

# The market for technical and scientific books in Brazil:

public subsidy and  
access to knowledge

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# Summary

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# Introduction:

## Access to the technical-scientific book

It is common, in the Anglo-Saxon world, to present copyright as a scale where the public interest of access and the private interest of remuneration of the author are ideally balanced. In countries with continental right tradition, such as Brazil, the situation is a bit different. Copyright is seen here as the right of the person, despite being in practice "balanced" by the exceptions and limitations favoring public interest. However, a brief historical analysis shows that in both traditions, this desired balance between the public and private interest has not been happening. On the contrary, copyright has been broadened, both in scope and in duration. Such broadening, for the benefit of private interests, has compromised the public interest of having access to knowledge, even for educational and scientific purposes.

From a global standpoint, access to information and knowledge is seen as fundamental for the induction of social and economic development. It is worth remembering that among the 18 millennium targets defined by the United Nations and approved by its 189 country-members in 2000, there is the need to foster education and basic schooling and make the benefits of new information and communication technologies accessible.

The Brazilian government has been promoting, through its institutions, a series of measures to grant the access to knowledge. Some examples are the initiatives from the Brazilian Institute of Science and Technology Information (IBICT) in promoting the "open" or "free access" to scientific production; the Public Domain Portal from the Ministry of Education (MEC) which offers texts in public domain, as well as academic theses; the policy from the Coordination for Higher Education Improvement (CAPES), making available through the internet all new Brazilian theses and dissertations; and the incentive to the use of "free licenses" in several content types fostered by the Ministry of Culture (MinC).

However, such measures are still marginal given the potential of the government actions scope. They are much more the result of isolated efforts from public

agencies than the fruit of an articulated national policy. The potential of promoting access to information and knowledge is huge if considering the possibility of extending such policies to all ministries and government secretaries and agencies, as well as to state and municipal administrations. Research, studies, technical reports, primary data in several areas such as environmental and aero-spatial, are only a few examples of information which could be made available to the public without the restrictions of traditional copyright licensing.

It is necessary to remember that the State is the great sponsor of scientific research, of education and culture in the country, and that its resources come from the taxpayer. Moreover, since the 1960's, the State established a tax immunity policy to the book industry, having waived, only in the year 2007, approximately 1 billion reais in taxes such as ICMS, Import Tax, Taxes over Service, PIS and COFINS/PASEP. Aimed to stimulate and promote education and culture, these incentives only partially fulfill their objective. The strict exceptions and limitations in our copyright law and the absence of policies for the free licensing of content financed with public resources have created barriers for public access to information.

It is not simple to overcome these barriers, since forms of production and distribution of cultural, educational and scientific materials have been established for a long time, which implies in divergent interests between the actors involved in the production chain: publishers, authors, readers and State itself.

Throughout 2007, the Research Group in Public Policies for Access to Information (GPOPAI) conducted empiric studies in order to obtain data to better evaluate the reach of public subsidy to the production of technical-scientific books and the copyright barriers existing between this production and the public. These studies aimed to measure the degree of public financing in the industrial production of books (by means of tax immunity), in the generation of contents (by means of financing scientific research) and in the publishing activity itself (by means of public publishers).

Some of the results were surprising, showing, in a general way, that the technical-scientific book is, in great measure, produced from research financed by public resources. As well as that, part of its industrial production is directly subsidized by the State by means of university publishers and, as a whole, highly subsidized by a tax immunity policy. Notwithstanding this scenario, the State has created few policies for public access to information it subsidizes and has defended with little

strengthen the controversial right to access granted by the limitations in our copyright law. It is our aim that this research contributes to the changing of this scenario, suggesting modifications in the copyright law and policies to ensure the access to knowledge in universities, technical schools and in public research centers.

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# 1

## The market for technical-scientific books

The category “scientific, technical and professional books” is one of the most adopted by the Brazilian Book Chamber (CBL) to divide the totality of the book production sector. According to CBL, the scientific, technical and professional book sector represents approximately 1/4 of all titles published in Brazil, but only by 7% of the copies<sup>1</sup>. Despite this, the sector is responsible for 20% of the turnover in the publishing market<sup>2</sup>.

**Table 1:** Production of scientific, technical and professional books.

*Reference year: 2006*

	Titles	Copies	Turnover
Absolute Numbers	12.081	22.015.013	R\$ 418.550.460,26
Relation to total	25,25%	6,87%	19,48%

Source: CBL/ SNEL, 2007

**Table 2:** Print run and average price for scientific, technical and professional books.

*Reference year: 2006*

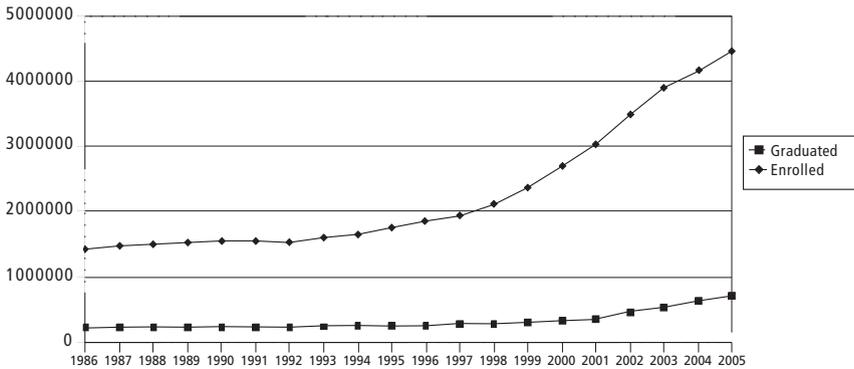
Average print run	Average price
1822 exemplares	R\$ 38,02

Source: CBL/ SNEL, 2007

- 1 This discrepancy can possibly be explained by the huge print runs of didactic books that offset the general average.
- 2 This might also be explained by the lower turnover by copy in the didactics sector, but can also indicate that the technical book sector is a more profitable sector globally.

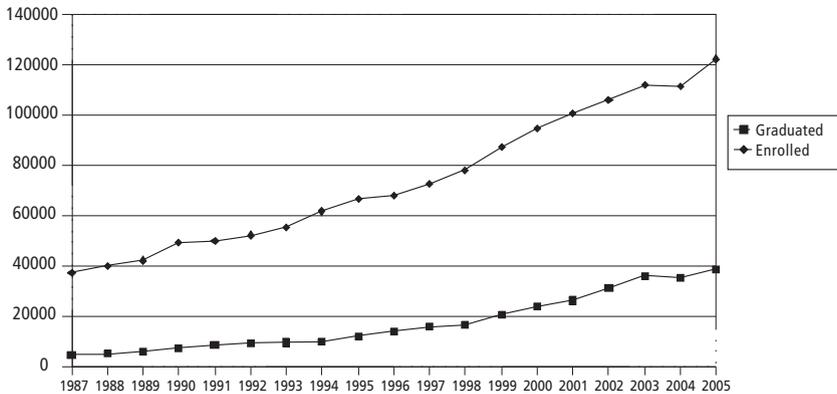
Defined as the “university and professional” book sector, this market is subject to strong growth in the near future, with the expansion of the university student population and consequent expansion in the number of higher education professionals, as it can be noticed in the graphs below on the evolution of enrollments and graduations from graduation and post-graduation courses.

**Graph 1:** Evolution of student population (graduation).



Source: INEP

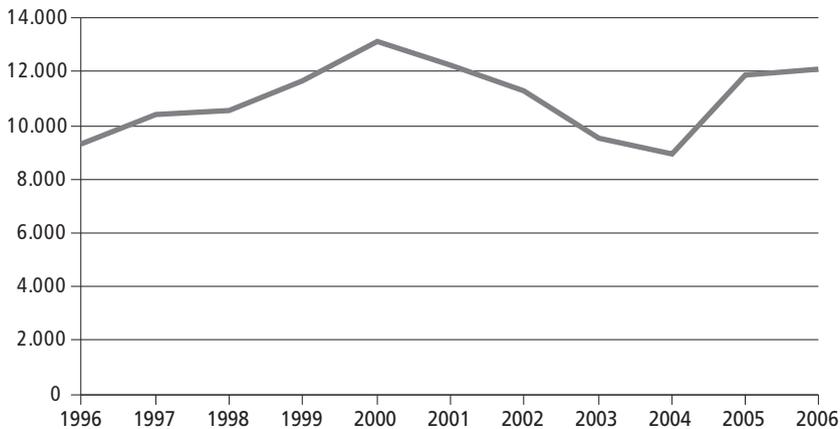
**Graph 2:** Evolution of student population (post-graduation).



