

IPA in Conversation with ...

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and

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Conducted by
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Publishing in India during the COVID-19 Pandemic **Friday, July 10 2020** **Transcript**

Shweta Khurana: Greetings everyone. Thank you for joining us. I'm Shweta Khurana, editor of All About Book Publishing, a trade journal about the book business in India. Very honored to have two prominent people with us: IPA president, Mr. Hugo Setzer and FIP president, Mr. Ramesh K Mittal. A very warm welcome to you both. Today they will talk to us about how the pandemic has affected publishing in India and globally. Before we start, I would just like to give you three highlights about book publishing in India. In 2022, India will complete 75 years of book publishing, post-independence. The Indian book industry is bigger than the Indian film industry and is at eight billion dollars growing at a CAGR of 19 percent as of 2019. We have more than 19,000 active publishers, 22,000 book retailers and publishing happens in about 22 languages in an organized and semi organized manner. We are primarily a print dominated publishing industry. 94% of our books are related to education in which our books about 71% is for schools, 23% is for higher education and 6% is trade. India is the second largest English book publishing market and the sixth largest publishing market in the world. Now coming to our diversity and demographic, that also completely distinguishes us, a nation of 1.3 billion people with a median age of 27 years of age, we have approximately 1.5 million schools and 280 million students going to the school and interest the government-run schools amount to about 75%. The higher education sector is about 35 million students going to about 48,000 universities and colleges. In this domain now, these universities and colleges are mainly privately managed. To begin, my first question is to you, Mr. Setzer: Please do tell us about IPA and in this times of current crisis, how is IPA reaching out and helping the 69 member nations?

Hugo Setzer: Thank you Shweta. Let me just first mention that it is an honor for me to take part in this conversation with my friend Ramesh and thank you so much Shweta for moderating it. I have very fond memories of a fantastic International Publishers Congress the FIP organized in February of 2018. Now, coming back to the present, IPA is the most important Federation of publishers' associations all over the world. We have, as you mentioned, 69

countries, we have 83 members in those 69 countries, and through those 83 associations we represent and defend the interests of thousands of publishers globally. And the FIP is one of our long-standing members in IPA. So, since the beginning of the pandemic we have been in contact with all our members around the world, we have been asking them about the situation in their country. We realized we needed to share information between our members and created the COVID-19 resource page on our website, where we relate the actions of publishers' associations and individual publishers to support society. We have been working hand in hand with our authors and with book-sellers. On World Book Day, IPA issued a joint press release together with the International Authors Forum and the European and International Booksellers Federation highlighting the importance of the book value chain and urging governments to support their creative industries.

Shweta Khurana: Coming to the crisis in India, what we're seeing on 24th March 2020, it was announced we go into a lockdown and the lockdown was implemented on 25th March. Halting the nation of 1.3 billion people just in a matter of hours. Mr. Mittal, could you tell us how did this affect publishing, what happened to the bookstores distribution and post that three months, how was the way ahead? What happened?

Ramesh Mittal: Thank you Shweta for a very relevant question. But before I do that, let me also thank Hugo and his team at IPA for giving an opportunity to the world of publishing to speak out on the state of affairs of this knowledge supportive industry in their regions and countries. Now coming to the lockdown, it was an unprecedented experience for everyone, leading to a complete shutdown of activities except for essentials. A country with such a huge population came to a grinding halt. The lockdown continued for about two and a half to three months in different states, as was required. All activities came to a complete standstill at least for the first five to six weeks. Having a sizable population of school-going students, as Shweta mentioned, the most unfortunate situation for publishers in India has been that the new school session begins on April 1. Being under lockdown due to pandemic, school book sales went completely haywire. Consequently, publishers are holding huge inventories of millions of books in their warehouses, leading to various additional costs. At our Federation's request, the government was guided to allow education book shops to open, but it didn't bring in the desired results due to various other factors. The entire book supply chain has been disturbed. It's disturbed even today. And if these millions of books are not sold, there is a fear of them being pulped, because new education policies are expected to be announced soon, which might lead to some change in syllabi. Online bookstores started handling books in the later part of May only. Though government of Kerala had marked books as essentials and allowed book shops to open twice a week, this is the only example in the country. Oh, another tragedy that took place in between was the Ampang cyclone which hit the city of Kolkata and devastated not only warehouses of publishers, but the prestigious College Street. This has ruined the publishing and book selling fraternity of a city that is well known for its reading habits. Thank you.

