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IIPA'S NEW STUDY – COPYRIGHT INDUSTRIES REMAIN ENGINE OF GROWTH FOR U.S. ECONOMY

U.S. Copyright Industries Lead the Economy in Value Added to GDP, Foreign Sales/Exports, and High Paying Jobs

Washington, D.C., November 2, 2011 – The International Intellectual Property Alliance® (IIPA®) today released its 2011 study on the economic contributions of the copyright industries. Among key findings, in 2010 the U.S. industries most dependent on copyright protection:

- Added over \$930 billion in value to the U.S. economy, almost 6.4% of the total GDP;
- Employed nearly 5.1 million U.S. workers – nearly 5% of the total private employment sector – with jobs paying an average of 27% more than the rest of the workforce; and
- Accounted for \$134 billion in foreign sales and exports, far more than sectors such as aircraft, autos, and agriculture.

The study, *Copyright Industries in the U.S. Economy: The 2011 Report*, was made public today at an event held on Capitol Hill with Senators **Sheldon Whitehouse (D-RI)** and **Orrin Hatch (R-UT)**, and Representatives **Bob Goodlatte (R-VA)** and **Adam Schiff (D-CA)**, leaders of the Congressional International Anti-Piracy Caucus (IAPC). It was prepared by Stephen Siwek of Economists Incorporated for the IIPA, and updates 12 previous studies tracking the economic impact and contributions of U.S. industries creating, producing, and distributing theatrical films, TV programming, home video, DVDs, business software, entertainment software, books and journals, music and sound recordings.

“The 2011 edition of our study shows once again how significantly the U.S. copyright industries contribute to U.S. jobs, wages, economic growth, and international competitiveness,” said Steven J. Metalitz, IIPA. “The analyses released today, based on U.S. government data, demonstrate the vibrancy of copyright and creativity as an engine for growth for the U.S. economy. To preserve and enhance that vibrancy, we must ensure strong legal protection for U.S. creativity, innovation, and ingenuity, both here and in the markets of our trading partners, in both the physical and online world. Strong and modern copyright laws that take into account changes in technology and the continuing harm caused by copyright theft, and vigorous enforcement of those laws, are critical ingredients in our national efforts to create and preserve good U.S. jobs, reduce our persistent trade deficits, and foster durable economic growth.”

The full report and more materials can be found at http://www.iipa.com/copyright_us_economy.html.

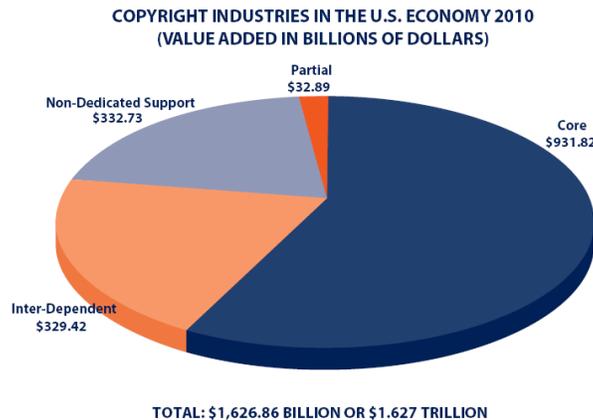
About the IIPA: The IIPA is a private sector coalition, formed in 1984, of trade associations representing U.S. copyright-based industries in bilateral and multilateral efforts working to improve international protection and enforcement of copyrighted materials and open up foreign markets closed by piracy and other market access barriers. IIPA's seven member associations appear below, and represent over 1,900 U.S. companies producing and distributing materials protected by copyright laws throughout the world—all types of computer software, including business applications software and entertainment software (such as videogame discs and cartridges, personal computer CD-ROMs, and multimedia products); theatrical films, television programs, DVDs and home video and digital representations of audiovisual works; music, records, CDs, and audiocassettes; and fiction and non-fiction books, education instructional and assessment materials, and professional and scholarly journals, databases and software in all formats. Visit www.iipa.com. Members of the IIPA include [Association of American Publishers](#), [Business Software Alliance](#), [Entertainment Software Association](#), [Independent Film & Television Alliance](#), [Motion Picture Association of America](#), [National Music Publishers' Association](#), and [Recording Industry Association of America](#).



THE REPORT'S KEY FINDINGS:

Copyright Industries Contribute Significantly to the Overall U.S. Gross Domestic Product (GDP)

- In 2010, the value added by the core* copyright industries was **\$931.8 billion** or **6.36% of the U.S. economy**.
- The value added for the total** copyright industries in 2010 was **\$1.627 trillion** or **11.10% of U.S. GDP**.



Copyright Industries' Growth Rates Remain Higher than the Rest of the U.S. Economy, Despite Recession

- Despite the difficult recessionary period of 2008-2009, the core copyright industries fared better than the rest of the U.S. economy during 2007-2010, **growing at an aggregate annual rate of 1.10%**. The average annual growth rate of the entire U.S. economy over the same period was only 0.05%.
- During the same period, the total copyright industries grew at an annual rate of 1.47%.

Employment and Wages: Copyright Industry Workers Earn a Significant Premium Over Average Workers

- The core copyright industries employed **nearly 5.1 million workers** in 2010. That represented **3.93% of the entire U.S. workforce**, and **4.75% of the country's total private employment**.
- The annual 2010 compensation paid to core copyright workers, **\$78,128**, far exceeds the average annual compensation of \$61,404 paid to all U.S. workers. This represents a **27% "compensation premium"**.
- The total copyright industries employed more than 10.6 million workers in 2010; this is 8.19% of all U.S. employment and 9.91% of all U.S. private employment. Total copyright industries workers earned \$70,513 annually in 2010, representing a 15% compensation premium over the average U.S. annual wage.

Foreign Sales and Exports of Copyright Products Increased in 2010 and Outperformed Many Industry Sectors

- Sales of U.S. copyright products in overseas markets amounted to **\$134.0 billion** in 2010, a significant increase over previous years.
- As a comparison, the foreign sales of the copyright industries significantly exceed foreign sales of other major U.S. industries such as aircraft (\$77.5 billion), automobiles (\$49.8 billion), agricultural products (\$60.2 billion), food (\$51.9 billion) and pharmaceuticals (\$36.4 billion).

* Core copyright industries are those whose primary purpose is to create, produce, distribute or exhibit copyright materials. These include books, journals, newspapers, and periodicals; motion pictures; recorded music; radio and television broadcasting; and computer software.

** Total copyright industries include the "core" industries and those whose revenues are dependent on the "core". These encompass industries whose reliance on copyright is "partial;" "non-dedicated support" industries, that distribute copyright and non-copyrighted material; and "interdependent" sectors such as manufacturers of equipment primarily used with copyright materials.

Stephen E. Siwek of Economists Incorporated authored this 2011 study, which updates twelve prior reports issued by the IIPA in 1990, 1992, 1993, 1995, 1996, 1998, 1999, 2000, 2002, 2004, 2006, and 2009.