

Success Story:

International rights sales of Australian-authored books 2008–2018

A summary by the
Australia Council for the Arts
October 2021



This report is a summary of *Success Story: International rights sales of Australian-authored books* by Paul Crosby, Jan Zwar, Airlie Lawson and Sunny Y. Shin, Macquarie University

Acknowledgements

The Australia Council for the Arts, Copyright Agency and Macquarie University proudly acknowledge all First Nations peoples and their rich culture of the country we now call Australia. We pay respect to Elders past and present. We acknowledge First Nations peoples as Australia's First Peoples and as the Traditional Owners and custodians of the lands and waters on which we live.

We recognise and value the ongoing contribution of First Nations peoples and communities to Australian life, and how this continuation of 75,000 years of unbroken storytelling enriches us. We embrace the spirit of reconciliation, working towards ensuring an equal voice and the equality of outcomes in all aspects of our society.

This report is a summary of *Success Story: International rights sales of Australian-authored books* by Paul Crosby, Jan Zwar, Airlie Lawson and Sunny Y. Shin, Macquarie University.

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‘My first novel, *The Suspect*, was translated into 25 languages after triggering a bidding war at the London Book Fair in 2002. It became a bestseller all around the world – except for in Australia – where it took me a lot longer to win over readers.

This is a perfect example of why international rights are so vital because they offer Australian writers and illustrators the opportunities to have books published into bigger English language markets and in translation, boosting earnings and bringing Australian stories to the world. Without international rights, most of us will finish up being hobbyists and part-timers, doing a myriad of other jobs to pay the bills.’

Two times Gold Dagger winning and twice Edgar short-listed author,
Michael Robotham

‘Licensing rights can feel like a hidden aspect of the publishing ecosystem. The attention to the successes of some of Australia’s biggest names is fantastic, but underneath these well-known stories are the international success stories of authors who might be lesser known, or writing in genres which don’t receive as much coverage. These deals, and the resultant income and new readerships, are meaningful to the individual authors and to the entire Australian publishing culture.

This report shines a light on the work undertaken by rights sellers within the publishing industry, both literary agents and the in-house rights managers, and the authors themselves. Our industry has a thriving network of rights professionals who are dedicated, committed and passionate about seeing our local authors published throughout the world, and the world is certainly taking notice.’

Senior Rights Manager at Penguin Random House Australia,
Nerrilee Weir



Founder of Tara Books (India) and VIP alumnus, Gita Wolf, at the Frankfurt Book Fair, 2018. Credit: Wenona Byrne.

Foreword

Australian writing is read globally. Our carefully crafted words carry ideas, perspectives and culture well beyond our borders and return significant – and vital – revenue to the entire book publishing industry. For some writers, international rights revenue is their main source of income. For others, overseas markets provide a crucial supplement to local earnings. International markets also play a key role in international literary exchange, enhancing Australia’s reputation overseas. Our writers are recognised and celebrated internationally.

Success Story: International rights sales of Australian-authored books 2008–2018 is entirely new research, showcasing the broad picture of international rights sales of Australian-authored books.

Bringing the Australia Council for the Arts and the Copyright Agency together with the expertise of researchers at Macquarie University, this research outlines significant gains made by the sector and identifies key markets and opportunities for future success.

As the title of the report suggests, the findings of this research have been tremendously exciting. They reveal the impressive work of the Australian publishing industry in rights sales over previous decades, and the dividends that are now being paid to Australian authors as a result. They also demonstrate the success of programs such as the Australia Council’s Visiting International Publishers (VIPs) scheme and various cross-industry initiatives and grants for fostering markets for Australian literature overseas.

More than ever, now is the time to build on these gains.

COVID-19 has disrupted the industry’s traditional ways of operating. Australia’s geographic positioning and a crowded international marketplace also remain major obstacles for the sector. However, as this report shows, Australian rights sellers have developed specialised skills and important professional networks that have raised the profile of Australian literature overseas. Rights sales have been increasing. The Australian rights selling infrastructure is working.

In sharing this report, we hope to provide the industry and its supporting institutions with the critical intelligence it requires to leverage this ‘success story’, rebounding from the pandemic and unlocking further success so that our writing can continue to sustain us, connecting with readers all over the world.

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Sydney Writers' Festival, 2021.
Credit: Nick De Lorenzo.

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Introduction

Australian arts and creativity are among our most powerful assets, and their export plays an essential role in the country's international reputation. International markets enable cross-cultural exchange and, as such, are a powerful tool for cultural diplomacy. They also provide important economic and cultural opportunities for Australian creatives, expanding support for Australian creativity into diverse and vital contexts.

Over many years Australian book publishers, agents and authors have sold rights to Australian literature in major English language territories such as the United States of America, United Kingdom and Canada and translation markets including Germany, France, China and Taiwan. These sales have been reported to Books + Publishing's *Think Australian*, an industry e-newsletter, and to the Visiting International Publishers (VIPs) program run by the Australia Council for the Arts.

Anecdotally, the international success of Australian-authored books has been acknowledged and celebrated within the industry. But despite the important commercial and cultural contribution of these rights sales and other forms of export, we have not, until now, had the benefit of research that examines the patterns of growth and nature of international rights sales in a systematic way.

The Australia Council recognises the importance of international rights sales for Australian-authored books, both as a significant export market and as a vehicle for cultural exchange. Further research is required to assist the literature sector in understanding the scale, nature and drivers behind its recent success, and how it can build on these gains to increase international opportunities in the future.

About the research

This report summarises key findings from *Success Story: International rights sales of Australian-authored books 2008–2018* by Paul Crosby, Jan Zwar, Airlie Lawson and Sunny Y. Shin.

Success Story: International rights sales of Australian-authored books 2008–2018 examines the international rights sales and export of Australian books. It brings together agents, publishers, authors, funding bodies and other key industry entities to answer the following research questions:

- Has there been an increase in international rights sales of Australian-authored books during the timeframe of the study (2008–2018), and if so, what factors have contributed to success in overseas markets?
- What patterns in demand for different types of Australian books can be identified in overseas sales territories?
- How have models of rights sales changed over time?
- What has been the impact of the COVID-19 pandemic on international rights sales successes and opportunities?
- How can Australian agents, publishers, authors and funding organisations build on the current success of international rights sales to sustain international interest and to enhance export opportunities in the future?

This research aims to establish a systematic overview of contemporary developments and to chart the development of the Australian industry's rights sales capabilities over recent decades. It also seeks to identify how the Australian book industry can build on its success in a sustained way, and how investment, policy and industry responses can increase opportunities for Australian authors and publishers. Findings will be particularly useful in guiding the recovery of the sector and its critical relationships following the disruptions to international exchange caused by COVID-19.

The original research for this report was based at Macquarie University and supported by the Australia Council for the Arts and The Copyright Agency's Cultural Fund.

Methodology

This project was developed in consultation with a wide range of participants in the industry, including rights sales managers, agents, author representatives and senior figures at the Australia Council for the Arts and the Copyright Agency.

The research involved a series of stages:

- initial meetings with senior industry figures and funders to assist in formulating the issues to be covered in the project
- data collection through a survey questionnaire, designed in consultation with agents, publishers, and author representatives
- the identification and development of case studies
- analysis and synthesis into findings.

While the research gathered information on rights sales and selling during the sample period (2008–2018), the final stages of data collection overlapped with the beginning of the COVID-19 pandemic in Australia. The survey was scheduled to close in March 2020, but publishers who had registered an interest in completing the survey were approached with a direct invitation to complete it after that date. Case study interviews commenced in February 2020, just as the pandemic was taking effect. Many responses, particularly those garnered from interviews, will have been influenced by the conditions at the time of data collection. The impacts of COVID-19 have been incorporated within the research where possible.

The research includes responses from trade publishers and literary agents only. It does not include activities of educational publishers, nor those of companies which publish books as a minor or subsidiary business.

For a detailed methodology and comprehensive results, see the Macquarie University publication *Success Story: International rights sales of Australian-authored books*.

Note: Due to rounding, proportions presented throughout this report may not total 100%.

Research team

- Dr Paul Crosby
- Dr Jan Zwar
- Dr Airlie Lawson
- Dr Sunny Y. Shin

Rights: Definitions, trading and rationale

How are rights traded?