Source: INEP

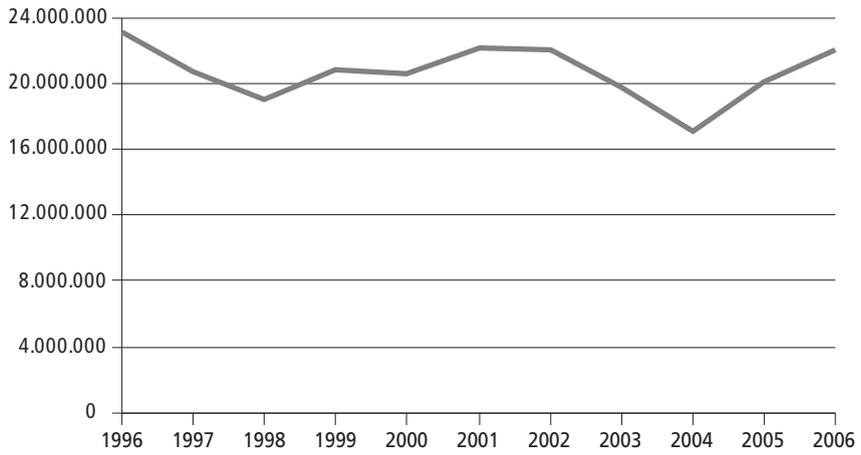
However, this growth in the potential consumer market (students enrolled in graduation and post-graduation higher educational courses) has not had a notable impact in the production of books, as shown below. This can possibly be explained by the social profile of the new students who had entered in higher education by means of public policies of inclusion and by means of new vacancies in the private low cost market. In these cases, it is probable that the students do not have the economic means to acquire books. The graphs below do not show any notable tendency in the production increase for technical-scientific books following the strongly rising curve seen in the evolution for number of students.

**Graph 3:** Technical-scientific book titles published.



Source: CBL 1997-2002, CBL/ SNEL, 2003-2007

**Graph 4:** Copies of technical-scientific books published.



Source: CBL 1997-2002, CBL/ SNEL, 2003-2007

## 2

# Disputes on the legality of reprographic copies from educational and scientific books

The new copyright law issued in 1998 (Law 9.610) stipulated limitations which were far less favorable to public interest than those limitations stated in the former 1973 law. While Law 5.988 from 1973 provided the “reproduction, in a single copy, of any work, as long as not destined to the usage aiming profit”, the new law restricts this possibility to the following conditions:

Art. 46. It is not a copyright offense:

(...)

II – the reproduction, in a single copy of small sections, for private use by the copier, since made by him/herself, without the objective of profit;

(Brasil, 1998)

This statement, deliberately ambiguous, reflected the disputes of the students’ interest in making copies of books and the interest of publishers in restricting book copying in order to increase sales. Ambiguity is shown in 3 points: in the indetermination on which was the small section; in the indetermination on who was authorized to make the copy and in the indetermination on who was the agent who could not seek profit.

In the understanding of great part of the university community, the text authorized the copy of small sections, such as a chapter from a book, since made without profitable intension (that is, for didactic use and not for sale). In the understanding

of great part of the publishers, who acted by means of the Brazilian Association of Reprographic Rights (ABDR), the text only authorized small sections, understood as a non-substantial part, such as a page, since made by the person himself, without profit intent, which prevented the requesting of copies to a company.

In a rather schematic way, we would have:

**Chart 1:** Interpretations of the law.

	Interpretation from publishers	Interpretation from the academic community
What is a small section?	A non-substantial part (one page)	10% of the book or one chapter
Who is the copier authorized for private usage?	The student himself, directly.	The photocopier operator, by the student's request
Who is prohibited from profiting?	The reprographic companies.	Only the student, if re-selling the copy.

Despite this dispute, the non-authorized copy was decriminalized by the criminal code in 2003. Law n. 10.695, from July, 1st, 2003, altered the provisions from the Criminal Code and from the Criminal Procedure Code regarding the copyright violation crime. This law extended the decriminalization not only to the single copy for the private usage of the copier, but also the whole copy without profitable intention, such as the stated in the copyright law of 1973:

§ 4. The stated in §§ 1, 2 and 3 do not apply when it is an exception or limitation to the right of the author or to those connected to him, according to the stated in Law n. 9.610, from February, 19<sup>th</sup>, 1998, **nor the copy of intellectual or phonogram work, in a single copy, for private usage by the copier, with no direct or indirect intention of profit.** [our emphasis] (Brazil, 2003)

With this, copying an entire work, as long as in a single copy, for exclusively private usage, without the intention of profit would not be a crime, although it was still a tort. The same happened with small sections in commercial copiers, depending on the interpretation of the law.

In 2005, publishers started a large campaign seeking to give force of law to their interpretation. They called police force and closed several reprographic companies acting in university campuses in large cities. As a reaction, some universities created internal policies regulating the extraction of copies, sometimes as an understanding similar to the ABDR one, sometimes as a more permissible understanding of the law. In particular, a resolution from the University of Sao Paulo was highlighted. This resolution established the understanding that it was legal to copy small sections and even the extraction of whole copies of out-of-print or imported works unavailable in the national market:

Article 2 – It is allowed the extraction of copies from small sections such as chapters of books and periodic articles or scientific journals, by individual request, without profitable purpose, for the use by the requester.

Article 3 – Libraries must mark their collection with distinctive signs differentiating the following work categories:

I – out of print without re-printing for longer than 10 years;

II – foreign unavailable in the national market;

III – of public domain;

IV – requiring express authorization for reproduction.

Sole paragraph – Entire reprographic reproduction is allowed for any work holding the distinctive sign of any of these categories. (USP, 2005)

In particular, the inclusion of the authorization for the entire copy of out of print and imported works has generated controversy. In the internal decision guiding the resolution, the measure is justified as follows:

The reproduction of these works [out of print] in its entirety does not constitute a breach to the moral rights of the author, since there was a prior authorization for its publishing, and there has been the purpose of opening to the public. In relation to publishers right – in the conditions described above - , neither would these be affected, since the potential of sales for this product in the market would not be resented by this modality of access to the work, since this potential, once out of print, does not exist. The same can be said in relation to the economic rights of the author, for, if the product on which the sale would be accrued the percentage due to authorship does not exist in the market, it is not possible that such right be affected in any measure. [...]

