



## **E2 “Digital education for Enhanced Editorial products”**

### **WP5 Research & Didactics**

**National Research Report**

**Lithuania**

**by Lithuanian Publishers  
Association**

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### **Introductory Comments and Layout of National Research report:**

The purpose of this document is to provide E2 partners with a template for undertaking the country specific component of WP5 Literature review report. The individual country literature review and analysis will feed into the overarching literature review (E2 Research Report) being produced/ edited/coordinated by UNIMI. This document provide a list of research questions, analysis guidelines and layout instructions. Adherence with these guidelines will help UNIMI to effectively identify shared practice/concern and areas of divergent practice/concern from each of the partner countries.

1. Each partner (except for Italy partners, that both have to integrate their data into one report) has to develop a National Report based on a documentary research about current practices and publishing contexts relating to the use of innovative digital editorial products and the “enhanced editor” profile. Each partner will process its own data coming from the documentary research (a minimum of 10 references). The focus of each National Report will be state of art in each country with one or two examples of leading international research and practice relating to digital editorial field.
2. Each country Research report should have about 10-15 pages and should be structured as follows:
  - **Table of Contents**
  - **Executive Summary** (maximum 1 page)
  - **Country traditional/digital publishing context and background** (1-3 page)
  - **National analysis of best practices in digital publishing field** through critical analysis of literature found. Referenced critical analysis peppered with quotes as opposed to detail coverage of individual papers is preferred (length will depend on materials found).
  - **International analysis:** 1 or 2 examples of leading international research and practices related to e-publishing (1 page)
  - **Reflections and Conclusions** (2-3 pages) on: key points/issues uncovered by review and how they pertain to your country; strengths and gaps pertaining to your country; prioritisation of issues/gaps for your country and the “enhanced editor” profile and vocational skills at national level.
  - **References & Bibliography** - using Harvard Style referencing (see example)

The national research reports should be submitted in **proper English** to UNIMI in Microsoft Word by **30/04/12**. The individual country reports will then be edited to form part of the overall E2 Research Report (deliverable n. 22). It would be useful if partners could supply a draft of this by the **mid of April** as it will help UNIMI in the design of the field research (questionnaire).



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## Tables of Contents

Executive Summary.....	4
1. Context and background .....	5
2. National analysis of best practices related to e-publishing.....	15
3. International analysis of best practices related to e-publishing.....	17
4. Reflections and Conclusions .....	18
5. References & Bibliography .....	19



## Executive Summary

In this section you should make a brief summary of all the report in a maximum one page.

The aim of this research is to represent the publishing situation in Lithuania from its roots to nowadays. Publishing in Lithuania over the years of independence has undergone the same developments as its counterparts in Eastern Europe – the deterioration of the old structure of publishing, the formation of a new one, incredible growth in early 1990s, a decline in the middle 1990s, and a new revival. Despite the difficulties related to the small market, and the challenges it has posed, Lithuanian publishers have proved their ability to find their place under the conditions of the market economy and make a substantial contribution to the development of the economy, education and culture in Lithuania.

Despite the fact, that Lithuanian publishing is quite innovative and dynamic business, e-publishing is just starting. The main reasons are 1) piracy of e-content, as it is a crucial factor for small language countries book market development; 2) there is no legal regulation for e-book function as a book, so standard VAT of 21% is applied (lower VAT of 9% is applied for paper books); there is no regulation for e-book legal deposit to national bibliography database. As well, there is no habit for readers to use e-tools to read a book and to buy e-content through internet distribution channels. As a result, there are only several hundred e-books in Lithuania. The publishers say that e-publishing has some advantages in comprehensive with traditional publishing: books' cost price is lower as there are no expenses for paper, binding, transportation and distributing. However, they also see disadvantages: piracy, illegal distribution.

So the vast majority of small Lithuanian publishers need knowledge how to create and design e-book. What is more, it is necessary to provide them an information (principles and methods) how to distribute and how to advertise e-books. And finally, very important is a piracy prevention.



## 1. Context and background

The rationale behind the development of this national report in the specific country.

Describe your country traditional/digital publishing context and background.

A qualitative and quantitative complete description should specify:

- number and dimension of publishing houses;
- size distribution (small, medium, large);
- numbers of employees;
- numbers of books published (new and reprinted);
- sales;
- characteristics of distribution (how many dealers are there?, are they linked or to publishing houses?);
- distribution channels (are they operating on line?);
- data on e-book production and distribution;
- promotion and marketing strategies.