The term ‘rights selling’ refers to a process in which a rights seller (which could be a publisher, literary agent or author) licenses the right to make and sell copies of a print, ebook or audiobook. It also refers to a process in which a rights seller might grant permission for others to do this on agreed terms.

Who trades rights?

Rights are usually traded by agents, publishers or authors themselves. The term ‘rights manager’ refers to publishing company staff whose job is the trading of rights.

Why trade rights?

Rights are traded for three key reasons: to increase the reach of the work (if a publisher cannot access a particular market); to increase revenue or increase an author’s profile; and/or to enable adaptation of a work for a particular market (cover, format, English language spelling conventions, language).

There are also allied benefits which include cultural exchange and soft diplomacy, particularly when a significant literary work is sold.

What does ‘exports’ mean?

In book publishing, the term ‘export’ refers to the direct export of print, ebooks and audiobooks.

Direct export of books involves shipping hard copies from a printer to other territories and selling ebooks and audiobooks from websites. It can also include co-editions: a book that is designed for release in two territories by two or more publishers who collaborate so that the product will serve the needs of both markets.¹

Author illustrator Felicity Marshall meets visitors to the *Hello! From Australia* stand at the Bologna Children’s Bookfair, 2018. Credit: Ann James.



¹ Rights sales could also be accurately termed and considered as ‘exports’ since revenue from the sale of rights contributes to export income. However, this is not the way the term is used in this industry context.

Key findings

The story of international rights sales of Australian literature between 2008–2018 is a story of success. Rights sales information collected for the period 2008–2018 comprised:



9,315

individual rights
sales deals



1,792

unique
authors



3,842

unique
titles



92

territories
(plus deals for
'world' rights)



70

languages

There has been an overall growth in absolute deals. The number of international rights deals completed in each year between 2008 and 2018 increased.

Over half of all recorded deals were for children's books. Of the 9,315 rights deals contained within the sample, over half – 54% – involved titles targeted at younger readers: picture books (21%), middle grade (27%), teen and young adult (YA) (6%).

Adult fiction has been driving growth since 2012. Adult non-fiction has also been a stable contributor to the number of deals achieved annually. Deals for adult fiction titles (including literary, commercial and crime and thriller) make up 24% of all deals reported in the survey.

Chinese language has been a key market since 2008. After English (20%), Chinese (both simplified and complex characters) was the most frequently specified language (14%). Following this was Korean (7%), German (6%) and Portuguese (4%).

Many of these developments can be explained by the growing professionalism and capacity of Australia's international rights selling sector. Australian rights sellers have nurtured and cemented relationships with overseas editors and have developed an invaluable understanding of overseas editors' tastes and industry contexts.

All respondents placed a high value on in-person networking. This raises questions about the ability of the industry to function amidst the disruptions to international travel caused by COVID-19. Investment will be required to stem these losses and to help the industry meet the challenges of reviving relationships – either through digital or in-person means.

Interviewees identified a lack of cultural diversity within Australia's rights selling cohort. They also commented on a lack of cultural diversity in Australia's international literature. The book industry needs to explore ways to address these issues, drawing on the asset of Australia's diverse community. However, solutions do not lie in quick fix responses. Long-term mechanisms are required to support local, emerging authors from diverse backgrounds, and to enable systemic change within the industry.

A crowded international marketplace and the 'tyranny of distance' remain major obstacles to sales of Australian literature overseas. Although digital platforms help with building and maintaining networks, face-to-face meetings are considered crucial to establishing relationships. Ongoing funding support for inbound and outbound rights delegations, and for Australian stands at key book fairs, is essential to ensure that Australian books are visible in the global marketplace. Just as vital is continued and extended funding support for Australian book authors. This remains critical for the long-term development of high-quality manuscripts that are competitive in international markets.

There is a clear opportunity to unlock further growth in international rights sales of Australian literature through investment, and to rebuild connections disrupted by COVID-19. After decades of capacity building and relationship building by Australia's rights selling community, interest and awareness in Australian literature is increasing in overseas publishing houses and their markets. It is possible now to build on these gains, and to leverage existing interest in Australian literature for increased export opportunities in future.

Summary of recommendations

The following recommendations result from interviews with senior industry figures. They provide informed suggestions on how Australia can build on its recent achievements in international rights sales and position the Australian book industry to resume exports as the international book trade slowly rebuilds.

The recommendations are directed towards the publishing industry, funding organisations and government. See the original report for the full list; they include:

- Continue and improve funding support for Australian stands at key book fairs. Draw on initiatives by Canada and France to raise the profile of Australia's literature and leading thinkers overseas via diplomatic channels.
- Establish formal mentoring programs between experienced rights sales managers and less experienced industry members.
- Investigate funding opportunities to support individuals to develop their skills and to build capacity in rights sales.
- Continue support for the Beatrice Davis Editorial Fellowship (administered by the Australian Publishers Association) for overseas placements.
- Continue support of the Australia Council's Visiting International Publishers (VIPs) scheme, including incoming delegations and overseas trade missions.
- Continue support of the Council's Translation Fund for Literature.
- Promote books written by diverse voices and increase training and mentoring opportunities within the industry to entrants from diverse backgrounds.
- Continue and extend funding support for book authors. This remains essential for the long-term development of high-quality manuscripts that are competitive in international markets.

Case study: Relationships matter

Literary agents, publishers and authors all agree that **‘publishing is a business of relationships’**, as agent Mary Cunnane puts it.

Successful international publishing markets are built on dynamic relationships that deeply understand specific editors’ tastes and personalities, and local ways of working. Such strong relationships lead to increased reputation with international peers and contribute to deepened sentiment and greater awareness of Australian literature.

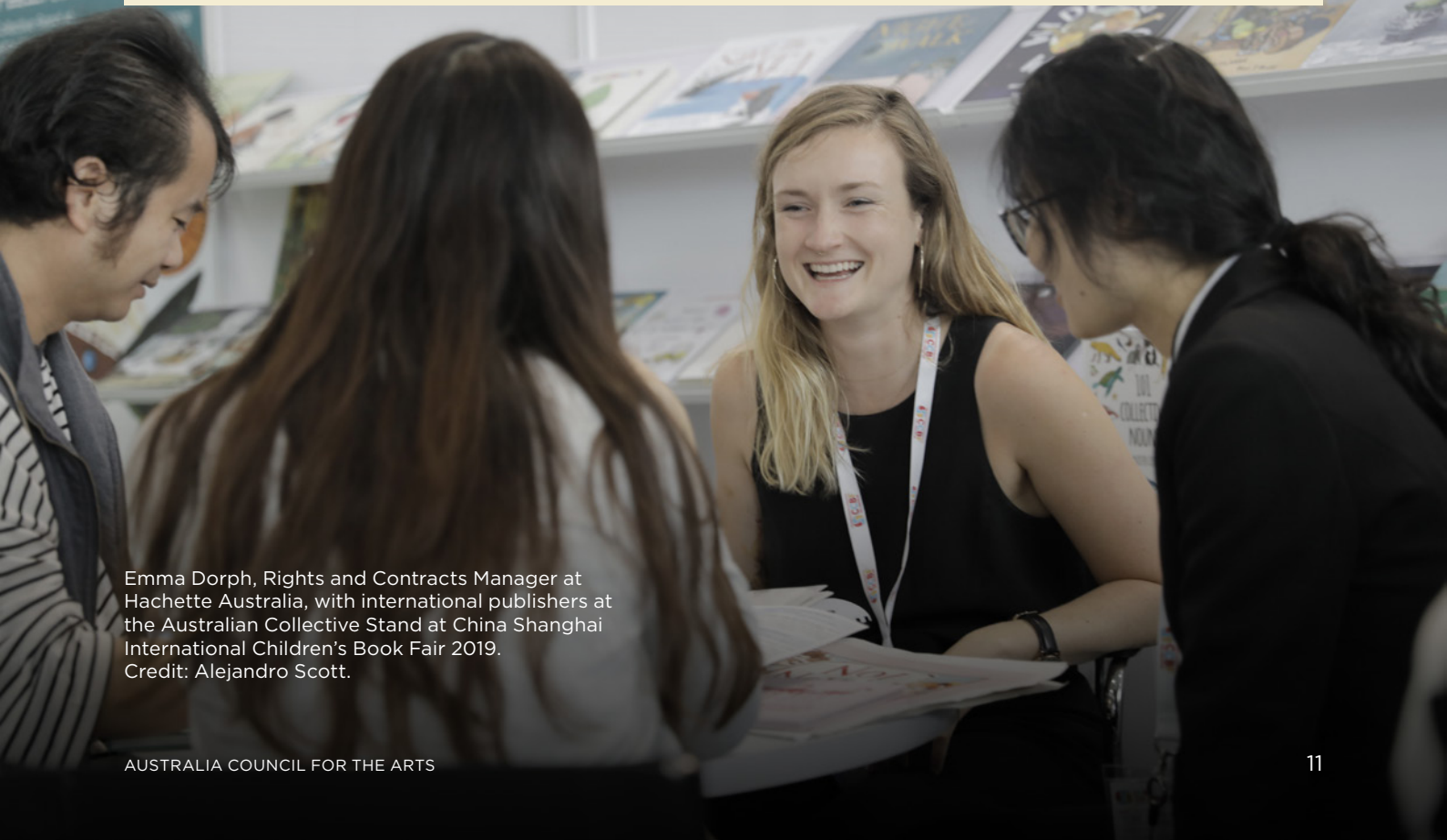
Katy McEwen, rights manager at publishing house Pantera Press, describes Pantera’s success with international rights sales as a ‘slow burn approach’. Building personal, genuine relationships is critical, and to do so relies on a commitment to long-term and regular face-to-face interaction.

