

# **COPYRIGHT INDUSTRIES** **in the U.S. Economy**



## **The 2018 Report**

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**Prepared for the**  
**International Intellectual**  
**Property Alliance® (IIPA®)**

## I. EXECUTIVE SUMMARY

*Copyright Industries in the U.S. Economy: The 2018 Report* demonstrates that the core copyright industries of the United States—those industries whose primary purpose is to create, produce, distribute, or exhibit copyright materials—provide significant value added to U.S. gross domestic product (“GDP”); real growth which outpaces the rest of the economy; an increasing number of high-paying jobs; and substantial foreign sales and exports, surpassing many industry sectors.

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

- In 2017, the value added by the core copyright industries to U.S. GDP reached more than \$1.3 trillion dollars (\$1,328.3 billion), accounting for 6.85% of the U.S. economy.
- In 2017, the value added by the total copyright industries<sup>3</sup> to U.S. GDP exceeded \$2.2 trillion (\$2,247.4 billion), accounting for 11.59% of the U.S. economy.

### **Copyright Industries’ Real Growth Rates Outpace the Rest of the U.S. Economy**

- During the period 2014-2017, the core copyright industries grew at an aggregate annual rate of 5.23%. The average annual growth rate of the entire U.S. economy over the same period was only 2.21%. The core copyright industries grew at a rate more than 137% greater than the remainder of the U.S. economy.
- During the same period, the total copyright industries grew at an annual rate of 4.26%, also well surpassing the growth rate for the remainder of the U.S. economy.

### **Copyright Industries Employ Millions of Workers Who Earn a “Compensation Premium”**

- The core copyright industries employed nearly 5.7 million workers in 2017, accounting for 3.85% of the entire U.S. workforce, and 4.54% of total private employment in the United States.
- The average annual 2017 compensation paid to core copyright workers – \$98,336 – far exceeds the average annual compensation paid to all U.S. workers – \$70,498 – amounting to a 39% “compensation premium” over the average U.S. annual wage.
- The total copyright industries employed over 11.6 million workers in 2017, accounting for 7.87% of all U.S. employment, or 9.28% of all private employment in the United States.
- The average annual compensation paid to employees of the total copyright industries in 2017 – \$86,308 – exceeds the U.S. average annual wage by around 22%.

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

- Sales of select U.S. copyright products in overseas markets amounted to \$191.2 billion in 2017, a significant increase over previous years.<sup>4</sup>
- The foreign sales of selected copyright industry sectors exceed foreign sales of other major U.S. industries, including electronic equipment, appliances and components (\$174.2 billion); agricultural products (\$138.2 billion); chemicals (excluding pharmaceuticals & medicines) (\$137.0 billion); aerospace products and parts (\$134.4 billion), and pharmaceuticals and medicines (\$55.8 billion).

<sup>3</sup>The “total” copyright industries include not only the core copyright industries but also the partial copyright, non-dedicated support, and interdependent industries. “Partial” copyright industries are those industries in which only some aspect or portion of the products that they create qualify for copyright protection. These industries range from fabric to jewelry to furniture to toys and games. “Non-dedicated support” industries include those that distribute both copyright and non-copyright protected materials to businesses and consumers. Examples are 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. Examples 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.

<sup>4</sup>This includes total foreign sales of the following “selected” core copyright industry sectors: recorded music; motion pictures, television, and video; software publishing; and non-software publications including newspapers, books and periodicals.



## **Copyright Industries in the U.S. Economy: The 2018 Report**

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