### THE PROSPECT OF LITHUANIAN PUBLISHING

#### Publishing Roots in Lithuania

The first Lithuanian texts appeared in the 15<sup>th</sup> century. At that period manuscripts in Polish, Latin and Russian had been copying as well.

In 1522 Pranciškus Skorina founded first printing house in the Grand Duchy of Lithuania and caused the ability of local printing. In the 16<sup>th</sup> century there had been published around 500 books and about 10 times more in the 17<sup>th</sup> century. However, Lithuanian language had been using only for the religious education of the lower strata of society as the aristocracy preferred Polish.

The first Lithuanian book – a catechism prepared by Martynas Mažvydas – was published in East Prussia in 1547. The first Lithuanian book was printed in the Grand Duchy about 40 years later.

18<sup>th</sup> century changed the evolution of Lithuanian publishing as the Grand Duchy was occupied by Russia. The main factor that made difficult conditions for publishing was a censorship that grew up to a ban on printing in the Latin alphabet for 40 years (1864–1904). Publishing centers emerged in the East Prussia and the USA for that period and were clandestinely brought into Lithuania.

The decade before the World War I was successful for publishing as the number of printing houses doubled and emerged first Lithuanian printers and publishing companies. Around 3.000 titles were published before the War started. Some year later Lithuanian publishing went through German occupation and Polish occupation of capital Vilnius. Printing centre moved to Kaunas and Lithuanian publishing output reflected the full spectrum of themes, genres and types for the first time. Around 30 thousand titles were published in two decades.



In 1940 free publishing had to seek abroad as to Soviet occupation and nationalization of printing houses. Up to 1990 years around 6000 titles were published in exile. 37-volume Lithuanian Encyclopedia was one of them.

Even though Lithuanian publishing was under the censorship of USSR for 5 decades, the number of new titles yearly kept growing and reached 2.800 in the 1980s. The copies of one book reached 37 thousands. Design and printing quality also improved.

### **Recent Book Publishing Development**

The changes were facilitated and speeded up by the rapid changes in political and social life, the easing of censorship, the amendment of laws related to publishing and by the restoration of Lithuania's independence that also caused the transition to a market economy.

Publishing became one of the most profitable industries. In the early 90's the profit could seek up to 300 per cent. 1990–1992 years can even be called Golden Age in publishing, as it was possible to sell several hundred thousand copies of one book. The number of new publishers increased rapidly and in 1992 reached 500 publishers that had published at least one book, booklet or brochure per year (in 1990 it was only 71). The growth stopped due to the crisis in Russia. The number normalized until 2009 (547 publishers), but started to drop in 2010 (442). But only 17 per cent of publishers continuously develop the publishing market and are stable book publishers.

In 1993 the situation became particularly difficult as Lithuania introduced its own national currency, reduced inflation and books became a luxury product. Publishing stopped being a profitable business. Competition became very stiff and attempts at the re-orientation of publishing business, improving market research and increasing the share of popular literature, has failed. In search for a way out, publishers tried measures for increasing the scope of production or specialization. But the tactics did not help.

By around 1998 the local publishing market stabilized and was saturated. The Russian Financial crisis dealt a painful blow to the Russia-orientated Lithuanian economy. By 1999 book sales dropped by one third. Many publishers had their production piled up in bookshops or in warehouse. To invigorate sales, some publishers embarked on bookselling themselves while others tried to offer lower prices for their books.

The New Millennium came with recovering economy. Publishers started feeling the benefits, the turnovers of the biggest publishers started growing. Some publishers report that their turnover in 2004 grew by 10 per cent to 60 per cent compared with 2003.

Publishers tend to relate the recovery of publishing not to the economy, but rather to new methods of running their business. More attention was paid to bookselling and product quality.

A trend towards concentration among publishers was emerging. Lithuanian publishers mostly concentrate on the domestic market. A few publishers work for overseas markets. But publishers abroad are gradually discovering Lithuanian writers.

Until the middle 1990s the Press Department, under the Ministry of Justice, performed a certain regulatory function in the field of publishing. After it was liquidated, the entire financial and legal power went the state. Like in some other countries, Lithuania has no specific law on book publishing. The same laws governing business and media, as well as the same publishing standards, are applied.