‘Turning up [to international events] year after year and building better connections with people has helped; they are more likely to look at titles that you are selling if they know they have seen you before and if you are committed. That has been significant in building trust in our list.’ (Publisher Katy McEwen, Pantera Press)

Alexandra Yatomi-Clarke from Berbay Publishing agrees that the business of international rights sales is all about relationships and connections.

‘Some of the connections we’ve built through the Visiting International Publishers Program have now lasted for years and supported our international growth.’ (Publisher Alexandra Yatomi-Clarke, Berbay Publishing)

Authors also attribute their rights sales successes to long-term, personal relationships with overseas rights professionals developed by themselves or their advocates over time. Equally, authors note that failures to enter markets beyond the UK and USA are often due to a lack of relationships in those territories.



Emma Dorph, Rights and Contracts Manager at Hachette Australia, with international publishers at the Australian Collective Stand at China Shanghai International Children’s Book Fair 2019.
Credit: Alejandro Scott.

1. A growth in sales, and factors driving this success

This section charts the growth in deals between 2008–2018 along with key drivers for this growth.

The absolute number of deals is increasing

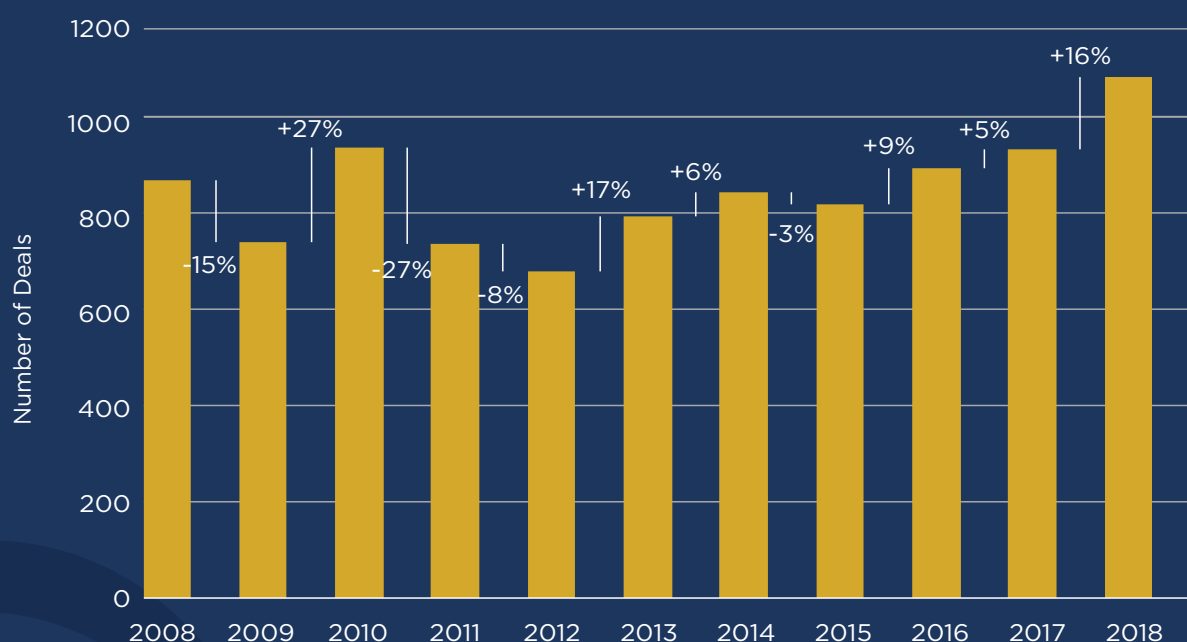
The number of international rights deals completed in each year between 2008 and 2018 increased.

The average annual number of deals over the survey period is 847. Note, however, that one book or one author may be associated with a number of deals. (See section on Authors on page 22).

In 2009, we see a 15% decline in rights sales as the international book industry grappled with the retail uncertainty associated with fallout from the global financial crisis. Although there was a strong recovery in the number of deals in 2010 (and it's possible that smaller offers were acceptable in this environment), this was followed by another steep decline in the *number* of deals in 2011. This decline echoed a weakened demand for books worldwide during this period.

Overall, there is evidence to suggest that the number of rights deals completed annually by Australian publishers and literary agents is correlated with underlying international book industry conditions and wider macroeconomic indicators. That is, the opportunities for rights sales for a particular title with good international prospects are likely to be affected by sentiment in the international book industry and broader macroeconomic conditions.

Figure 1: Number of international rights deals per year and annual rates of change



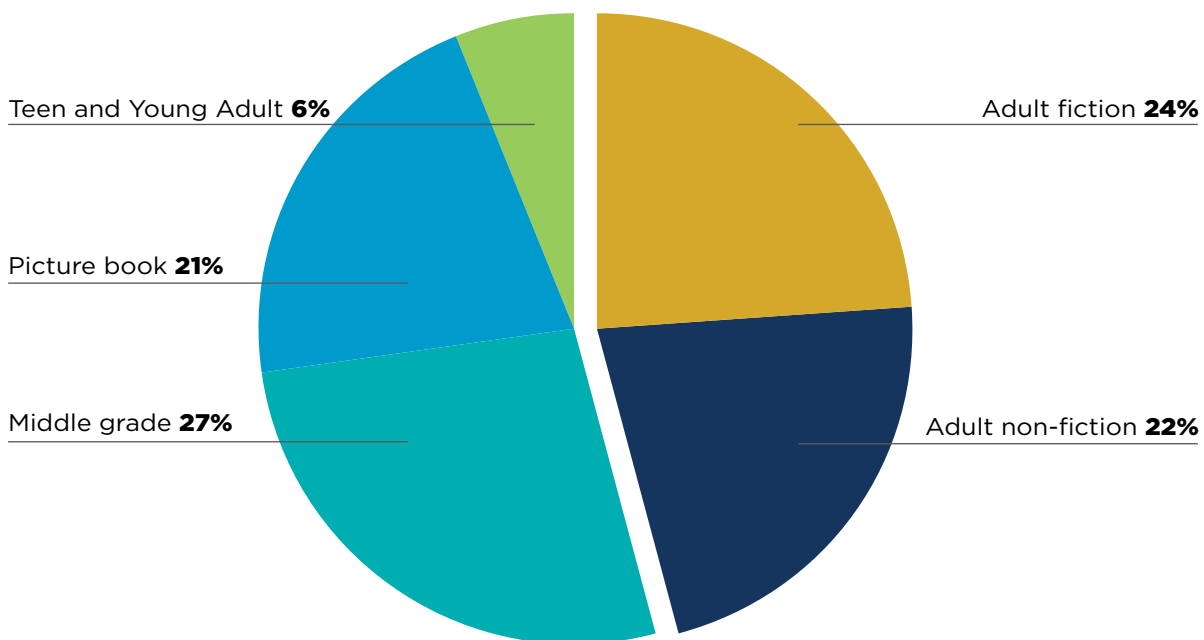
Over half of recorded deals are for children's books

Of the 9,315 rights sales deals contained within the sample, over half (54%) involved titles targeted at younger readers: picture books (21%), middle grade (27%), teen and young adult (YA) (6%).