The same reasoning exposed above for out of print works is valid for those which are not available for the consumer in the national market. (USP, 2005b)

The dispute surrounding the interpretation of the law was so big that caused a reaction from the American industry, which recommended the United States government to include USP in its Special 301 Report. Special 301 Report is a report produced by the United States Trade Representative (an entity similar to a foreign commerce secretary), according to section 301 in the Trade Act from 1974, determining that the United States can impose sanctions against countries violating American commercial rights. Trials on the existence of a violation to the American commercial rights are unilateral. Countries listed in a watch list (priority watch list) in the report might suffer sanctions such as being excluded from the General Preference System which grants separate customs treatment for the entry of products. The Special 301 Report is produced based on indications made by the American copyright industry, by means of the International Intellectual Property Alliance (IIPA). In the 2007 report, it is recommended that Brazil enters in the watch list and states the following regarding the policy from University of Sao Paulo:

Entre os desenvolvimentos mais perturbadores de 2006 está o lançamento e implementação da Resolução No. 5213/2005, uma norma administrativa da Universidade de São Paulo (USP). Esta norma permite (1) a cópia reprográfica de partes de livros por copiadoras com fins lucrativos e (2) a cópia de obras estrangeiras (ou, talvez, todas as obras que não são em língua portuguesa) que “não estão disponíveis no mercado brasileiro” sem autorização. [...] Essa resolução apresenta diversos problemas em relação às normas internacionais e deve ser revogada. Instituições com fins lucrativos não devem receber *carte blanche* para copiar obras fora dos limites normais do *fair use* internacional. [...] Autoridades estatais e nacionais (inclusive o Ministério da Educação) devem tomar medidas para revogar essa resolução, ou, pelo menos, revisá-la de maneira a compatibilizá-la com as obrigações internacionais do Brasil sob TRIPs e Berna. (IIPA, 2007)

The dimension of the impacts from the disputes over the interpretation of the law shows the strength of the economic interests in place. Maybe even more shocking, it shows how the autonomy of a university institution in interpreting a knowingly ambiguous law can, in the end, take an economic power to impose unilateral sanctions that threaten national sovereignty.

# 3

## Public subsidy to publishers in the form of tax immunity

Since the 60's (Hallewell, 1985), the book industry, as well as all the press, has received public subsidies in the form of non-payment of taxes. This practice is rooted, on one hand, in the liberal understanding that public debate must be fostered and press products made cheaper, and on the other hand, in the understanding that the State must not interfere in the press activity. In the 1988 constitution, this concept was introduced in article 150:

Art. 150. Without loss of other guarantees granted to the taxpayer, the Union, States, Federal District and Municipalities are forbidden to: [...]

VI – institute taxes on: [...]

d) books, newspapers, periodicals, and the paper destined to its printing. (Brazil, 1998)

From 2004, this immunity was added to the non payment of the contributions PIS/PASEP and COFINS, according to the stated in Law n. 10.865:

Art. 28. Are hereby reduced to 0 (zero) those contribution aliquots to PIS/PASEP and COFINS levied upon gross turnover originated from the sales, in the internal market, of: [...]

VI – books, as defined in art. 2 from Law n. 10.753 from October, 30<sup>th</sup>, 2003; (Included by Law n. 11.033, from 2004) (Brazil, 2004)

Although there is still some controversy if the immunity is applied only to final products (books, magazines, etc.) or also to industrial processes, the understanding of Aliomar Baleeiro has prevailed, stating that the entire process is immune, once the objective is to make the products cheaper:

Immunity over paper, books, journals and periodicals is considered objective, in the sense that it reaches only the taxes on importation, industrial production and circulation of goods (II, IPI, ICMS), and not the taxes on income and assets, which must be personal. [...]

The immunity aims to reduce the cost of the product, favoring the broadcasting of information, teaching, education and culture. For this reason, it is destined, in first place, to benefit the consumer who will suffer, finally, by the pricing mechanism, the transfer of the financial settlement of taxes on the production and commercialization of the paper, book, newspapers and periodicals. [...] In fact, the limitation of immunity to the final product (books and newspapers), without the freeing of taxes over the acquisition of usage, consumption or capital goods, or over services used by printing companies, generates contrary effects to the desire of the constitution, making the production more expensive and capping the competition. (Baleeiro, 2001)

Considering this understanding, we have estimated the public subsidy to publishers in the form of tax immunity. In order to reach close to an approximation of total values for this subsidy, we have considered only the main taxes that would have to be paid if the sector were not immune: Tax over Industrialized Products (IPI), Tax over the Circulation of Goods and Services (ICMS) and, since 2005, the social contribution to the Social Integration Program (PIS) and the Contribution for the Financing of Social Security (COFINS).

With all these taxes falling upon sales, the estimate was made based on turnover data from the publishing sector present in the Brazilian Book Chamber for the years 2001 to 2006. For IPI, we have considered the incidence of 15% on the total sales value (the entire productive chain of books is subsidized), the same taxation that falls upon CDs and DVDs or on the private usage printers, and below the taxation (20%) that falls upon the photocopier productive chain, for example. Adopting a conservative posture for the calculation of ICMS, we have considered as a calculation base the total sales value without the value that would be collected with IPI, since there has been a lot of discussion in the legal scene on this issue, with an incidence of 18% over this base. In the case of PIS and COFINS, we have considered the taxation regimen over assumed profit, which underestimates this collection amount. It is also worth noticing that as well as making conservative options on the tax estimates, we have not

included other forms of subsidy such as Importation Tax immunity over the purchase of equipment or paper.

**Table 3:** Public subsidy estimate in the form of immunity to publishers.

*In millions of reais*

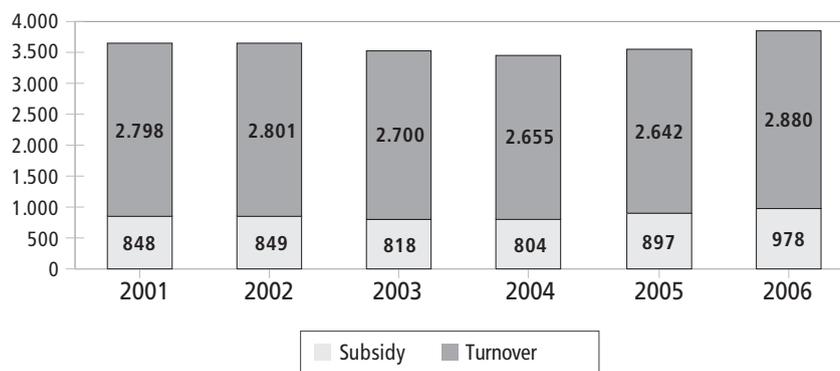
*value in 2006*

Year	Publisher turnover	IPI Subsidy	ICMS Subsidy	PIS/COFINS Subsidy	Subsidy total	Index (2006 = 100)
2001	2.798	420	428	--	848	1,36
2002	2.801	420	429	--	849	1,24
2003	2.700	405	413	--	818	1,14
2004	2.655	398	406	--	804	1,07
2005	2.642	396	404	96	801	1,03
2006	2.880	432	441	105	978	1,00

**Graph 5:** Publisher turnover and subsidy.

*In millions of reais*

*value in 2006*



Our estimate shows a public subsidy in the form of immunity corresponding approximately to 30% of the whole turnover of publishers before the introduction of non-incidence for the contributions PIS/PASEP and COFINS – after Law n. 10.865/2004, we estimate that there is a subsidy of approximately 34% of the turnover.

Comparing this conservative estimate to the Ministry of Culture budget, we discovered that the public subsidy to publishers in the form of tax immunity corresponds to approximately 2-fold the budget on federal expenses in the culture area.

**Table 4:** Comparison between the Ministry of Culture budget and the estimate on public subsidy to publishers.

In million of reals  
value in 2006

Year	MinC Budget	Subsidy to book industry
2001	461	848
2002	485	849
2003	443	818
2004	369	804
2005	não disponível	801
2006	não disponível	978

Source: Ministry of Planning

# 4

## Public investment in the production of content for technical-scientific books

In this section, we aimed to estimate the degree of public investment in the production of the so-called scientific, technical and professional books. Research started from some methodological decisions to estimate the impact of public investment in the sector:

As for the universe, given that the classification of scientific, technical and professional book sector from CBL is very imprecise<sup>3</sup> (Hallewell, 1985) and that there is no public database with the launching by sector, we have opted to reduce the universe of these books to those adopted in higher education as didactic material. This decision assumes that higher education is a significant part, if not the largest part in the market for these books and that it is also the former of the consumer market for those who have already graduated. However, it must be highlighted that the universe of books adopted in higher education is probably quite near, it is not identical to the group of technical-scientific books.