Publishing in Lithuania over the years of independence has undergone the same developments as its counterparts in Eastern Europe – the deterioration of the old structure of publishing, the formation of a new one, incredible growth in early 1990s, a decline in the middle 1990s, and a new



revival. Despite the difficulties related to the small market, and the challenges it has posed, Lithuanian publishers have proved their ability to find their place under the conditions of the market economy and make a substantial contribution to the development of the economy, education and culture in the new Lithuania.

With no defined cultural policy, the support and assistance system for book publishing undergoes changes from time to time. Publishing is mostly supported through the Ministry of Culture and the Ministry of Education and Science. The main aim of state subsidies is to reduce prices for books and thus make books more affordable for individual buyers and libraries. The state also provides its support for publishing through the Culture Foundation and a variety of other special foundations and programmes.

### **Taxation**

Since 2003 a tax privilege of 5 per cent VAT has been applied to book publishing. However, 18 per cent VAT on printing, paper and typographic materials did not help to guarantee consumer friendly price. But this was just a trifle compeering to VAT reform in beginning of 2009. VAT rate on books was raised to 9 per cent and standard VAT rate went up to 19 per cent. There was an intention to apply to all sectors, as well books and drugs, a standard VAT rate and for reduced VAT rate the term until middle of the year was enforced. After long negotiation with Lithuanian government, book publishers achieved extension of this term to 31<sup>st</sup> of December 2010. It was clear that VAT increase on books will not have any economical effect, but there was strong position of the Government to have standard VAT rate in Lithuania. With great support of International Publishers Association and Federation of European Publishers, public and number of politicians, 9 per cent of VAT on books was left with no term from 2011. Standard VAT was raised to 21 per cent and is applied for book-toys, **e-books**, newspapers and printing industry.

As well during 2009, 2010 and 2011 the development of Lithuanian book publishing industry was influenced by drastic changes in publishing conditions. When the new tax system and financing policy of Lithuanian culture was implemented, as well small and medium business development funding programs were reduced, book publishing and printing houses faced development problems.

Publishing sector was influenced by these unfavorable factors:

- Global economic crisis;
- The increase of value-added tax rate for books from 5% to 9% in 2009 (second increase was planned in December 31st 2010 to apply standard 21% VAT rate);
- Taxing of authors' revenues by social and health insurance from 0% to 39.98% during 2009, 2010 and 2011; + 15% of income tax.
- Reduction of State funding for publishing;
- Reduction of government subsidies to form library funds (in 2010 – about 0.66 Lt per 1 citizen; in 2011 – about 1 Lt per 1 citizen). Average book price – 25 Lt;
- Reduction of "Scholar's basket" for textbooks;
- Suspension of National promotion program for small and medium business development.

The unfavorable factors influenced:

- Collapse of main Lithuanian book sellers (small publishing houses were left with no reliable book distribution alternative);



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- Bankrupt or reorganization of book sellers and small publishing houses;
  - Difficulties in settlements with authors and partners;
  - Employee lay offs (every 4<sup>th</sup> employee in publishing sector was laid off);
  - No opportunities for young specialists (students) to get engaged in publishing;
  - Decrease in purchase/sales of books;
  - Decrease in editions;
  - Decrease in variety of books;
  - PIRACY!

The results of these changes in book publishing, Lithuanian culture, education, economy and State image are not estimated.

Even though there is no statistic records on book publishing annual turnover, Lithuanian publishers refer to 200 mil Litas annual turnover for book and textbook publishing. The LLA survey shows, that comparing 2008 and 2010 (from the biggest publishing houses to the smallest):

- ✓ The turnover decreased from 11 per cent to 45 per cent;
- ✓ Amount of publications ready for publishing decreased about 40 per cent;
- ✓ Amount of publications ready for publishing but left for “better times” decreased from 22 per cent to 41 per cent;
- ✓ The number of copyright agreements decreased:
  - with authors from 15 per cent to 32 per cent;
  - with translators from 43 per cent to 57 per cent;
  - with designers from 40 per cent to 48 per cent;
  - with editors from 29 per cent to 47 per cent;
  - with other specialists (photographers, art editors, correctors, etc.) about 41 per cent.
- ✓ In 2010 was planned to publish from 10 per cent to 75 per cent less books;
- ✓ Priority for book to publish – funding of National Publishing Programs, sponsorships from foreign translations programs, sponsorships from other funds;
- ✓ Number of titles dropped from 4.580 (2008) to 3.972 (2009) and to 3.177 (2010);
- ✓ The average numbers of publications dropped from 1.600 copies to 1.200 copies during couple crisis years.
- ✓ In 2011 number of titles increased from 3.177 to 3.280.