Rights deals for adult fiction titles (including literary, commercial and crime and thriller) make up 24% of all deals reported in the survey. Adult non-fiction titles account for the remaining 22%.

The importance of children's and middle-grade books in the number of international deals as an ongoing contributor to the Australian book industry is a stand-out finding here. See page 24 for an examination of the size of these deals.

Figure 2: Percentage contribution of deals by genre, 2008 to 2018



Judy Watson as Books Illustrated's guest illustrator at The Melbourne Book Market, Queen Victoria Market, 2019. Credit: Ann James.



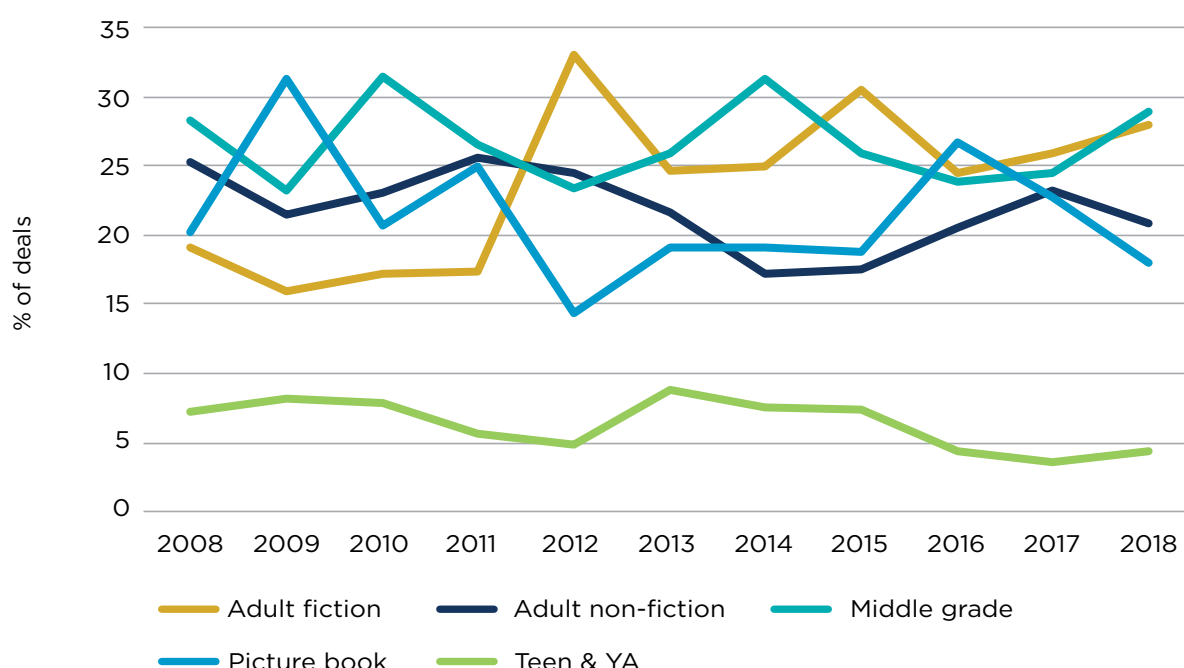
Sales of adult fiction have increased

The percentage contribution of deals for adult fiction almost doubled between 2011 (17%) and 2012 (33%). Since this time, adult fiction titles have largely maintained their share of all Australian deals.

The timing of this shift coincides with the growth in the absolute number of deals discussed earlier. This suggests that an increase in the prominence of Australian authored adult fiction titles may be a key driving force behind the growth in the number of deals over recent years.

Adult non-fiction is also a significant genre as a stable contributor to the number of deals achieved annually.

Figure 3: Percentage contribution of deals by genre



Appreciation for Australian authors is increasing among overseas publishers and agents

The survey also aimed to understand rights sellers' perceptions of success and their views regarding prospects for the future of rights selling. Overall, 63% of respondents indicated that they sensed an increase in international interest in Australian authored books over the ten-year sample period. 22% did not sense an increase in interest, while the remaining 15% were unsure.

Respondents who sensed an increase in international interest in Australian authored books were asked to suggest reasons why they thought this was the case. Greater awareness of the quality of Australian authors from overseas publishers and agents was both the most selected and highest-ranked reason.

Greater awareness of the quality of Australian authors from overseas readers was chosen by 59% of respondents. However, this fact was not deemed to be as important as other factors. The emergence of blockbuster Australian titles during the sample period and subsequent interest from publishers and agents were both highly ranked and often selected, indicating that this was a key driver of positive sentiment for respondents.

**Table 1: Top 5 reasons for increased interest in Australian authored books:
by average order of importance**

	Average order of importance
Greater awareness of the quality of Australian authors from overseas publishers and agents	1
Australian best-selling books have generated increased interest from publishers and agents	2
I have successfully built relationships with like-minded agents and publishers overseas	3
Educational appeal	4
Ability to connect with potential rights buyers online	5

**Table 2: Top 4 reasons for increased interest in Australian authored books:
by % of respondents**

	% of respondents selecting as important
Greater awareness of the quality of Australian authors from overseas publishers and agents	82
Australian best-selling books have generated increased interest from publishers and agents	71
The ability of Australian rights sellers to attend book fairs	71
The higher profile of successful books and authors overseas amongst readers	59=
Increased commercial appeal of the books in overseas territories	59=
Greater awareness of the quality of Australian authors from overseas readers	59=

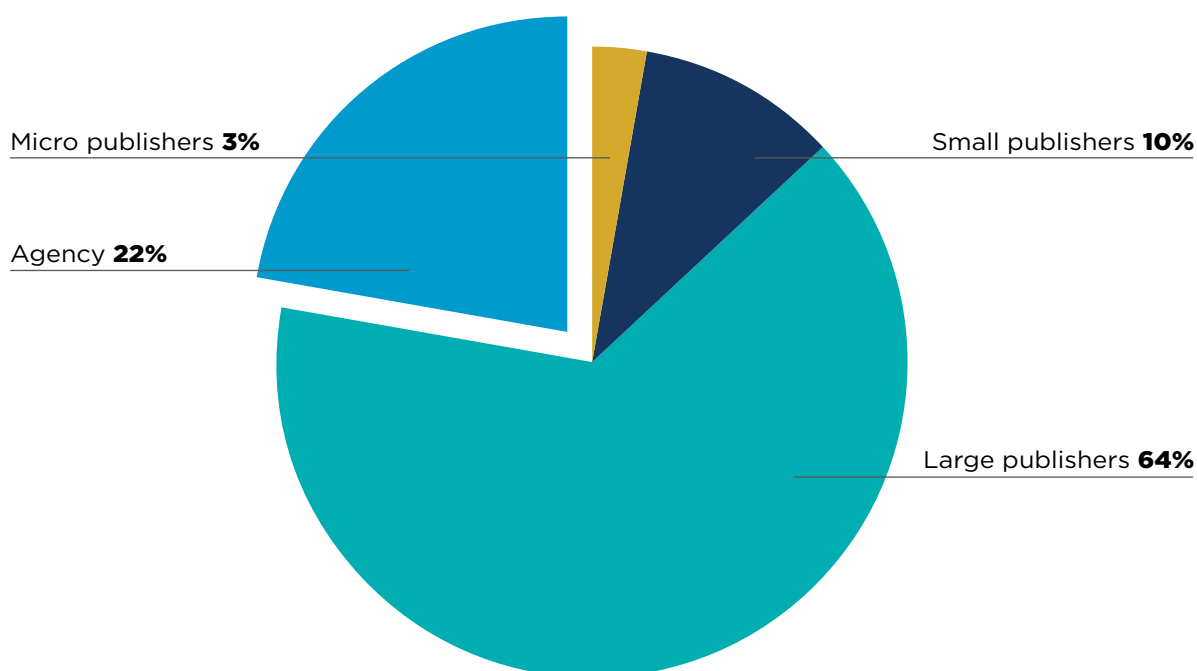
Large publishers and agents are playing an important role

Of the 9,315 rights sale deals contained within the sample, almost two-thirds (64%) were secured by large publishers. Just over one fifth (22%) of deals were secured by agencies and one-tenth of deals were secured by small publishers (that is, with annual turnover between \$100,000 and \$10 million). Micro publishers accounted for the remaining 3% of deals.