Shweta Khurana: It's a complete crisis, and what we all noticed was the publishers in India and across the globe, they innovatively responded to the situation. Mr. Mittal, could you give us some examples of what happened in different sectors in India?

Ramesh Mittal: Yes Shweta, I shall be happy to talk about this very interesting question. A lot has happened in terms of innovations, solidarity and connect during these trying times. Publishers on the whole went on social media, digital, and looked for new ways to reach out to authors, readers and colleagues around. See, our friends at IPA started these virtual discussions, this is in one example here. Interestingly, on the World Book and Copyright Day, the government of India launched the “My Book My Friend” campaign for the readers, which was well received. Online repository of children stories and websites, storytelling sessions and listening to stories became popular. Children went beyond school books. Reading sessions by authors, online literature festivals and publishing websites, webinars, were organized. Audio listening, video books and language learning online was accepted by the audience, which is not very usual earlier but now it was accepted by the audience. Central government repositories holding e-books were announced by the government for students to actively use them, while a couple of states even reached out to students via television. A forum of language publishers was created for weekly discussions on various issues faced by different publishers throughout the country. So, these are some of the innovations that came through.

Shweta Khurana: Thank you. Mr. Setzer, in these indeed very trying times, could you advise us some examples of government across who've helped the nations to revive themselves and what are these support which has been given by the government?

Hugo Setzer: Thank You Shweta. And just to mention briefly, Ramesh I think that's a really awesome response by Indian publishers to the crisis and I fully agree with you of the importance of collaboration during these times. So back to your question on the support governments, some governments, are giving. I can tell you that some members have been very lucky to have governments that have supported their culture industries generally or the publishing industry specifically. Support might include the purchase of digital licenses for libraries or educational resources, this might be access to a furlough scheme to cover staff costs, it could also to be tax benefits, rental support, a really wide variety of different tools around the world. However, at the same time, unfortunately many of our members have seen no support at all, as by my own country, Mexico. IPA has written to a number of governments in support of our local members requesting for support.

Shweta Khurana: Thank you. Coming back to the Indian perspective, we've seen the situation is very uncertain here. The cases are really rising and everyone feels the big cloud of uncertainty. Mr Mittal, could you advise us on what are the challenges the publishers are facing and what government support would be needed?

Ramesh Mittal: It's true, Shweta. Publishers foresee lesser chances of an absolute revival during this fiscal year which will end on March 21. Common problems of the publishers caused by major disruptions are dealing with layoffs, sale records, managing working from home, cash flow problems caused by no sales and non-payments by book-stores again because of no sales. So, it is basically rebuilding of sales and readership that is the task ahead for each of the publishers. Reverse migration of semi-skilled labor will affect the jobs like binding and even printing. A lot of piracy took place in creation of digital formats by teachers for conducting school online classes. In some cases, publisher's entire books have been misused completely for online teaching. Availability of proper internet connection with required bandwidth across

India and the availability of requisite devices with each family is a major question. In villages and poorer families, majority students did not have any access to online education. Some students and parents even face challenges in absorbing the contents of online education and books not being in hands, students face difficulty in getting to understand what was being taught online. Libraries already had lesser grants for the past two years and publishers are doubtful about the requisite funds this fiscal year. Generally, libraries take quite some time to pay their vendors which in turn affects the publisher's funds flow. This time, payments from libraries to vendors and from vendors to publishers got further delayed by these three months of lockdown. Since 31st March is the end of fiscal year here, the entire structure of finances of this knowledge-based industry went haywire. Certain libraries do not have infrastructure for digital content. Similarly, every publisher does not have e-books, so it's a challenging situation. Piracy is rampant in higher studies books, more so after the decision of a Labour High Court in the university case. And this went further during the lockdown as people searched and downloaded their requisite books through one or the other online source. There is a need for the government to come up with some awareness programs for the people to respect copyright. Some publishers have postponed new acquisitions, while some others are focusing on surviving and sustaining a difficult period for new books and authors.