In 2011 situation stabilized and though small but still increase is noticed in book production.

The Lisbon Strategy aims at boosting the EU’s competitiveness and employment through transition to a dynamic, knowledge-based economy with enhanced investments in education and training. A high rate of VAT on books, essential tools for education and the diffusion of knowledge is going in the opposite direction: hampering the book market by increasing prices and thus reducing cultural and educational consumption crucial to the development of the Knowledge Economy.

In 2009, when Vilnius was receiving a well deserved attention for being the European Capital of Culture, the planned changes in taxation were a contradiction, with very negative effects not only on the publishing industry but also on readership, and with it on the growth of knowledge and



culture, which should not fall victim to budget considerations that would have little positive effects in the short run and definitely strong negative ones in the long run.

Though government initiatives in support of the publishing sector and of cultural projects are certainly welcome, any shift towards a State-funded publishing sector, through subsidies or similar instruments, definitely endanger freedom of expression. It took centuries to set publishing and culture mostly free from the control of governments, and it should not go back.

### Outputs and Print Runs

A certain breakthrough took place in 1994 with 2.885 titles published. At the period of 2003–2008 it normalized and now is a bit more than 4.500 titles per year.

Print runs have also been fluctuating with the times. In 1991 it almost reached 35 mil and during the period of 2003–2007 it stabilized at around 8 mil.

The same applies to average print runs for books. It reached a peak in 1991, at 34.935 copies. Later it fell, and in 2002 stood at 1.670 copies. At 2005–2007 the average was 1.800 of copies. There was a drop to 1.600 in 2008, and influenced by financial crisis and raised taxes in 2009 and 2010 the average is still dropping to 1.200 and even to 900 of copies of original literature!

A book that sells around 3.000 copies in two months is considered a bestseller.

The only statistic data that shows development of publishing sector is collected by National library. Statistics show not only books, but booklets or brochures as well that are published not only by settled book publishers, but state institutions, individual publishers, various companies. Unfortunately, provided statistic data doesn't show the numbers of republished books (Table1).

Total amount of all new titles in 2010 is only 3.177 and is lowest rate of new published books in history of independent Lithuania. From 2008 during 2 years of crisis 31 per cent less new titles are published. The statistics of circulation is more negative: the total circulation of all new titles published in 2010 was almost 5 mil of copies and it is 33 per cent less than in 2008.

Table 1. Book Production 1999–2011

Year	Total titles	Per cent of previous year	Total copies in thousands	Per cent of previous year	Average no. copies/title
1999	4.097	99.7	12.970	96.5	3.1
2000	3.709	90.5	11.017	84.9	2.9
2001	4.402	118.7	10.131	91.9	2.3
2002	4.859	110.4	8.117	80.1	1.7
2003	4.559	93.8	8.822	108.7	1.9
2004	4.226	92.7	7.923	89.8	1.9
2005	4.223	99.9	7.760	97.9	1.8
2006	4.548	107.7	8.227	106.3	1.8
2007	4.567	100.4	8.035	102.4	1.8
2008	4.580	100.3	7.300	90.3	1.6
2009	3.972	86.7	6.105	83.63	1.3
2010	3.177	80	4.947	81	1.2
2011	3.280	103,3	4973,7	100,4	1,5

Source: Lietuvos spaudos statistika (1999, 2000,..., 2011).



Institutions and individual publishers that produced at least one book, booklet or brochure a year:

- 2006 – 484 publishers;
- 2007 – 455 publishers;
- 2008 - 477 publishers;
- 2009 – 547 publishers;
- 2010 – 442 publishers;
- 2011 – 440 publishers.

Every year until 2010 number of companies publishing books, booklets and brochure grew up. In 2009 almost 83 per cent of all publishers published 10 or fewer titles of books per year. Reduction stays and in 2011 as well.

It means that only 17 per cent of publishers continuously develop the publishing market and are stable book publishers.

### **Publishing Structure**

The publishing scene is characterized by the domination of the companies that emerged in the years of independence. In 2011 books and booklets were brought to customers by 440 publishers (2010 – 442; 2009 – 547), companies, institutions and individual publishers that **produced at least one book or brochure**. About 80 per cent of all publishers published 10 or fewer titles of books per year.

Publishing companies and publishers of state institutions, religious institutions, universities and others produce 2/3 of the annual output. 1/3 is produced from the state institutions, printers, publishers of periodicals, individuals and artistic institutions.