This demonstrates that the Australian arms of multinational publishers, plus Australia's largest independent publishers, have played an active, successful role in establishing and growing the international market for rights sales of Australian books.

Literary agents have also played an important role. This is further emphasised by the fact that rights sales by agents account for the majority of deals over \$50,000. For more on advance sizes and different rights sellers see page 24.

Figure 4: Percentage contribution of deals by respondent type, 2008 to 2018



Case study: Children's books and universal appeal

Over half of all recorded international rights sold between 2008–2018 were for books aimed at younger readers. Authors and publishers agree that those children's books that sell are more likely to include universal themes.

Some children's authors note a tendency to write their stories with international audiences in mind, choosing themes void of cultural references.

'I do make an effort to keep my stories universally accessible, both in style and content. I try not to follow illustrative fashions (although I did a bit when younger) and also remove culturally specific references.' (Author Shaun Tan)

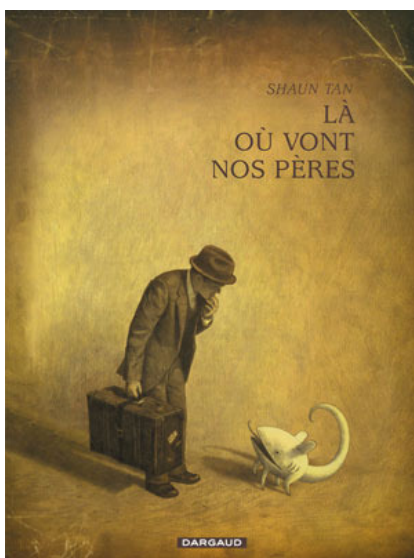
Alexandra Yatomi-Clarke from children's publishing company, Berbay Publishing, says **'Berbay's books contain stories with universal appeal and an eye for playfulness.'**

Although success in international rights in the translation market can be a slow burn, with publishers dedicating years to certain markets, Berbay Publishing note that there are many exciting opportunities for licencing in China and the Asia-Pacific.

'The appetite on the part of the Chinese, especially for illustrated picture books, is huge and being part of the Australia Council delegation to Shanghai [in 2018 and 2019] helped Berbay with new relationships and opportunities with agents, editors, scouts and publishers. It takes time to develop relationships and for the knowledge required to fully understand this complex market.' (Publisher Alexandra Yatomi-Clarke, Berbay Publishing)

In 2019 Berbay's income from international licensing had successfully grown to the point where it was 40% of overall revenue.

By preventing international travel, the COVID-19 pandemic has had a severe impact on sales in these growing and important markets. While digital attendance at key events goes some way to maintain these relationships, it will be important to support international delegations to and from Asian territories so as not to lost this hard won ground.



Shaun Tan, *The Arrival*, French edition.

2. Additional trends: languages, territories, authors and advances

This section investigates trends in rights deals with reference to language, territory (for rights sales, direct exports and co-editions), size of advance and gender of the author.

Language

Among the 9,315 international rights sales secured during the sample period, 8,325 (89%) specified a translation language. For the remaining deals, language was either not specified or the deal was for 'world' rights, or some other broad group of languages.

In total, 70 unique languages were included in the sample of deals collected.

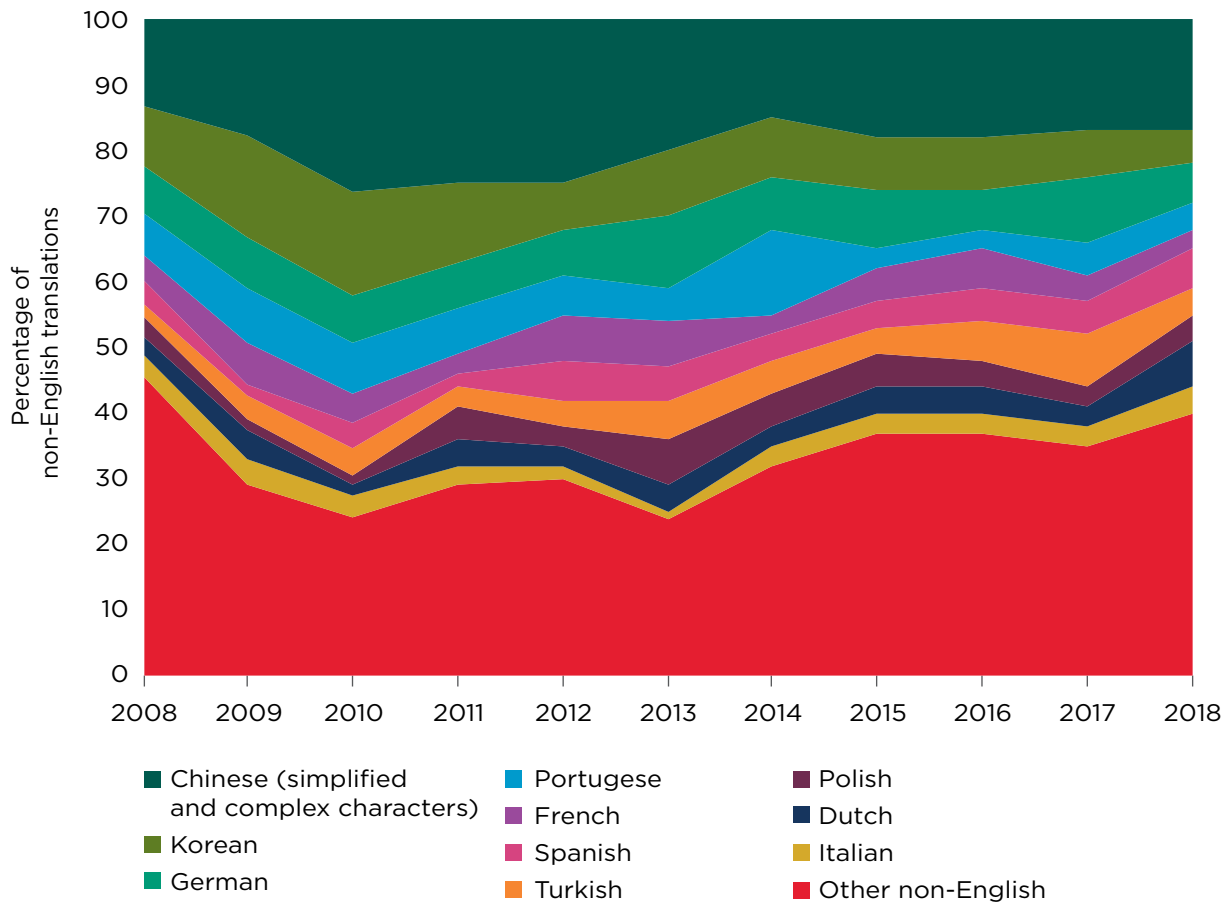
After English (20%), Chinese (both simplified and complex characters) was the most frequently specified language (14%), then Korean (7%), German (6%) and Portuguese (4%). This was followed by French, Spanish, Turkish, Polish and Dutch. Overall, there was a heavy skew towards the top five languages, which accounted for over half of all deals.

Table 3: Percentage share of languages across all deals n = 9315

Language	Total	Language	Total
English	20%	Greek	0.8%
Chinese (simplified and complex characters)	14%	Lithuanian	0.7%
Korean	7%	Bulgarian	0.7%
German	6%	Slovakian	0.7%
Portuguese	4%	Romanian	0.7%
French	4%	Catalan	0.6%
Turkish	3%	Hebrew	0.6%
Spanish	3%	Persian	0.5%
Polish	3%	Other	4%
Dutch	3%	Not specified/world	11%
Italian	2%		
Czech	2%		
Russian	2%		
Japanese	2%		
Slovenian	2%		
Bahasa Indonesian	1%		
Swedish	1%		
Hungarian	1%		
Norwegian	1%		
Danish	0.8%		

In the past five years there has been an increase in the number of translation deals into new languages, suggesting an ability to move into new markets.

