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Copyright Contributes \$1 Trillion to the U.S. Economy

View [Infographic](#) to See How U.S. Copyright Industries Lead the Economy in Value Added to GDP, Economic Growth, Good Jobs and Foreign Sales and Exports

WASHINGTON – For the first time, the core copyright industries added over \$1 trillion in value to the U.S. economy in a single year, accounting for almost 6.5% of the total U.S. GDP, according to a new study released today by the International Intellectual Property Alliance® (IIPA®).

The study tracks the economic impact and contributions of U.S. industries creating, producing, distributing, broadcasting or exhibiting copyright materials, including computer software, videogames, books, newspapers, periodicals and journals, motion pictures, music, and radio and television programming. In other key findings for 2012, the study concluded that the core copyright industries:

- Employed **nearly 5.4 million U.S. workers** – nearly 5% of the total private employment sector – with jobs paying an average of 33% more than the rest of the workforce.
- Grew at an **aggregate annual rate of 4.7%**, more than twice the rate of growth for the U.S. economy.
- Accounted for **\$142 billion in foreign sales and exports**, far more than sectors such as aerospace, agriculture, food, and pharmaceuticals and medicines.

“This study represents a milestone as the U.S. copyright industries now contribute more than \$1 trillion value added to the U.S. GDP and 5.4 million direct jobs,” said Steven J. Metalitz, IIPA. **“In order to preserve and enhance jobs, exports and economic contributions, it is critical that we have strong legal protections for U.S. creativity and innovation in the U.S. and abroad.”**

The study, *Copyright Industries in the U.S. Economy: The 2013 Report*, was prepared by Stephen E. Siwek of Economists Incorporated for the IIPA, and updates 13 previous studies. It is based on data from the Bureau of Economic Analysis and other government agencies and it demonstrates the vibrancy of copyright and creativity as an engine for growth for the U.S. economy.

In reaction to the study, Representative Judy Chu, co-chair of the Congressional Creative Rights Caucus, said: **“This study demonstrates that not only do U.S. copyright industries develop the creative works that inspire and entertain so many, they also provide high paying jobs and spur economic activity, consistently contributing to a trade surplus and adding substantial value to our GDP. This is why we must preserve and protect the works of our creative industry, so they can continue to drive economic growth and innovation with a uniquely American product.”**

Matt Loeb, International President of the International Alliance of Theatrical Stage Employees, Moving Picture Technicians, Artists and Allied Crafts (IATSE), said: **“This report makes it crystal clear that workers in the creative industries make a huge contribution to America’s economy. It also underscores the urgent need to do more to build, strengthen and protect employment in this dynamic part of our nation’s economy.”**



Metalitz added: **“To foster continued growth of this dynamic sector, we need strong and modern copyright laws that take into account changes in technology and the continuing harm caused by copyright piracy, especially as legitimate digital distributors continue to emerge. Vigorous enforcement of those laws is also critical to ongoing efforts to create and preserve good U.S. jobs, reduce 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.

THE REPORT'S KEY FINDINGS:

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

- In 2012, the value added by the core copyright industries to U.S. GDP **exceeded \$1 trillion dollars** for the first time, accounting for nearly **6.5% of the U.S. economy**.
- The value added by the total copyright industries¹ to GDP **exceeded \$1.7 trillion dollars** accounting for **11.25% of the U.S. economy**. (Total copyright industries include those which are “partial copyright,” “non-dedicated support,” and “interdependent industries.”)

Copyright Industries Employ Millions of Workers in Good Paying Jobs

- The core copyright industries employed **nearly 5.4 million workers** in 2012, accounting for **4% of the entire U.S. workforce**, and **4.8% of total private employment** in the U.S.
- The annual 2012 compensation paid to core copyright workers – **\$85,644** – far exceeds the average annual compensation paid to all U.S. workers – \$64,594 – amounting to a **33% “compensation premium”** over the average U.S. annual wage.
- The total copyright industries employed more than 11.1 million workers in 2012, accounting for 8.35% of all U.S. employment, or 10% (9.99%) of all private employment in the United States. The average annual compensation paid to employees of the total copyright industries in 2012, \$75,926, exceeds the U.S. average annual wage by 18%.

Copyright Industries' Real Growth Rates Outpace the Rest of the U.S. Economy

- During the period 2009-2012, the core copyright industries **grew at an aggregate annual rate of 4.7%, more than twice as much as the entire U.S. economy**. The average annual growth rate of the entire U.S. economy over the same period was only 2.1%.
- During the same period, the total copyright industries grew at an annual rate of 4.99%.

Copyright Industries Contribute Significantly to Foreign Sales and Exports, Outperforming Many Major U.S. Industry Sectors

- Sales of select U.S. copyright sectors in overseas markets amounted to **\$142 billion in 2012**, a significant increase over previous years.
- As a comparison, the foreign sales of select copyright industry sectors **exceed foreign sales of other major U.S. industries**, including aerospace exports (\$106 billion), U.S. agricultural exports (\$70.1 billion), food (\$64.7 billion) and pharmaceuticals and medicines (\$50.9 billion).

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About the IIPA: The IIPA is a private sector coalition, formed in 1984, of trade associations representing U.S. copyright-based industries working to improve international protection and enforcement of copyrighted materials and open foreign markets closed by piracy and other market access barriers. IIPA's seven member associations represent over 3,200 U.S. companies producing and distributing materials protected by copyright laws throughout the world—all types of computer software, including operating systems, systems software such as databases and security packages, business applications, and consumer applications such as games, personal finance, and reference software, free software, open source software, and software as a service, entertainment software including interactive games for videogame consoles, handheld devices, personal computers and the Internet, and educational software; motion pictures, television programming, 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. Members of the IIPA include Association of American Publishers, BSA | The Software Alliance, Entertainment Software Association, Independent Film & Television Alliance, Motion Picture Association of America, National Music Publishers' Association, and Recording Industry Association of America.

¹ The "total" copyright industries include not only the core copyright but also the partial copyright, non-dedicated support, and interdependent industries. "Partial" copyright industries are industries in which only some aspect or portion of the products that they create they can qualify for copyright protection. These industries range from fabric to jewelry to furniture to toys and games. "Non-dedicated support" industries include industries that distribute both copyright and non-copyright protected materials to business and consumers. Examples here include transportation services, telecommunications and wholesale and retail trade. As in past studies, only a portion of the total value added by these industries is considered to be part of the copyright industries. "Interdependent" industries include those that produce, manufacture, and sell equipment whose function is primarily to facilitate the creation, production, or use of works of copyrighted matter. These industries include manufacturers, wholesalers and retailers of TV sets, personal computers, and other devices, and usage dependent products including blank recording material, and certain categories of paper.