Most so called in statistics publishers produce 1 title per year and those that publish more than 100 titles are accepted as the major publishers.

Over the last few years a few large publishers have come to dominate market. In 2008 around 3 per cent of commercial publishers produced more than 80 titles per year: *Alma Littera* (407), *Šviesa* (256), *Vaga* (101), *Baltos lankos* (83), *Versus Aureus* (82) and *Tyto Alba* (81).

The data of 2010 shows the results of crisis and raised taxes: *Alma Littera* (295), *Šviesa* (206), *Vaga* (77), *Baltos lankos* (111), *Versus Aureus* (85) and *Tyto Alba* (76). Only couple of main Lithuanian publishing houses published more new books. Similar situation was also in 2011 - *Alma Littera* (333), *Šviesa* (219), *Vaga* (49), *Baltos lankos* (97), *Versus Aureus* (45) and *Tyto Alba* (70). All of them except *Versus Aureus* are members of Lithuanian Publishers Association. Most of dominant publishers have their own book selling system.

Privately owned, general publishing houses with small staffs dominate. The average is 7 full time employees and the largest publishers employ 15 to 40 people. The practice of contracting freelance editors and other specialists is widespread. In total, around 3.000 people are employed in publishing.

The big cities, especially Vilnius, have the greatest concentration of publishing companies. Some publishers operating in the periphery focus primarily on religion needs and works by local authors. By comparison, in Lithuania 1.200 books are published per one million inhabitants, in the Czech Republic 1.100, in Hungary over 1.000 and in Poland about 700.

Publishers' interests are represented by the *Lithuanian Publishers Association* (Lietuvos Leidėjų Asociacija, LPA), which is a member of the *European and International Publishers Associations*. In



2005 the *Lithuanian Academic Publishers Association* (Lietuvos Akademinių Leidyklų Asociacija, LALA) was founded, to represent the publishing companies of educational institutions.

### Repertory

The ethnic profile of Lithuania affects the publishing business as well. Books published in the Lithuanian language constituted 80.6 per cent in the early 1990s. Later on, this figure grew to reach 86 per cent in 2008. It stays similar to recent years.

The remainder is published in English, Russian, Polish, German and other languages. In 2009 about 90 per cent published books, booklets and brochures were in Lithuanian. There were 1.171 titles translated into Lithuanian, 57 per cent - fiction. Average of print runs of translated literature is higher than original literature – about 2.300 copies. In 2009 repertory of translated languages changed: Russian (85), English (80), Polish (33), German (12), French (6) and other. Meanwhile, in 2010 the percentage of books, booklets and brochures published in Lithuanian were 93 per cent. There were 981 titles translated into Lithuanian, 57 per cent – fiction. Average of print runs of translated literature was higher two times than original literature (about 2.400 copies). In 2010 about three times decreased the number of titles published in Russian (60) and German (4), two times – in French (3).

Around 35 per cent of the output of books is fiction literature. Around half of them are written by Lithuanian authors. It should be noted that a number of local fiction titles are published at the initiative of the author. A substantial part of the literature is poetry. By circulation figures, translated fiction works have always outnumbered books of Lithuanian authors.

Publications for children were increasing each year until 2008. There were 470 published in around 1048.2 thousands copies. But in 2010 it dropped to 297 titles and 670 thousands copies. It seems that publishing of illustrated children books by Lithuanian authors is too expensive and for publishers and for readers.

Education reform in 1990 gave the impetus to numerous publishers to develop sections for textbook writing and publishing. Educational publishing produces fewer new titles than fiction, but it outstrips it in print runs, overall and per book. In 2008 there were published 289 books for schools and 546 for students. In 2009 – 238 books for schools and 350 for students. In 2010 – 263 book for schools and 195 for students. These data shows that publishing of books for students decreased dramatically.

Despite the plight of Lithuanian science, over the years of independence the publishing of scientific literature has doubled. For the last few years it was around 400 titles per year. Moreover, interest in history remains.

Religious, political and legal literature is usually published in small quantities.

The breakdown of Lithuanian books by themes demonstrates the blow that was dealt to publishing by the Russian financial crisis. It also reveals the key sectors in publishing in Lithuania.

The small market puts limitation on the range of publishing. For example, audio books never gained the popularity that was expected. Strip cartoons are currently being installed (mostly by *Alma Littera*). Hardcover books are still more popular than paperback.