As to sample, we have opted to determine two variables for the course profiles. On one side we have separated "scientific" and Bachelor degrees from the "professional" ones. From interviews with publishers, we have found very specialized niches in the production of area books, in particular for professional areas. Therefore, we chose one career from each of the 3 great scientific areas: Physics (Exact Sciences), History (Human Sciences) and Biology (Biological Sciences) and one career from each of the 3 "imperial

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3 Therefore, in the CBL report, the division by sectors (Didactics, General work, Religious books and Scientific, technical and Professional books) does not correspond to the division by themes. Scientific, technical and professional book titles produced in 2006 (12,081) does not correspond to the summing of the themes Pure Science, Technologies and applied sciences, Social sciences and Geography and history (9,551 titles).

professions” (the first and more traditional professions established in the Empire era): Law, Medicine and Civil Engineering. The assumption is that these samples mirror, in a general way, what happens in other scientific and bachelor areas (for example, in Geosciences or Chemistry), as well as in other professional areas (for example, in Business Administration or Economy). On the other hand, we have also separated courses of academic excellence from courses of commercial success. The assumption is that they are two different success models which are sought by institutions and that these different models might adopt different bibliographical base. Academic excellence courses were determined from the evaluation of the corresponding post-graduations by CAPES in 2005. Commercially successful courses were determined by the number of students enrolled, according to data by INEP in 2004<sup>4</sup>. In each of the 6 careers, we selected the 3 courses of greater academic excellence and the 3 courses of greater commercial success. We have, therefore, elaborated a database with 1910 books adopted in 25 courses gathered by lesson plans (or list, when lesson plans were not available) for half the subjects in the second and third years in these courses<sup>5</sup>. It is worth noticing that we faced great difficulty in getting the data from the commercially successful courses, whose institutions have even claimed corporate secrecy in order to avoid sending the titles for the books adopted. This made the sample from academic excellence courses considerably larger than that for the commercially successful courses (see table below).

**Chart 2:** Sample scientific and bachelor courses.

Courses	Academic excellence	Commercial success
Biology	UFMG (*) UNICAMP UFRJ	UnG Univag UniABC (*)
Physics	USP UNICAMP UFRJ	PUC-Rio (*) UNISINOS PUC-RS
History	UFF UNICAMP USP	UNISUAM (*) UNISINOS Gama Filho (*)

(\*) Data not provided by the institutions

4 We have discarded, in this case, courses from public institutions, since, being free, they do not compete in the market in equal terms with the paid courses from private institutions and therefore cannot represent commercial success. Moreover, it is important to notice that the number of students enrolled can have reasons other than commercial success, such as low competition or high local demand.

5 This was due to the availability of lesson plans only for the subjects offered in the current semester.

**Chart 3:** Sample professional courses.

Courses	Academic excellence	Commercial success
Medicine	USP	UniG (*)
	UNIFESP	Gama Filho (*)
	USP-RP	Sousa Marques
Law	USP	UNIVERSO (*)
	UERJ	UNICEUB
	UFSC	PUC-RS
Civil Engineering	UFRJ	FUMEC (*)
	PUC-Rio (*)	EE Kennedy (*)
	USP-SC	Mackenzie

(\*) Data not provided by the institutions

The general objective of the research was to analyze the impact of public investment on the production of content for technical-scientific books. Although established indexes have universally pointed to a high degree of public financing in scientific production, until this moment, there has been no research estimating the impact of public financing on the production of books.

This financing, we suspected, was granted by means of full-time contracts of researchers in public universities and institutions whose research activities would be deployed in the production of books. Moreover, our hypothesis also stipulated that the contribution of public publishers (public university publishers) was relevant.

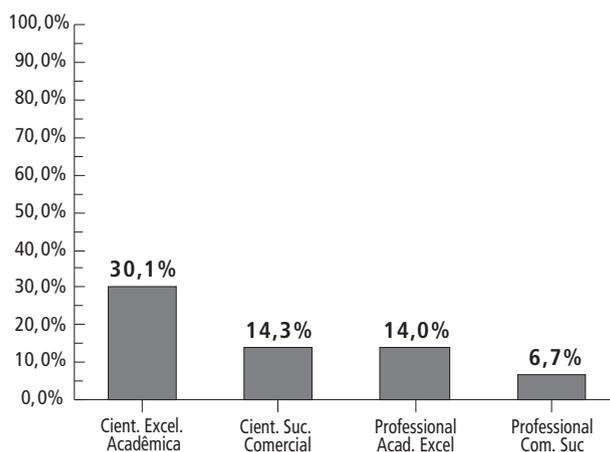
The research also sought to measure in this bibliographic base the imported and out-of-print books, for which the access by reprographic means is being contested in disputes among students and professors and the publishing association (Brazilian Association of Reprographic Rights, ABDR).

Let's start by the latter. Results from the estimate are very surprising in relation to the percentage of out-of-print books adopted in higher education courses. The estimate shows a relatively uniform percentage in the professional and scientific courses and in the academic excellence and commercially successful institutions, ranging from 26% to 31% of the entire bibliographic base. This is not only surprising by the fact that the students do not have direct access to approximately a quarter of the books

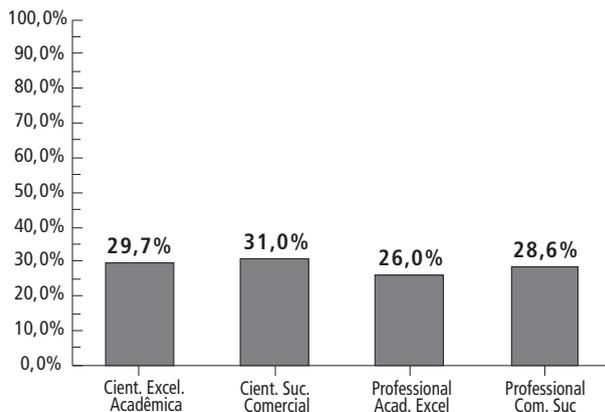
adopted in the courses, but also by the fact that the publishers seem to be wasting the commercial potential of re-publishing classic books<sup>6</sup>.

The adoption of imported books, on the other hand, has a very variable distribution, being greater in the scientific courses than in the professional ones, and greater in the academic excellence courses than in those of commercial success. However, even in the professional courses from commercially successful institutions, imported books correspond to 7% of the bibliographic base, reaching 30.1% in academic excellence scientific courses. It was for this reason, without doubt, that the International Intellectual Property Alliance (organization that gathers the American industries based in copyright) pleaded threat to their commercial interests by the claim from University of Sao Paulo that the entire reprography of imported books had legal support in Brazil<sup>7</sup> (IIPA, 2007).

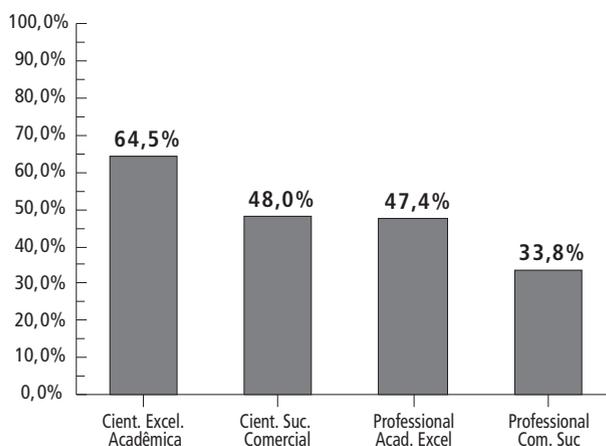
**Graph 6:** Percentage of imported books among the adopted ones.



- 6 It is important to note that there is a great percentage of books that were not possible to determine if they were out of print or not (20.7% in academic excellence scientific courses; 7.8% in commercially successful scientific courses; 17.8% in academic excellence Professional courses, and 21.2% in commercially successful professional courses). Since the method for determining if the book was in catalog or out of print was the consultation to Brazilian bookstore sites, it is probable that a part of these books be also out of print, being so old that they are not even found in the sites – another hypothesis is that some of these books were launched by very small or specialized publishers which do not have their titles available in large bookstores.
- 7 A resolution from University of São Paulo pleaded that the entire copy of imported books (and also from out-of-print books) was legal since, in the absence of a national copy, reprography did not cause commercial damage to the copyright holders.

