S.P.A.	37	56	32	12	65
IT	Touring Editore S.R.L.	15	28	57	37	66
PL	International Masters Publishers Sp. z o.o.	77	42	18	10	25
PL	WYDAWNICTWO C.H. BECK Sp. z o.o.	73	37	28	46	40
PT	Leya, S.A.	43	87	73	20	12
SE	Lokaldelen i Sverige AB	85	59	20	34	8
SE	Norstedts Förlagsgrupp AB	48	68	21	44	15
SK	Ikar, a.s.	19	40	10	41	34

Table A 7. Cluster 5: Firms grouped by country and corresponding percentiles in each factor

Country	Firm name	F1	F2	F3	F4	F5
BE	Uitgeverij Averbode - Editions Averbode	78	20	62	51	58
BE	Wolters Kluwer Belgium	72	93	89	23	78
ES	Espasa Libros SL	74	3	94	72	41
ES	Signo Editores J M SL	39	79	92	92	54
FI	Sanoma Pro Oy	68	15	91	67	7
FR	Editions Dalloz	84	72	76	49	36
FR	Editions Jean-Claude Lattes	92	37	85	65	93
FR	Harlequin	89	67	37	24	91
FR	LES Editions Hatier	88	86	55	54	89
FR	Pika Edition	94	33	30	14	92
GB	Blackwell Publishing Limited	89	93	93	36	2
GB	Little, Brown Book Group Limited	76	83	82	89	76
GB	The Random House Group Limited	83	96	87	67	56
IE	Thomson Reuters (Professional) Ireland Limited	14	1	100	87	4
IT	Garzanti Libri S.R.L.	62	14	75	71	76
IT	Giunti Scuola SRL	79	23	83	59	61
IT	Harlequin Mondadori SPA	98	6	63	47	80
IT	Ipsos Francis Lefebvre SRL	99	2	96	80	95
IT	Longanesi & C. Societa' PER Azioni	70	11	77	81	86
IT	Panini Societa' PER Azioni O In Forma Abbreviata Panini S.P.A.	52	94	97	43	31
IT	Sellerio Editore SRL	80	4	95	58	71
IT	Tea Tascabili Degli Editori Associati SPA	82	7	80	75	67
IT	Warner Chappell Music Italiana SRL	32	2	99	37	13
LU	Editus Luxembourg SA	86	5	93	66	47
SE	Brandskyddsföreningens Service AB	98	12	7	35	50
SE	Gleerups Utbildning Aktiebolag	100	8	24	59	44
SE	Norstedts Juridik Aktiebolag	96	59	66	33	27
SE	Pearson Sweden AB	42	7	86	76	83
SE	Sanoma Utbildning Aktiebolag	91	22	72	79	59
SE	Sis Förlag Aktiebolag	97	19	7	40	54