### READING HABITS

One of the leading publishing houses in Lithuania “Alma Littera” has inspired a research, that was carried out by company TNS-Gallup. The aim of the research was to find out, what makes the biggest influent for people buying books. The results have shown, that around 56 per cents of



Lithuanians more or less often read books. Around 37 per cents of them finds that the most reliable information about the book is given on the forth cover, 36 per cents trust on their friends opinion and about 29 per cent thinks, that it is best to buy a book by a well known author.

The research has also shown, that in the half of year, around 48 per cent of recipients have read not more that 3 books, 36 per cent – from 4 to 10, and around 15 per cent have read 11 books and even more.

It has to be noted, that those people, who read up to 3 books in half of the year, has a bigger trust on their friends opinion (~41 per cent) and those, who read more, has a bigger trust on summary on the fourth cover (~40 per cent).

In 2008 State subsidies to form library funds reached 8.6 mil LTL (1 LTL = 0.29 EUR). In 2009 State provided only 2.4 mil or less than 1 LTL per citizen to form National book fund. It is the lowest rate in EU (the rate in Scandinavia is about 30-40 LTL). International Federation of Library Associations (IFLA) suggests to purchase 200-250 new books per 1.000 citizens per year. Average cost of new book in Lithuania is 25 LTL. In 2010 Lithuanian libraries will acquire only 0.66 LTL per citizen for books, in 2011 – 1 LTL.

Resent changes will have a very negative effect on Lithuanian reading habits.

#### **PUBLISHING OF TEXTBOOKS**

In Lithuania textbooks are purchased from the special fund called “Textbook’s Basket” which is formed from the state budget). Every school gets some amount of money for textbooks depending of the number of children. In 2008 the amount per child was about 20 EUR in 2008. Due to world economic crisis, in 2009 this amount was lowered 30 per cent.

Every school is making the separate agreements with the publishers, to buy books from the list of textbooks which are approved by the national Ministry of Education. According to the Lithuanian laws, school must announce the open tender when the annual amount of purchase is over 20.000 EUR. Most schools are rather small and books are still cheap (average cost is less than 10 EUR) that is the reason, why the total amount, required for EU tender, usually is not exceeded.

Textbook has to walk a long way till it gets to school. Firstly the contents of the textbook have to be approved in the special commissions created by the Ministry of Education. This procedure takes from 4 to 8 weeks. After that a textbook must be approved in the commission of Lithuanian language (if it is for national schools, it takes another 4–6 weeks). When a textbook is approved it is included into the official list of textbooks, which can be purchased for state money (other textbooks can be purchased by any other sources which schools can find – private support, donations, money collected from parents).

Schools make agreements with publishers individually. There are about 15 suppliers and from 1 to 5 different textbooks in the same position. All this process can take a month after suppliers are announcing prices for the current year. After reached agreements between schools and publishers, Ministry is transferring money to publishers, and publishers should deliver textbooks till September 1<sup>st</sup>, the official start of the school year.

#### **E-PUBLISHING**

Most CD and DVD production is being published for educational purposes. The expansion of this industry is hampered by a lack of funds and the high price of the product.

At least two publishers have acquired print-on-demand technology, but the development of their operations is hindered by low warehousing and offset printing costs.



## THE BOOK TRADE

Just like publishing, the book trade has experienced immense changes. During the first years of independence, the existing state-governed system of book trade deteriorated, but it took a good while for a new one to develop. At present, Lithuania has about 143 functioning bookstores, and a few wholesale book suppliers.

The bookstore network is best developed in cities, whereas smaller towns normally have one functioning book retailer. For a long time, private investors avoided investing in the bookstore business. In the middle 1990s, publishing companies sped up the development of book retailing, as they started to establish bookstore chains. *Vaga* publishers were the first to start a bookstore chain (in 2007 they run 27 bookstores in 13 towns), then *Sviesa* followed (26 bookstores *Pegasas*), *Mūsų knyga* (6 bookstores) and *Baltos lankos* (3 bookstores). These publishing companies continue to establish their bookstores in large shopping centers. But global financial crisis influenced development of the book stores. *Baltos lankos* were obtained by *Pegasas* bookstore chain and *Mūsų knyga* by *Vaga* bookstore chain.

In Lithuania, book retailers trade at negotiated prices. Publishers just occasionally indicate the recommended price on books.

A few years ago the first book clubs were launched. The first one was founded by *Alma Littera* (2003). In 2006 two more were set up by *Versus Aureus* publishers and *Verslo Žinios*.