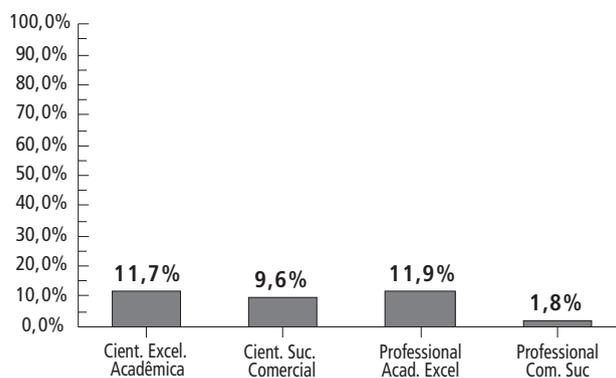
**Graph 7:** Percentage of out-of-print books (among those published in Brazil).

Research also showed a surprising percentage of books published by public publishers in almost all the groups, excluding those in professional courses from commercially successful institutions (on which only 2% of the books adopted are published by public publishers). In courses with the other profiles, however, the percentage of books published by public university publishers ranged close to 11% (or 13% if considering the co-publishing with private publishers). Research has also shown that foreign authors (foreign books translated or adopted directly in the imported issue) have strong presence in the bibliography, being responsible for 33.8% (commercially successful professional courses) to 64.5% (in excellence scientific courses) of the books.

**Graph 8:** Percentage of foreign authors among the adopted books.

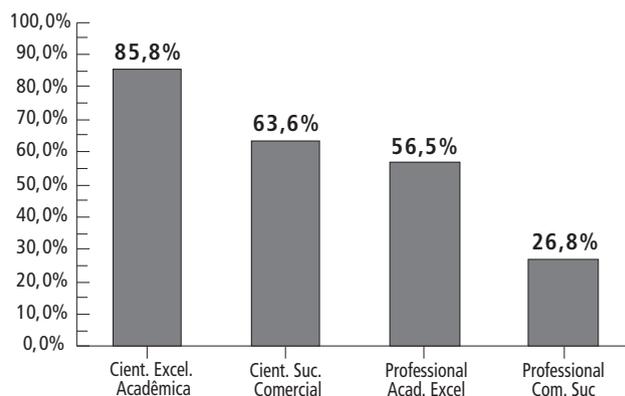
Finally, the estimate points to a surprising amount of books produced by authors working in public institutions in an exclusive or full-time dedication regimen, both as professors and as researchers. This means that the books were originally published while the authors worked full-time for a public institution, being therefore direct products of public investment in research and teaching. There is also a part, not accounted for in this research, of authors working in a part-time regimen in public institutions when the book was published, in which the public investment has also contributed, but in a partial manner. We have also discarded, due to the lack of data, the financing of research by public agencies (such as CNPq and FAPESP) to researchers working in private institutions. Even with this strict understanding, our estimate shows that in the scientific area in the academic excellence courses, surprising 86% of books whose authors act in Brazil, are fruit of direct public investment, and even among the professional courses in commercially successful institutions, approximately a quarter of these books were written by researchers and professors working full time in public institutions.<sup>8</sup>

**Graph 9:** Percentage of adopted books launched by public publishers (among books published in Brazil).



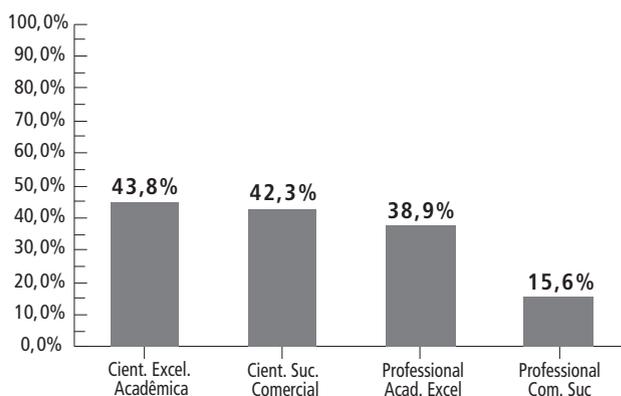
- 8 We have also found a significant percentage of authors whose connection to public institutions could not be determined (11% in academic excellence scientific courses; 14.3% in commercially successful scientific courses; 17% in academic excellence professional courses, and 27.1% in commercially successful professional courses). The main source of information to establish this connection (although not the only one) was the lattes curriculum. Our hypothesis is that there are fundamentally two reasons for the high number of undetermined cases: old authors whose information on working situation at the time of the publication of the book is not readily available and authors (mainly in professional areas) whose information on institutional connections, although recent, is not available in the curriculum.

**Graph 10:** Percentage of adopted books whose authors are full-time dedicated in public institutions (among the books from authors acting in Brazil).



The summing of the two last cases – authors in full-time dedication in public institutions and public publishers – in relation to the group of technical-scientific books adopted shows the full reach of a policy aiming to establish the access to knowledge financed with public resources. Again, with the exception of those books adopted in professional courses from commercially successful institutions, we have estimated that from 39% to 44% of the technical-scientific books are direct fruit of public investment by means of financing the author or the publisher (discarding indirect investments: researchers in partial regimen, public subsidy to research in private institutions and co-publishing with private publishers).

**Graph 11:** Percentage of books published with direct public financing (public publisher or author in public institution).





# 5

## Public and private investments in the publishing of theses and dissertations

As mentioned above, public subsidy is not only in the production of content for technical-scientific books by means of professor salaries, but also of the researchers who prepare theses and dissertations – in doctorate level, but also in master's, and more recently, in post-doctorate level.

The tables below estimate the cost of content production for books from master's dissertations and doctorate's theses. They use the cost-student at University of Sao Paulo as a parameter (responsible for approximately 25% of the Brazilian scientific production) and the support of FAPESP, main financing agency in the state.

**Table 5:** Public investment for the production of a master's dissertation USP/FAPESP.

Cost post-graduation student/year (R\$ 15,576.51) in 3 years <sup>9</sup>	R\$ 46.729,53
Master's degree scholarship Fapesp year I (R\$ 1,164.00)	R\$ 13.968,00
Master's degree scholarship Fapesp year II (R\$ 1,236.00)	R\$ 14.832,00
Technical reserve Fapesp (10% of the scholarship value)	R\$ 2.880,00
<b>Total public investment for the production of content</b>	<b>R\$ 78.409,53</b>

Source: USP Budget 2005; FAPESP 2007

<sup>9</sup> Although FAPESP only grants scholarships for 2 years for master's degree students and 3 for doctorate students, in the estimate cost-student we have included the much more common periods of 3 years for master's and 4 years for doctorate.

**Table 6:** Public investment for the production of a doctorate's thesis USP/FAPESP.

Cost post-graduation student/year (R\$ 15,576.51) in 3 years <sup>9</sup>	R\$ 62.360,04
Doctorate degree scholarship Fapesp year I (R\$ 1,716.00)	R\$ 20.592,00
Doctorate degree scholarship Fapesp year II (R\$ 2,124.00)	R\$ 50.976,00
Technical reserve Fapesp (30% of the scholarship value)	R\$ 21.470,00
<b>Total public investment for the production of content</b>	<b>R\$ 155.344,04</b>

Source: USP Budget 2005; FAPESP 2007

Below, we can compare this public investment on the production of content, with the publishing and manufacturing costs of private publishers launching the thesis or dissertation in the form of books. These costs are the private investment made for the production of the book. For this estimate, we have used the print run and the average selling price of technical-scientific books according to the Brazilian Book Chamber (CBL, 2007). After this, we have estimated the private investment, as well as the copyright transferred to the authors and the profit of the publisher according to a BNDES model on the book market, which incorporates a widely used formula in the publishing area (Earp & Kornis, 2005).