Shweta Khurana: It is totally a difficult period and amongst these challenges, Mr. Setzer, we still have to focus on the silver lining of this pandemic and we all need to remain positive. So do advise us, what is the role of a publisher and what is the power of publishing?

Hugo Setzer: Thank You, Shweta. I like your your idea and how you put it, that we definitely have to remain positive, even in times like these. Times are obviously extremely difficult and we can't lose perspective of the loss of human life at the pandemic has cost. But I think that this crisis has shown how much value publishers bring to so many aspects of our lives. Whether we are talking about the curated journals that governments are relying on to make policy decisions and researchers are using to find a vaccine, the educational resources that educational publishers provide, the books that entertain us and help us understand the world around us, our authors and the work of publishers has never been made so clear. So many people have sought comfort in books during this difficult time.

Shweta Khurana: Thank you. Mr. Mittal, would you tell us about the Federation of Indian Publishers and what in this challenging time did the Federation do to reach out to the members? Also, India being a print dominated market, what is the divide between print and digital and more so ever we've just completed three years of GST, so your views on how's it affected the Indian publishing industry?

Ramesh Mittal: Actually, the Federation of Indian Publishers is an apex body of publishers across India founded in 1974. It has major publishers from every part of the country as direct members, while different publishers' associations representing even languages are federated to it. We're the only national body affiliated to the IPA. It represents about 80 percent of the publishing fraternity in India. Federation works as the conduit between the publishers and the government for any issues which are raised by industry from time to time. Even during the lockdown, a number of representations were made by the Federation to different departments of the government. India has a strong print book market. The digital book trade never went above five percent so far. This pandemic might change the scenario and in the long run, let's see. Now coming to GST, let me tell you that government of India introduced

the goods and services tax on July 1, 2017, scrapping a number of different taxes then invoked. This was a nice move from the traditional system to a modern and transparent one. Books were kept out of GST regime in order not to tax education and reading, thanks to the government. However, all inputs used in the creation of a book, that is paper, printing, binding, designing and the like are under the GST. Moreover, royalties paid to the authors have also been taxed under GST as reverse charge payable by the publishers, not by the authors. This never existed earlier. This resulted in the increase of the prices of books, which is costing the end-user heavily. We have been representing to the government on these issues and requesting to consider keeping all inputs used in a book to be out of GST.

Shweta Khurana: Coming to my last question this question is for you both. How do you think solidarity, collaborations and new innovations will take us to the road of recovery?

Hugo Setzer: Thank you, Shweta. That's a great question. I think that's really fundamental. As we have been speaking to our members, the notion of increased cooperation has come back over and over again, whether that would be between authors, publishers and book sellers or between regional publishers' associations. The work of IPA, bringing together its members and collaborating with government agencies and other NGOs, is as relevant as ever. Everyone has understood that we need to work together to get through this crisis. We're also seeing publishers in regions that have been slower to adapt to digital publishing urgently adopt new technologies and I think that will be a huge benefit going forward. Also for IPA, we have been taking our meetings online and in our recent Educational Publishers Forum, for example, we had more attendees than ever from all over the world. This leap to new forms of digital communication, while I don't think we'll replace face-to-face meetings, is an extra tool at our disposal and we will continue to use it.

Shweta Khurana: Thank you. What's your view on the same?

Ramesh Mittal: It was an interesting and different period for everyone around the world and publishers for that matter. Everyone in the community has learned to remain connected while in isolation during the new normal. The other side of COVID-19 is likely to play a vital role in understanding the need of new ways of content creation and dissemination. This should also ensure moving forward and fighting together in solidarity and looking for avenues for collaboration and innovations. This is what we are praying for.

Shweta Khurana: I think we're all in this together and we all need to remain positive. And it's indeed very challenging times, but we have to get through this together. Well, thank you so much Mr. Setzer for wonderful and insightful insights into the global happenings. And thank you so much Mr. Mittal to tell us about what's happening in India. I really like this point of time also want to appreciate IPA for giving us this opportunity and having this discussion and thank you to our viewers. Thank you so much. Thank you everybody.

Hugo Setzer: Thank you Shweta, thank you very much.

Ramesh Mittal: Thank you Hugo, thank you Shweta. On behalf of publishing community in India, I wish to convey thanks to everyone.