The book trade via the Internet has been growing rapidly too. A few e-bookstores were founded. Publishing companies cultivate the electronic book trade as well.

There was a considerable increase in books imported from the West, and mainly include books in English (educational, academic and fiction) as well as books in German, French, Russian and other languages.

Lithuanian emigration has also boosted the export of Lithuanian books.

## BOOK FAIRS

The International Vilnius Book Fair, held each February since 2000, has become a major event in the country's cultural life. The Lithuanian Publishers Association is one of the organizers of the event. The idea to hold such a fair emerged after Vilnius for the first time hosted by bi-yearly Baltic Fair in 1999.

The fair annually attracts several thousands visitors. The Book Fair is popular for its interesting cultural programme. It covers more than 200 cultural events, from specialized seminars too. Among its guests it has had a few famous writers from abroad (e.g. Alessandro Baricco, John Irving). The fair has become a significant element in the publishing market, since it prompts choices for many publishing companies. Since 2010 cultural programme is organized by ICPC.

The year 2009 was full of events and anniversaries in Lithuania. The 10th international Vilnius Book Fair held at the Lithuanian Exhibition Centre "Litexpo" held together with the Baltic Book Fair which is coming back to Vilnius after two years break. Lithuanian Publishers Association together with Latvian Publishers Association and Estonian Publishers Association organize rotating International Baltic Book Fair in three Baltic countries. The aim is to promote the Baltic book industry. Moreover, Lithuania celebrated a millennium since the first mention of its name in written records. Last, but not least, Vilnius became the European capital of culture.

Every year since 2008 Vilnius Book Fair beats its records. It is becoming cultural festival in cold February than just trade fair.



Table 2. Facts and figures of Vilnius Book Fair (2012)

<b>Number of participating companies</b>	250 from 9 countries
<b>Number of visits</b>	60.200
<b>Number of cultural events</b>	380 + 12 art exhibitions
<b>Visits of foreign writers</b>	28 (+14 illustrators)
<b>Visits of Lithuanian writers</b>	90
<b>Total exhibition area of Vilnius Book Fair</b>	7.179 sq. m.
<b>Total area of Vilnius Book Fair</b>	11.780 sq. m.

Lithuanian publishers take part in other international book fairs in Frankfurt, London, Bologna, Turin, Warsaw, Moscow, Gothenburg and elsewhere. The main aim of participation in international book fairs was limited to acquiring copyright. Over the last years, publishers have been actively engaged in selling copyright for Lithuanian authors.



## 2. National analysis of best practices related to e-publishing

National analysis of best practices in digital publishing field through critical analysis of literature found.

The analysis should be focused on book production, distribution and innovative marketing strategies underlining the main innovative features, targets and fruition models (with a specific attention both to cultural editorial identities of each country and to convergence and globalization processes), as well as content delivery strategies and technologies, business to consumers and business to business models.

The desk research will also outline the professional and vocational skills to train during the experimentation phase of the project, according to the needs of small and medium publishing houses.

E-publishing in Lithuania experiences the phase of introduction and research for possibilities. Several hundred e-books in Lithuanian are published, but publishers are still testing the market and trying to find creative and effective solutions which would help to expand the readership of such books. One of the most essential aspects of slow e-book introduction in Lithuania's market is that there are no favorable conditions:

- Piracy of e-content, as it is a crucial factor for small language countries book market development.
- Publishers included in agreements with authors copyright for e-book publishing as well as paper book just in recent years.
- There is no legal regulation for e-book function as a book, so standard VAT of 21% is applied (lower VAT of 9% is applied for paper books); there is no regulation for e-book legal deposit to national bibliography database; e-book does not have a description in Lithuanian Copyright Law as well.
- There is no habit to read using e-tools as special devices are still too expensive to most Lithuanians and strong opinion that everything in internet is for free exists.

Even though Lithuanian publishers understand that massive digitalization, well financially supported from EU funds for heritage preservation and e-library development, will change eventually book market development in Lithuania as well, problems such as piracy, copyright for publishing e-books, legal status of e-book has negative effects.

There are only several hundred e-books in Lithuania that are in right format (often ePub) and can be purchased legally. The e-book repertory is still quite narrow. The majority of them are textbooks for universities and cognitive educational literature. However, there is some fiction, children literature, love-stories, psychology, self-help books, and textbooks for school provided by biggest publishing houses (Alma Littera, Sviesa, Baltos lankos, TEV).

