

COPYRIGHT INDUSTRIES in the U.S. Economy



The 2016 Report

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I. EXECUTIVE SUMMARY

Copyright Industries in the U.S. Economy: The 2016 Report demonstrates that the core copyright industries of the United States – those industries whose primary purpose is to create, produce, distribute or exhibit copyright materials – provide significant value added to GDP; an increasing number of high-paying jobs; real growth which outpaces the rest of the economy; and substantial foreign sales and exports, surpassing many industry sectors.

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

- In 2015, the value added by the core copyright industries to U.S. GDP reached more than \$1.2 trillion dollars (\$1,235.6 billion), accounting for 6.88% of the U.S. economy.
- In 2015, the value added by the total copyright industries³ to U.S. GDP approached \$2.1 trillion (\$2,097.2 billion), accounting for 11.69% of the U.S. economy.

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

- The core copyright industries employed over 5.5 million workers in 2015, accounting for 3.87% of the entire U.S. workforce, and 4.57% of total private employment in the United States.
- The average annual 2015 compensation paid to core copyright workers – \$93,221 – far exceeds the average annual compensation paid to all U.S. workers – \$67,715 – amounting to a 38% “compensation premium” over the average U.S. annual wage.
- The total copyright industries employed nearly 11.4 million workers in 2015, accounting for 7.95% of all U.S. employment, or 9.39% of all private employment in the United States. The average annual compensation paid to employees of the total copyright industries in 2015, \$82,117, exceeds the U.S. average annual wage by about 21%.

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

- During the period 2012–2015, the core copyright industries grew at an aggregate annual rate of 4.81%. The average annual growth rate of the entire U.S. economy over the same period was only 2.11%. The core copyright industries grew at a rate more than 127% greater than the remainder of the U.S. economy.
- During the same period, the total copyright industries grew at an annual rate of 3.87%, also well surpassing the growth rate for the remainder of the U.S. economy.

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

- Sales of selected U.S. copyright products in overseas markets amounted to \$177 billion in 2015, a significant increase over previous years.⁴
- As a comparison, the foreign sales of selected copyright industry sectors exceed foreign sales of other major U.S. industries, including chemicals (excluding pharmaceuticals and medicines) (\$135.8 billion), aerospace products and parts (\$134.6 billion), agricultural products (\$62.9 billion), and pharmaceuticals and medicines (\$58.3 billion).

³The “total” copyright industries include not only the core copyright but also the partial copyright, non-dedicated support, and interdependent industries. “Partial” copyright industries are industries in which only some aspect or portion of the products they create qualify for copyright protection. These industries range from fabric to jewelry to furniture to toys and games. “Non-dedicated support” industries include industries that distribute both copyright and non-copyright protected materials to businesses and consumers. Examples here include transportation services, telecommunications and wholesale and retail trade. As in past studies, only a portion of the total value added by these industries is considered to be part of the copyright industries. “Interdependent” industries include those that produce, manufacture, and sell equipment whose function is primarily to facilitate the creation, production, or use of works of copyrighted matter. These industries include manufacturers, wholesalers and retailers of TV sets, personal computers, and other devices, and usage dependent products including blank recording material, and certain categories of paper.

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