**Table 7:** Private investment for the publication of a thesis.  
*1.800 copies at R\$ 38.00 selling price*

Copyrights (10%)	R\$ 6.840,00
Publisher's profit	R\$ 10.260,00
<b>Private publisher investment (publishing and manufacturing costs)</b>	<b>R\$ 17.100,00</b>

Source: Earp & Kornis, 2005

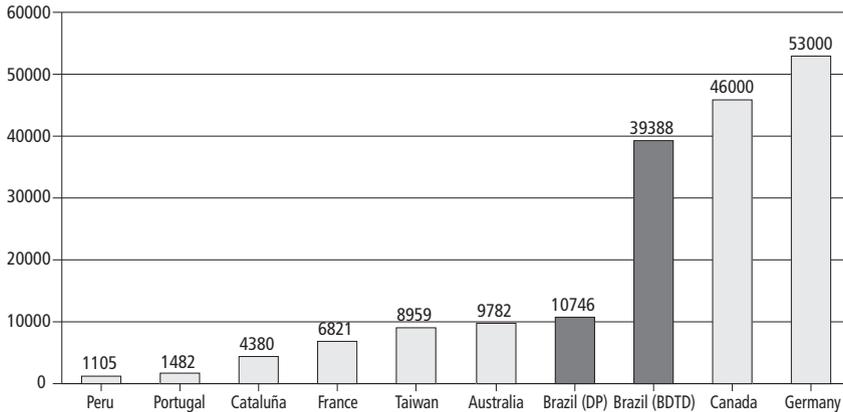
This estimate shows that the private investment of the publisher for publication is very disproportionate to public investment for the generation of content. Notwithstanding, in the establishment of the copyright assignment contract, the private publisher holds the intellectual property and establishes a potential policy of access to the work (for example, allowing or not the copy of sections for didactic purposes).

The table below shows how the public and private investments are proportionally distributed in relation to the total investment needed.

**Table 8:** Percentage of public and private investment in relation to total production cost of a book from a dissertation or thesis.

	<b>Master's dissertation</b>	<b>Doctorate thesis</b>
Private investment (publishing and manufacturing costs)	<b>17,9%</b> (R\$ 17.100,00)	<b>9,9%</b> (R\$ 17.100,00)
Public investment (thesis production cost)	<b>82,1%</b> (R\$ 78.409,53)	<b>90,1%</b> (R\$ 155.344,04)

A new directive by CAPES from February, 2006 (directive 13/2006) has established the obligatoriness of promoting theses and dissertations defended in Brazil and allows that the problem of access to contents be solved in relation to new theses and dissertations. This law will make Brazil have the largest base of theses and dissertations available online in the whole world. Despite this, the Brazilian system is not integrated, with some institutions adopting the international standards promoted by the Brazilian Institution of Science and Technology Information (IBICT) from the Ministry of Science and Technology and publishing in the Digital Thesis and Dissertation Library, and other institutions making their theses available by the portal Public Domain from the Ministry of Education. The graph below shows, with data from April, 2007, the dimension of the Brazilian thesis and dissertation banks in relation to some foreign ones.

**Graph 12:** Number of theses and dissertations in selected repositories.*Reference: April, 2007*

Source: Cybertesis from Peru; Dissertation and Thesis Deposit from Portugal; Tesis Doctorales en Xarxa from Cataluña; Thèses en Ligne from France; Electronic Theses and Dissertation System from Taiwan; Digital Theses Program from Australia; Public Domain from Brazil; Digital Thesis and Dissertation Library also from Brazil, Theses Canada; National Library from Germany.

Although data above show a promising situation for the access to scientific knowledge fruit of theses and dissertations, there is still the problem of theses and dissertations produced with public resources before the CAPES directive being effective which are still unavailable to the Brazilian public.

# 6

## Cost and availability of books in 10 courses from University of Sao Paulo

We have gathered below the bibliography of the first year from 10 courses: Information Systems, Bachelor in Nature Sciences, Leisure and Tourism, Marketing, Textile and Clothing Technology, Environmental Management, Obstetrics, Gerontology, Physical Activity Sciences and Public Policy Management<sup>10</sup>.

In this gathering, we have estimated the cost of acquiring the bibliography required for the course and compared it to the family income of the students. The costs were estimated based on the average market price in online bookstores and the value of imported books was estimated based on the price (including freight) from the online bookstore Amazon. The family income of the students in the course is based on data collected by FUVEST.

Moreover, we have measured the amount of out-of-print books required in the subjects. It is necessary to note that, because they are out of print, the acquisition cost for these books (which reaches 1/3 of the bibliographic base) have not been added to the costs.

Data clearly shows that the purchasing of books used in the university (opposite to the reprographic copy of chapters) is not in the students reach. In all courses, for more than 3/4 of the students, the annual cost for purchasing books is closer to the total monthly family income, or is even more than it. Data also contradicts a frequent recommendation from the publishers that the university libraries should take on the

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10 Some of these data were gathered with the help of students from the discipline "Digital culture and free culture" lectured in the Arts, Sciences and Humanities School at the University of Sao Paulo in 2007.

burden for the financial incapacity of the students. As the expenses for material acquisition is far from the purchasing capacity of the students families, the libraries would not have enough budget to meet the entire demand.

**Table 9:** Cost for the acquisition of books listed in the mandatory bibliography and family income of the students.

Course	Cost of acquiring books per year	Students with monthly family income lower than R\$ 5,000.00
Information Systems	R\$ 3.915,58	90,6%
Ba. Nature Sciences	R\$ 3.640,90	91,3%
Leisure and Tourism	R\$ 4.572,90	81,3%
Marketing	R\$ 4.242,51	76,1%
Textile and Clothing Tech.	R\$ 4.164,79	79,5%
Environmental Management	R\$ 5.212,69	84,1%
Obstetrics	R\$ 5.810,46	86,7%
Gerontology	R\$ 4.417,19	91,2%
Physical Activity Sciences	R\$ 3.344,75	88,3%
Public Policy Management	R\$ 5.243,02	78,1%

**Table 10:** Out-of-print books listed in the mandatory bibliography of courses.

Course	Percentage of out-of-print
Information Systems	11,76%
Ba. Nature Sciences	35,71%
Leisure and Tourism	9,3%
Marketing	4,55%
Textile and Clothing Tech.	35,48%
Environmental Management	27,78%
Obstetrics	40,5%
Gerontology	41,67%
Physical Activity Sciences	51,02%
Public Policy Management	17,24%

# 7

## Public financing and copyright policies from Brazilian university publishers

Our research on technical-scientific books have estimated an elevated participation of public university publishers in this market (in the scientific subjects contributing something between 13% and 20% of the market), which justified further investigation into the sector.

The University Publisher Association (ABEU) currently has 113 publishers as members. Until this moment, there only was a more systematic investigation on the sector (Marques Neto, 2003) conducted in 2001. This study updates some of the data collected in that investigation and gathers others, once that our focus is to evaluate the public financing of these publishers.

We have conducted a survey with 33 from the main university publishers in the country. This sample is smaller than the 2001 study, both in absolute and relative numbers (since there was an increase in the number of publishers) and the publisher profile is different, since our sample is concentrated in public publishers. The aim of the research was to gather data in order to evaluate public financing and policies related to copyright adopted by the university publisher. Data were collected during the ABEU meeting taking place in Florianópolis in May, 2007.