Regarding technical aspects, it should be outlined that many of Lithuanian publishers, especially small publishing houses, has little knowledge how to create e-book and what technologies are available, how it should look or function, how it can be protected from piracy and distributed through different distribution channels. There is a lack of knowledge regarding technological processes. Only few publishing houses such as Alma Littera, Sviesa, and TEV employs specialists for e-publishing, others seeks for professional IT services. The great majority of Lithuanian books



contains only text. However, in 2011, the first interactive Lithuanian children book “Mouse Smailytė and rescuers” was published. This story is the first mobile application for the iPhone and the iPad device holders. In order to incorporate the viewer into the action was chosen not a linear story telling model. The action proceeds depending on the reader's location, weather or time. So the user has the opportunity to experience different story. Today there are several stories for children mostly by Lithuanian authors provided to market.

The major e-book publishers in Lithuania today are *Alma littera* (fiction, novels), *Sviesa* (textbooks), *TEV* (textbooks), Vilnius Gediminas Technical University Press *Technika* (textbooks for universities). But quite active also are small ones *Kitos knygos*, *Eugrimas*, *Svajonių romanai*, *Luceo*, *Zara and others*.

Also, one of the well known e-book publishers in Lithuania is *TEV* - the joint Lithuanian-Russian-Dutch Company. They are creating and developing educational computer books, mobile interactive computer books (*MIKO*), digital textbooks for secondary schools and universities. They also are publishing books in CD, Flash memory. Their production is popular not only in Lithuania, but also in other European countries. The main thing is that, their e-books are distributed only on their webpage (<http://new.tev.lt/content.php?>).

Almost all Lithuanian books are distributed in website *Skaitykle.lt* (<http://www.skaitykle.lt/>). This is the first e-books store in Lithuania where you can buy e-readers and e-books in Lithuanian. However prices in comparison with traditional books, are little lower, but still too high that readers prefer not traditional book, but e-book. Here you can also find several books which can be downloaded to your device for free. Furthermore, the first e-readers, which had additional Lithuanian, Latvian, Estonian user interface was started to use in Lithuania in November of 2009. They are known as “PocketBook”.

Unfortunately, there are no special marketing solutions to promote e-book in Lithuania. Generally they are promoted by best-selling books list and have no other promoting ways.



### **3. International analysis of best practices related to e-publishing**

Here you might present 1 or 2 examples of leading international research and practices related to e-publishing.

This is compulsory only for P2 POLITO (Italy), P3 FFE (Spain), P7 UNIMI (Italy) but contribution from other partners is welcome.



## 4. Reflections and Conclusions

Based on the results, you should present the highlights of the report, state the main limitations of the study and suggestions to further studies or interventions. Reflections and Conclusions (2-3 pages) on: key points/issues uncovered by review and how they pertain to your country; strengths and gaps pertaining to your country; prioritisation of issues/gaps for your country and the “enhanced editor” profile and vocational skills at national level.

The review of national publishing sector showed, that Lithuanian e-publishing market is at the beginning of development, and there are many aspects that can be improved:

1. Publishers in Lithuania need to know the basic processes and elements of e-publishing (IT technologies, design, protection), self-publishing of e-books technologies (get skills working with programmes which are designed for e-book creation);
2. Marketing strategies improving e-book promotion and distribution should be developed (how and where e-books can be promoted, distributed, what are the most effective models and technologies, etc.);
3. Piracy prevention technologies are as important as e-publishing technologies and innovations;
4. E-book distribution models and principles should be expanded and easy to use.



## 5. References & Bibliography

References & Bibliography : we will use Harvard Style referencing.

You can see in the following link the rules and some examples:

<http://libweb.anglia.ac.uk/referencing/harvard.htm>

In order to easily formatting the final complete bibliography, please compile it using a dedicated program (such as Zotero, Refworks, EndNote) capable to export in BibTex format and provide the BibTex file with your National Research Report.

*Lithuanian Publishing Statistics*. Vilnius: Martynas Mažvydas National Library of Lithuania, 2010.

*Lithuanian Publishing Statistics*. Vilnius: Martynas Mažvydas National Library of Lithuania, 2011.

*The Prospect of Lithuanian Publishing*. Vilnius: Lithuanian Publishers Association, 2010.

*The Revenue of Lithuanian Publishing*. Vilnius: Lithuanian Publishers Association, 2011.