Figure 5: Percentage share of top ten non-English languages over time



Language and genre

Table 4 presents the percentage share of languages by genre for languages with over 50 deals between 2008 and 2018.

34% of the English language deals involve adult non-fiction, followed by adult fiction (25%), middle grade titles (18%), picture books (17%) and teen and YA titles (7%).

Over three-quarters of Chinese and Korean translations relate to middle grade and picture books, providing evidence of the strong and growing demand for titles aimed at younger readers from these large Asian markets.

Overall, the distribution of genres for European language translations appears to be more uniform than for non-European nations.

Table 4: Percentage share of languages by genre (languages with over 50 deals)

Language	Total deals	Adult fiction	Adult Non-fiction	Middle grade	Picture book	Teen and YA
English	1828	25%	34%	18%	17%	7%
Chinese (simplified and complex characters)	1271	5%	17%	30%	46%	2%
Korean	651	5%	14%	20%	57%	4%
German	514	37%	24%	18%	9%	12%
Portuguese	402	12%	18%	51%	13%	6%
French	325	31%	17%	27%	18%	6%
Spanish	312	25%	19%	38%	13%	5%
Turkish	308	18%	10%	44%	19%	8%
Polish	261	26%	26%	33%	9%	6%
Dutch	245	22%	30%	35%	8%	5%
Italian	201	28%	28%	18%	18%	7%
Czech	187	26%	20%	42%	5%	7%
Russian	179	26%	35%	21%	11%	6%
Japanese	144	13%	24%	34%	26%	3%
Slovenian	137	12%	7%	42%	34%	7%
Bahasa Indonesian	107	7%	19%	10%	55%	8%
Swedish	106	19%	8%	58%	12%	3%
Hungarian	96	46%	24%	22%	3%	5%
Norwegian	96	39%	2%	36%	20%	3%
Danish	76	32%	13%	39%	14%	1%
Greek	76	49%	18%	20%	9%	4%
Lithuanian	69	29%	14%	51%	6%	0%
Bulgarian	64	52%	20%	17%	3%	8%
Slovakian	63	19%	13%	56%	5%	8%
Romanian	60	32%	28%	25%	10%	5%
Catalan	57	14%	0%	65%	14%	7%
Hebrew	57	39%	2%	28%	26%	5%
Persian	51	2%	0%	78%	20%	0%

Territory

Of the 9,315 international rights sales collected as part of the survey, 83.5% list a specific territory. The remaining 16.5% list broad groups of territories (such as world, Latin America, Europe, etc) or do not specify a particular territory.

A total of 92 unique territories were listed in the data.

Since 2010, China has emerged as the dominant territory each year.

The UK and Germany make consistent appearances in the top five, with some movement among other territories. In recent years, countries such as Turkey, Poland and Iran have emerged as key markets, albeit for low advances.

Table 5: Top Ten most frequently specified territories (yearly)

Rank	2008	2009	2010	2011	2012	2013
1	Korea	Korea	China	China	China	China
2	China	China	Korea	Germany	UK	UK
3	UK	Germany	Brazil	UK	Germany	Germany
4	Germany	UK	UK	Brazil	Spain	Korea
5	USA	Brazil	Germany	Netherlands	France	USA
6	Canada	USA	Spain	Korea	USA	Canada
7	Brazil	Canada	Mongolia	USA	Canada	Poland
8	Indonesia	Netherlands	USA	Taiwan	Korea	France
9	Spain	Taiwan	Canada	France	Brazil	Turkey
10	France	Indonesia	France	Poland	Netherlands	Brazil

Rank	2014	2015	2016	2017	2018
1	China	China	China	China	China
2	Brazil	USA	USA	UK	UK
3	Korea	UK	UK	Germany	USA
4	UK	Germany	Canada	USA	Spain
5	Germany	Turkey	Germany	Turkey	Germany
6	USA	Korea	Korea	Korea	Canada
7	Canada	France	Spain	Canada	Italy
8	Poland	Canada	Turkey	Iran	Korea
9	Turkey	Poland	France	Brazil	Netherlands
10	Spain	Netherlands	Netherlands	Czech Republic	Poland

It is important to keep in mind that these rankings exclude the 16.5% of deals for combined territories, such as world, Latin America, etc, and those which did not specify a particular territory (see above). The actual reach of Australian authored titles is much wider when such deals are factored in.

Direct exports and co-editions

The survey also investigated the prevalence of direct exports as an alternative path to international sales for Australian authored titles. Direct exports are books that are supplied directly from publishers to fulfil orders in other countries. To ensure respondents were not overburdened by the survey, the researchers only asked about direct exports for a single year (2018). Just under half of the respondents (48%) indicated that they directly exported titles during this year.

Respondents who indicated that they had directly exported titles were asked to rank the territories in order of income generated. The USA was ranked first, suggesting this is the most lucrative direct export market. This was followed by the UK, Canada, China, and India.

The researchers also attempted to collect data on deals for co-editions during the sample period. Co-editions are when a book is released in two territories by two or more publishers who collaborate to ensure that the product will serve the needs of both markets. Only four of the 31 respondents reported selling international rights using this method.

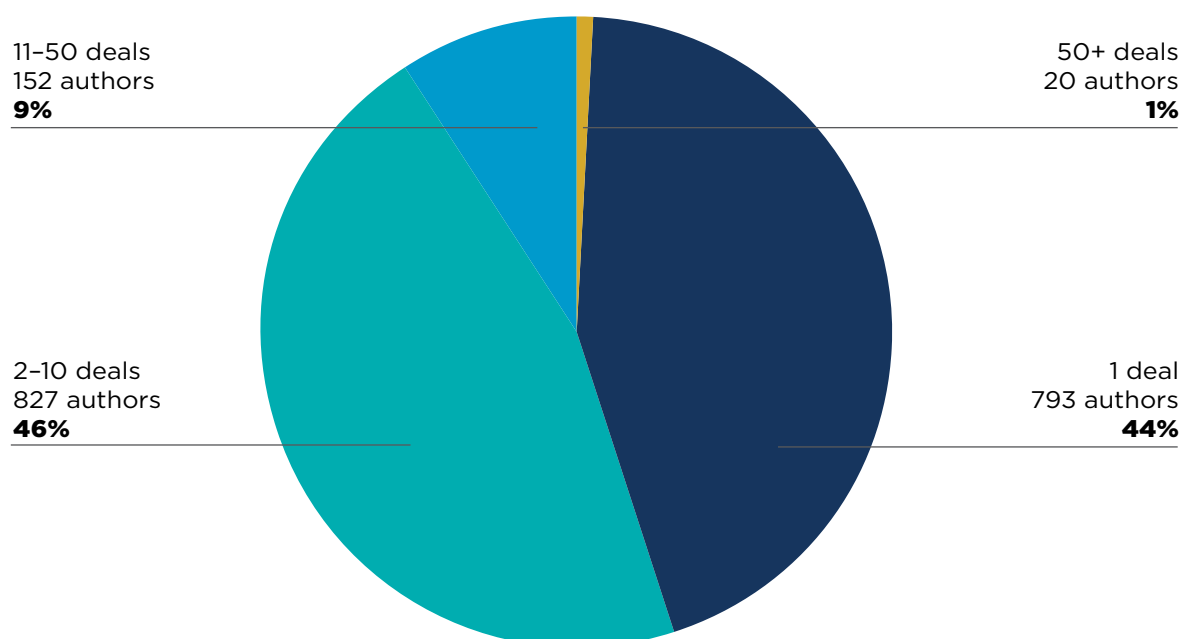
Authors

Of the 1,792 authors listed in the deals reported, 44% secured only one deal; 46% between two and ten deals; and 9% secured between 11 and 50 deals.

The top 1% (which consists of 20 authors) signed more than 50 deals during the sample period. In total these 20 authors account for over 23% of all deals, suggesting that the superstar phenomenon is alive and well in the Australian book industry and the market for international rights sales.