We have considered the sample as significant, not only for including 29% of the universe, but also for the fact that the publishers present in the meeting are considered the most active and important in the national university publishing market. Below, we have listed the institutions to which the interviewed publishers are related: Table 11: Editoras que compõem a amostra pesquisada

Publisher	University
Editora UNESP	State University of Sao Paulo
Edusp	University of Sao Paulo
Editora UnB	University of Brasilia
Editora UFRGS	Federal University of Rio Grande do Sul
Editora Universitária UFPE	Federal University of Pernambuco
Edufba	Federal University of Bahia
Edufscar	Federal University of São Carlos
Eduerj	State University of Rio de Janeiro
Editora UPF	University of Passo Fundo
Editora UFPR	Federal University of Parana
Edufpa	Federal University of Para
Editora da UFSM	Federal University of Santa Maria
Editora UFLA	Federal University of Lavras
Editora Univille	University from the Joinville Region
Editora Unijuí	University of the Northwest Region of the Rio Grande do Sul State
Eduel	State University of Londrina
Editora da UECE	State University of Ceara

Publisher	University
EAM	University Anhembi-Morumbi
Editora Fiocruz	Oswaldo Cruz Foundation
Editora UFRO	Federal University of Rondonia
Editora da UFRR	Federal University of Roraima
Editora da UFT	Federal University of Tocantins
Editora da UFMT	Federal University of Mato Grosso
Editora UEMS	State University of Mato Grosso do Sul
Edições UESB	State University of Southwest Bahia
Editora Univali	University of Vale do Itajaí
Editora UFES	Federal University of Espirito Santo
Educsc	University Sagrado Coração
Editora da UCB	Catholic University of Brasilia
Eduerp	State University of Paraíba
Editora UEPG	State University of Ponta Grossa
Eduff	Federal University Fluminense
Editora UNISO	University of Sorocaba

Among other pieces of information, the research surveyed the collection of each publisher, the number of books in catalog, number of books out-of-print, the copyright policy and the remuneration of authors, the annual resources received from the university, their legal bylaws, and the number of employees.

The position of the publishers in relation to making out-of-print works available in electronic form, the possibility of open/free access to content, the availability of work resulting from research made by the university itself and the reprographic practice of book were also surveyed. In relation to publisher financing, book production costs, subsidy participation in the total expenses of the publisher, the average participation of sales turnover in the production cost and how subsidies were received from public institutions (such as taxes, rent, water, power, employee paycheck, transport services, telecommunications, expenses in participation in events, post-office, marketing and others), were also surveyed.

From these 33 publishers, although their legal bylaws were very varied (foundations, autarchies, or university agencies), 28 were connected to universities or public organisms (municipal, state or federal universities, foundations or public agencies) and five were connected to private or community universities. It is worth noticing that our sample substantially differs from the one in Marques Neto 2001 study, in which only 50% of the publishers were public (40% private and 10% communitarian). In part, this variation can be explained by the appearance of new university publishers in recent years, and in part, by the greater participation of public universities in category events.

One of the barriers to analyze the sector is the difficulty in obtaining accountancy data for a financial analysis, once the greater part of publishers are inside the universities, depending on them for the acquisition of goods and services, generally not quantified, such as workforce, rent, transport services, telecommunications, water and electricity supply, among others, as we can see further in this study. Some of them are not even registered in the National Corporate Taxpayer Registry (CNPJ), issuing receipts in the name of the university hosting it. There are cases in which the income generated with the sales of books is directly sent to the university accountancy, being the publisher almost a "brand" for the advertising of scientific production for the university.

There is great difference relating to the size of collections. Almost a third of publishers have a maximum of 100 titles in catalog and in recent years there have been new publishers which do not have more than 50 books published. In order to define categories for the analysis and obtain a parameter on the level of recent activity from the publishers – once the size of its catalog is not a reliable indicator of the activity

level -, we have multiplied the number of launching, re-editions, and re-printing of books in the last year by the average print run. We have obtained, therefore, an activity indicator giving a better dimension of the production level in the sector.

The establishing of an activity indicator has allowed us to gather the publishers into three groups. This distribution has enabled us to satisfactorily overcome the barrier of the great diversity in the sector in order to obtain tendency indicators based on quantitative data.

**Table 12:** Publishers grouped by production activity indicator.

Reference year: 2006

Groups	Group 1 Less active/Small (up to 10 thousand books printed)	Group 2 Medium (from 10- 30 thousand books printed)	Group 3 Very active/ "big" (more than 30 thousand printed)
Publishers	Ed. da UFRR, Ed. UEMS, Ed. Univille, Ed. Univali, Eduff, Eduep, Uesb, Ed. Uniso, Edufro, Universa, Ed. da UFT	EDUSC, Edufba, Ed. Edufscar, Edufpa, Ed. da UFSM, Ed. UFAL, Ed. da UEPG, UFES, EDUECE, Unijui, Eduel, EAM, Ed. da UFPR <sup>11</sup>	Edusp, Ed. da Unesp, Ed. UnB, Ed. UFRGS, Ed. FioCruz, Eduerj, Ed. Univ. UFPE, Ed. da UFMT, Ed. UPF
Production in 2006	less than 10 thousand copies	from 10 thousand to 30 thousand copies	> than 30 thousand copies
N. of publishers in group	11	13	9
% from total publishers	33%	39%	27%
Average titles launched in 2006	9,2 (*)	23,2 (**)	47,8
Re-publishing and re-printing in 2006	1,0 (*)	6,4	13,4
Average print run	530 (*)	814	1183
Collection in catalog (average)	80,1 (*)	484,3	695.5
Average % of out-of-print titles	18,2 (*)	22,4	32,6
Average number of employees <sup>12</sup>	8,7 (*)	11,1	32,0

(\*) Excluding UNISO and EdUFT which are starting their activities.

(\*\*) Not including UFPR.

11 Publisher did not inform collection and average print run. The inclusion in group 2 was made by estimate, considering information from active catalog available from the publisher's site.

12 Including trainees.

It is necessary to mention that there is great difference in the production volume among the publishers surveyed. In group 3, the two largest publishers presented production greater than 150 thousand copies in 2006.

The average number of launching yearly by publisher, considering the year 2006, was of 27 titles and 6 re-publishing. Several publishers used the "on demand" system to publish, which has considerably lowered the print run sizes of most recent publishing.

Typical remuneration given to the author is 10% (in 72% of publishers), increasing in the case of re-publishing or according to sales level, and even being given in books. Each publisher has its own policy, and in general, individual negotiation is made in each case. Copyright policies are so varied that it was not possible to detect a specific pattern. There is a tendency that the copyright be made for a single publishing in the case of national authors.

The average of financial resources received from universities or foundations to which they are connected was of R\$ 88,428.57. The average staff, including trainees, is of 23 people.

**Table 13:** Percentage of publishers receiving direct subsidy by group.

*Reference year: 2006*

	Receive		Not Receive		Not answered	
	%	n	%	n	%	n
<b>Group 1 (small)</b>	100	11	0	0	0	0
<b>Group 2 (medium)</b>	69	9	23	3	8	1
<b>Group 3 (large)</b>	44	4	44	4	11	1

**Table 14:** Average direct subsidy received by publisher, per group.

*In thousand reais*

*Reference year: 2006*

	Group average	Respondents
<b>Group 1 (small)</b>	81,75	8
<b>Group 2 (medium)</b>	78,57	7
<b>Group 3 (large)</b>	413,05	4

(\*) 5 publishers could not quantify in reais.

All those interviewed have declared that the publisher receives some other kind of indirect help as well as direct financial help. A total of 10 items were exemplified in order to evaluate the kinds of indirect subsidy received, such as: taxes, rent, water, electricity, employee paycheck, transport services, telecommunications, expenses for the participation in events, post-office, and marketing. The interviewee could also include any other subsidized item. From the sample, 91% have at least 8 of these costs paid by the institution it is associated to, being that 55% have all ten items subsidized. The average annual subsidy in the global estimate in the publisher expenses according to data supplied by the interviewees was of 66%.