A similar phenomenon can be seen in international sales of Australian music. The distribution of artists' export income is heavily concentrated, with just 10% of artists accounting for 97% of artists' earnings.²

Figure 6: Number of deals per author



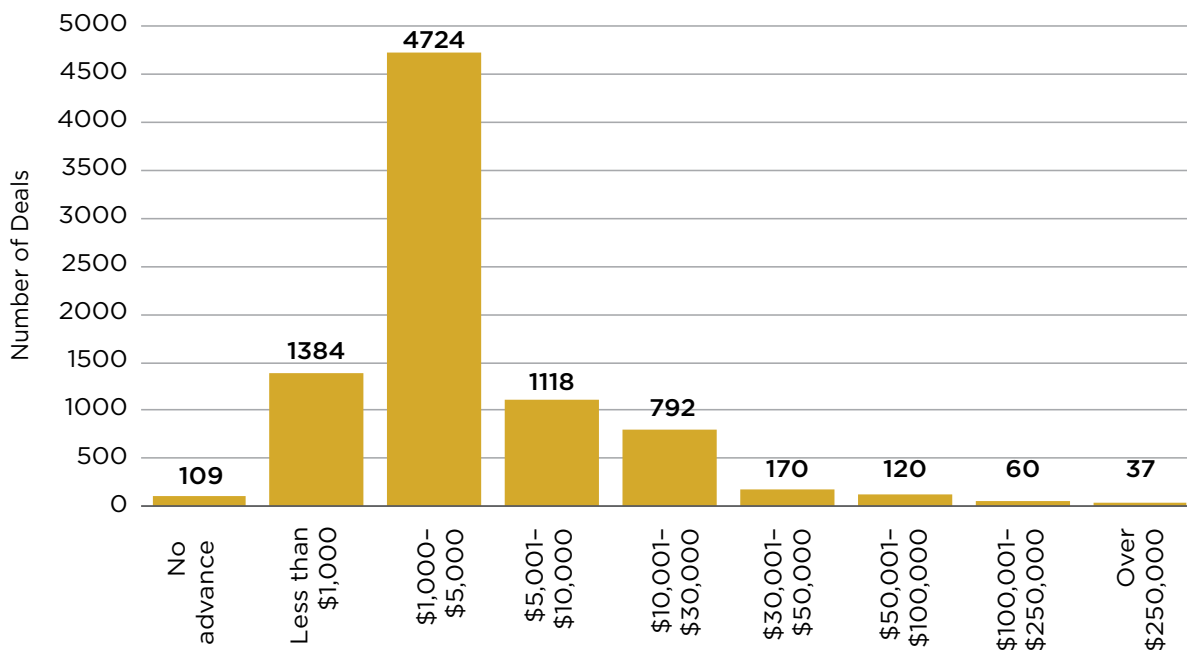
² Australia Council for the Arts 2019, *Born Global: Australian music exports*.

Advances

Advances form an important part of many deals for international rights. Indeed, 91% of the rights deals contained within the sample specify an advance amount. To ensure that the financial aspects of the deals collected in the survey remained confidential, information on the size of advances was sought in bracketed ranges.

By taking the mid-points of the bracketed ranges, we find that the average size of advance is \$9,032 and the advance most frequently nominated is \$2,500. Approximately half of all deals specify an advance between \$1,000 and \$5,000.

Figure 7: Size of advance



A small percentage of authors receive considerably higher advances than others. This further cements the superstar author phenomenon seen in the analysis of deals per author and title (see opposite page).

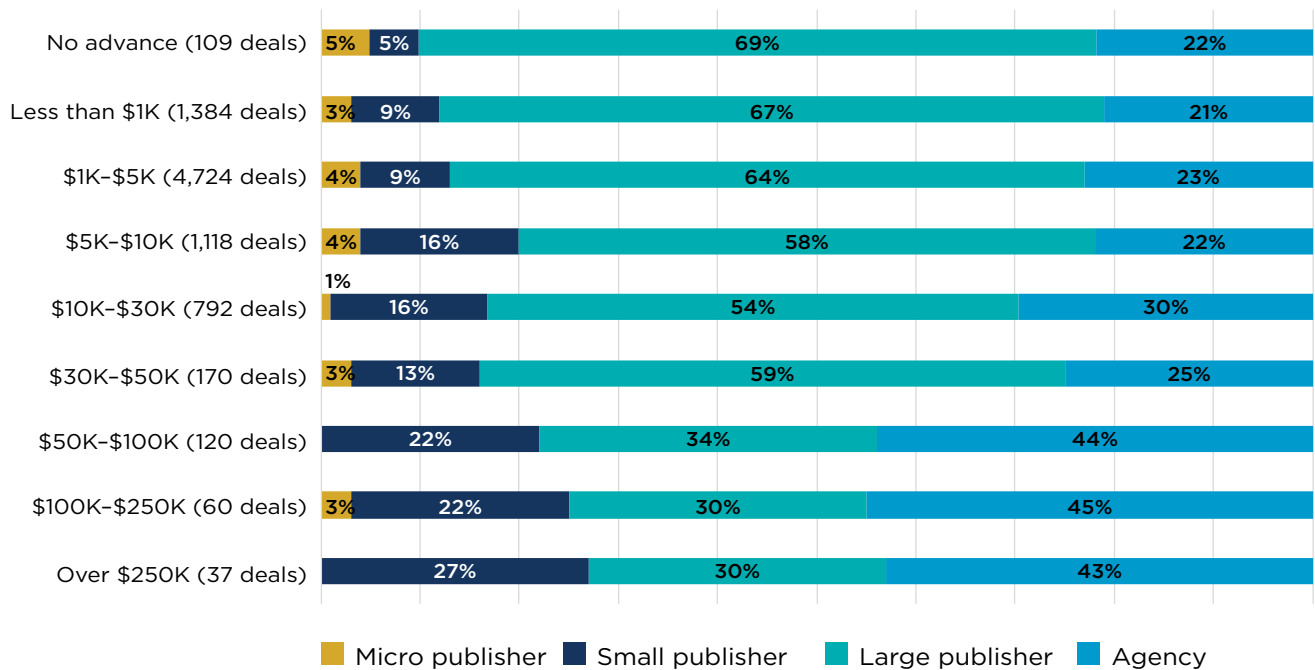
The data suggests that the total amount of advances paid to Australian authors during the sample period is between \$52.4 million and \$114.7 million, with a conservative mid-point estimate of \$83.6 million.

A 2015 national survey of Australian authors found that the average income of Australian authors from their creative practice was \$12,900 in the previous year.³ Given the relatively low average levels of income received by Australian authors, international rights clearly represent an important area of current and potential income for Australian authors.

Large publishers dominate deals under \$50,000, while literary agencies are responsible for the majority of the deals over \$50,000. It could be that authors with a book that has the potential to secure a \$50,000 advance on a rights deal are more likely to be represented by an agent. However, large and small publishers are also responsible for a significant proportion of deals involving large advances over \$50,000.

³ Throsby D, Zwar J and Longden T 2015, 'Australian Authors', *Industry Brief No. 1: Key findings*. Department of Economics, Macquarie University.