**Table 15:** Publishers receiving indirect subsidies from the institution they are connected to, per group.

Reference year: 2006

	Group 1		Group 2				Group 3				General Average					
	Receive		Not Receive		Receive		Not Receive		Receive		Not Receive		Receive		Not Receive	
	%	n	%	n	%	n	%	n	%	n	%	n	%	n	%	n
1. taxes	91	10	9	1	85	11	15	2	89	8	11	1	88	29	12	4
2. rent	91	10	9	1	92	12	8	1	100	9	0	0	94	31	6	2
3. water	100	11	0	0	92	12	8	1	89	8	11	1	94	31	6	2
4. electricity	100	11	0	0	92	12	8	1	89	8	11	1	94	31	6	2
5. employee paycheck	100	11	0	0	92	12	8	1	78	7	22	2	91	30	9	3
6. transport services	91	10	9	1	85	11	15	2	89	8	11	1	88	29	12	4
7. tele-communications	100	11	0	0	85	11	15	2	78	7	22	2	88	29	12	4
8. participations in events	100	11	0	0	85	11	15	2	78	7	22	2	88	29	12	4
9. post-office	91	10	9	1	85	11	15	2	78	7	22	2	85	28	15	5
10. marketing	73	8	27	3	69	9	31	4	67	6	33	3	70	23	30	10

**Table 16:** Average percentage of items with indirect subsidy per publisher group.  
Reference year: 2006

	Group average (%)
Group 1 (small)	92,8
Group 2 (medium)	86,2
Group 3 (large)	83,3

**Table 17:** Distribution of publishers according to direct annual subsidy.  
Reference year: 2006

	yes		no		not know	
	%	n	%	n	%	n
Receive indirect subsidy	94%	31	6%	2	-	-
Receive direct subsidy	73%	24	21%	7	6%	2
Only own resources	3%	1	97%	32	-	-

The research also tried to evaluate how publishers see the issues of access to knowledge. When asked if the out-of-print works could be made available in digital format or on demand, 85% answered they agree with it. As this was a “quali-quantit” research, it was possible to find out the different perception levels of authors in relation to each item. In this case, 45% completely agreed, whilst 42% had some reservations. Approximately 77% of the respondents agreed that the access to such books could be free or open.

**Table 18:** Distribution of support to access and digitalization of out-of-print and/or scientific works.

	yes		no		no know/ not answered	
	%	n	%	n	%	n
Out-of-print works can be made available online or on demand?	85%	28	6%	2	9%	3
Could the access to these works be free?	77%	25	18%	6	6%	2
Could works fruit of research in the university be made available free?	53%	18	32%	10	15%	5
Do you support the digitalization of out-of-print books?	71%	23	18%	6	12%	4

On the possibility of making available works resulting from university research, 53% declared to agree with it, 32% declared being against and other 15% did not have an opinion about it. In relation to the digital availability of out-of-print works, 85% declared in favor, whilst 77% declared that this access should be free. Digitalization of out-of-print books also had expressive support from the publishers (71%), according to the table below.

**Table 19: Opinion on what should be the limit for copying books.**

No restrictions Whole book / no limits		Law must be more permissive (case of out-of-print books, digital access / or allow copy with charge)		According to current law (up to 10% or 1 chapter)		Restriction must be greater or total		The author must decide		Not know / not answered	
%	n	%	n	%	n	%	n	%	n	%	n
24%	8	30%	9	21%	7	12%	4	6%	2	9%	3

The position of publishers in relation to copying books was very diverse. A total of 21% defended it must be allowed according to the current law, which allows “small sections”. Publishers, in most of the answers, have interpreted this limit as being 10% of the book or one chapter. Other 24% stated that there should not be restrictions for copying. For 30%, the law should be more permissive, allowing copies for out-of-print works, digital access or larger portions from the work. Defending a greater or total restriction for copying were 12% of the interviewees.

Considering that 54% of publishers understand that the law should be more permissive or that there should not be any restriction to the copying of books, and that other 21% understand that the limit of the law refers to “10%” or “one chapter”, the public position of ABDR, discussed above, seems to not reflect this segment of the publishing sector.

# 8

## Policy recommendations

This brief analysis of the technical-scientific market enabled us to evaluate the degree in which public resources contribute to the sector, being by means of tax immunity and non-incidence of contributions, or by direct financing in the production of content, with the payment of scientists or scholarships in full-time dedication, or by the financing of public university publishers.

As seen above, the book sector does not collect tributes (ICMS, IPI, ISS) or contributions (PIS/PASEP and COFINS). We have estimated this public subsidy to the book sector in 978 million reais for the year 2006 or 34% of the entire turnover of the sector. This value is much higher than the annual budget of the Ministry of Culture.

The public that supplies this subsidy, so important for the development of culture and sciences, does not receive, however, any consideration on behalf of the publishers. The publishing industry, on the contrary, has made great efforts to restrict public access to contents they hold copyrights. The actions undertaken by ABDR in recent years are the best example of this. Therefore, it seems that it is the responsibility of the public power to create legal landmarks ensuring that this public subsidy to the sector guarantees access to content, in particular, to didactic and scientific purposes. Public debates currently being held by the Ministry of Culture aiming to review the copyright law are an excellent opportunity for inserting such legal landmark.

Some recommendations for the reviewing of the copyright law:

- **Limitations of the copyright law must preview the whole copy for non-commercial purposes or, at least, for didactic and scientific purposes.** The exceptionality of didactic and scientific purposes is not derived solely from the social importance of these activities, but also from the fact that the public sector has historically supplied, without demanding anything in return, great part of the contents for the private publishing sector. Public contribution for the generation of content in the form of salaries to research-

chers with full-time dedication can reach up to 86% of books from authors working in scientific areas in Brazil.

- **Limitations must also preview the entire copy of out-of-print titles.** In our survey, despite the variation in the type of course and profile of institutions, approximately 30% of the books adopted in higher education courses were out-of-print. This means that, in the absence of specific limitations, the students do not have legal access to surprising 30% of their bibliographic base. As these titles are not available in the market, there should not be restrictions to copying. It is necessary to mention that in our survey, 77% of the university publishers considered that the access to out-of-print works could be free.
- In the absence of a norm allowing the entire copy of books for non-commercial purposes, it would be convenient that **there were a specific limitation for copying imported books** that, due to costs, are much more expensive than national ones. In our survey, they can reach up to 30% of the bibliographic base in scientific courses from academic excellence institutions.

In relation to public universities and other public scientific institutions, we recommend the following policies:

- **That it should be defined in the working contract with researchers that books resulting from research developed in the institution be published with licenses allowing the full reproduction for didactic and scientific purposes without profit intention.** This is justified by the fact that the costs for the production of content (which have public origin) are at least nine-fold greater than the private investment made by private publishers, for theses and dissertations, and can be even greater in the case of professors and researchers. The objection that such a policy would discourage publishers from publishing books by university authors is contested by the fact that publishers strongly depend on contents provided by public universities. In the technical-scientific book sector, our estimate indicates that more than half of the Brazilian contents (in some areas, reaching up to 86%) are produced by authors connected to public universities, in a way that there is greater dependency of publishers in relation to public universities than the opposite. Furthermore, among university publishers themselves, the majori-

ty (54%) understands that the law should be more permissive or that there should not be any restriction to the copying of books.

- Regarding university publishers, our research has indicated that they are heavily subsidized by public universities to which they are connected (only 3% are sustainable using their own resources). They are so institutionally connected to the universities that it is virtually impossible to quantify the degree of subsidy that, by the indicators we found, seem to be, nevertheless, very high. Therefore, **since these publishers are subsidized with public resources and are already operation in great measure outside of the market, we recommend they also adopt license policies allowing the free access to their contents for didactic and scientific purposes, without aiming profit.**

As well as the fact that contents and publishers have strong public subsidy, there is also the objective fact that the cost for acquisition of books needed for the courses are frequently not within the reach of the students. A small survey conducted in 10 courses from University of Sao Paulo has shown that the purchase of all the books for a year would compromise the monthly family income of 90% of the students. Therefore, the demand for purchasing all the books required for the courses is not realistic. The comparison between the increase in university population and the variation on book production also suggest that the new students from lower income entering the system are not buying books.

The public nature of the financing for scientific production in Brazil needs to be acknowledged by authorities and be incorporated into the management of teaching and research institutions and university publishers, as well as in the process or reviewing the copyright law. The public who finances the scientific production and subsidizes its publication must not be deprived from access to contents.



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