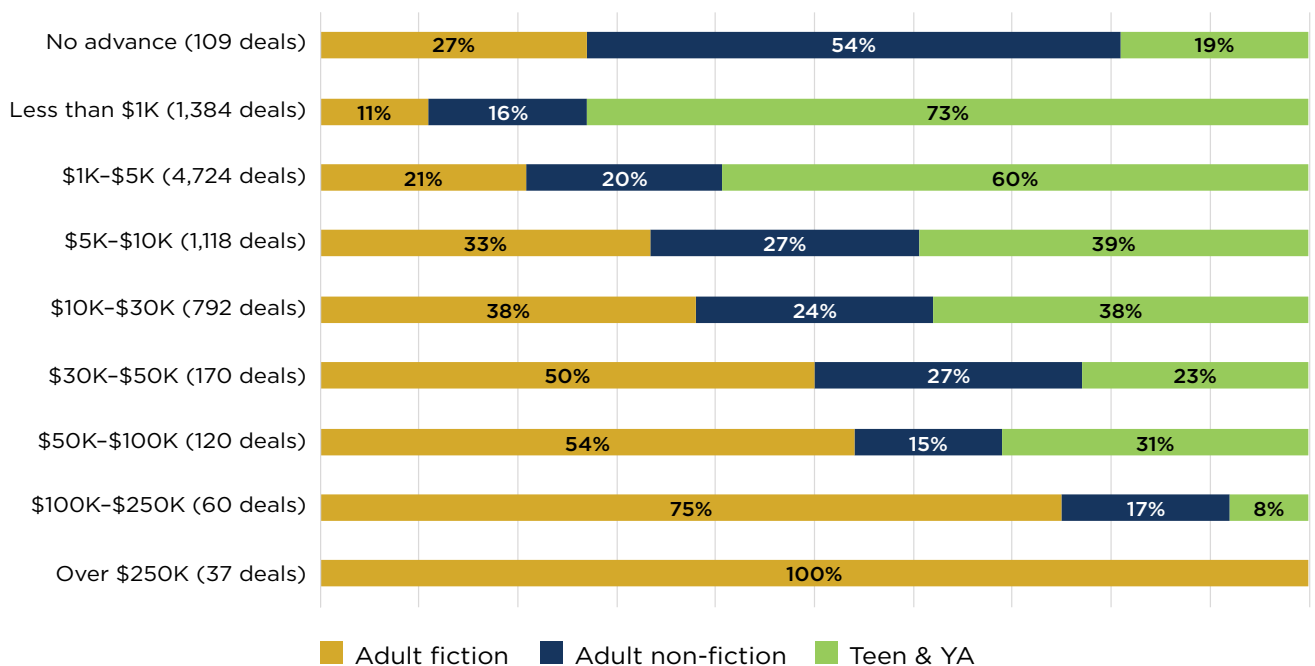
Figure 8: Size of advance by respondent type, 2008 to 2018



Advances over \$100,000 are heavily skewed towards adult fiction deals, and all advances over \$250,000 relate to adult fiction.

Over half of all deals with no advance relate to adult non-fiction titles, while children's, teen and YA titles dominate the lower ranges of advances. Again, taking the mid-point of bracketed advance amounts, the average advances of deals signed by each genre are \$20,078 for adult fiction; \$7,538 for adult non-fiction; and \$4,734 for children's, teen and YA.⁴

Figure 9: Size of advance by genre, 2008 to 2018



⁴ These figures should be treated with caution, since each genre represents a broad range of titles and involves a diversity of rights sales markets which vary from large to very small in terms of capacity to pay an advance.

Adult fiction authors receive more than double their average advance amount for their second to fifth titles. Adult fiction authors who go on to publish more than five titles see their average advance amount almost triple (from \$20,295 to \$58,337). Adult non-fiction writers, on the other hand, do not enjoy the same increases in average advances over their first five titles. Only when publishing more than six titles do they begin to enjoy increased average advance amounts.

Table 6: Average advance per deal by number of titles and genre

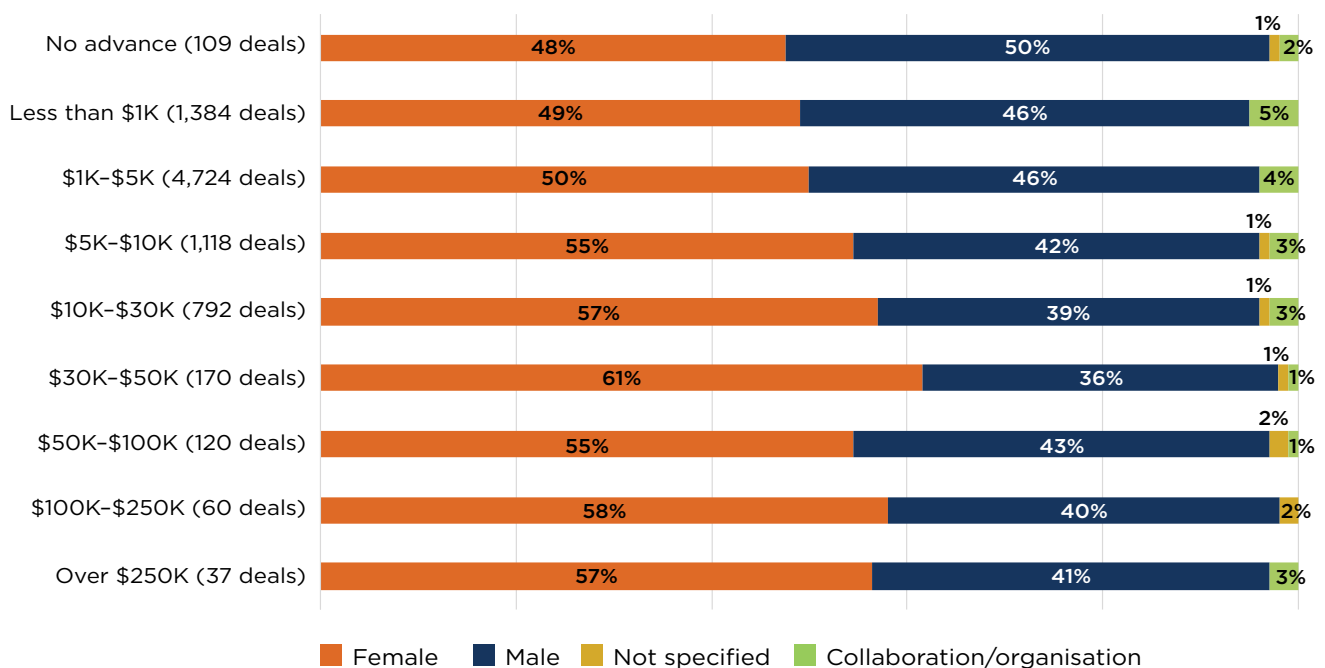
	Average advance per deal			
	All deals	Adult fiction	Adult non-fiction	Children's, teen & YA
1st title	\$6,886	\$8,944	\$6,846	\$4,867
2nd–5th title	\$10,109	\$20,295	\$6,061	\$3,972
6th–10th title	\$25,736	\$58,377	\$15,164	\$3,668

The size of advance by gender is presented in Figure 10. Male authors receive a slightly larger number of deals with no advance. This is largely driven by the fact that male authors write 51% of adult non-fiction titles, which have smaller advance amounts (female authors account for 45% of adult non-fiction titles while 3% are collaborations).

For all other bracketed advance amounts, females have a larger share of the deals. This gap is particularly prominent at the upper end of the advance spectrum.

Well over half (57%) of ‘superstar’ deals (over \$250,000) are signed by females. This is an intriguing observation given the prevalent gender pay gap amongst Australian artists reported in previous literature.⁵

Figure 10: Size of advance by gender, 2008 to 2018



⁵ Throsby D, Petetskaya K and Shin S 2020, 'The Gender Pay Gap Among Australian Artists: Some preliminary findings'; Throsby D and Petetskaya K 2017, *Making Art Work: An economic study of professional artists in Australia*.

Case study: Based on a book

The book publishing and screen industries have long worked together, with adaptations from books proving popular sources of material for films, television programs and stage productions. This research indicated that the number of these adaptations has been increasing in Australia. Examples include Trent Dalton's *Boy Swallows Universe* (published 2018; theatre production premiered 2021), *A Long Way Home* (published 2013; film released as *Lion* in 2016), and Liane Moriarty's novels *Big Little Lies* (published 2014; television series released 2017) and *Nine Perfect Strangers* (published in 2018; television series released 2021).

The publicity associated with an adaptation can increase book copy sales and international rights sales. Likewise, international rights sales can increase a book's visibility and potentially lead to screen rights discussions. However, while the US market typically recognises international rights sales as pointers for potential success in the screen industry, the Australian market still has a way to go.

'I believe in the more competitive US market, international rights sales would be taken more seriously than they are here because of greater competition to snap up stories with potential before the next guy does, whereas in Australia we generally are moved by local sale numbers as opposed to [international] rights.'

(Screen industry expert Seph McKenna)

That said, success in international rights sales can still be compelling.

'Any data point that helps convince buyers/acquisition execs/commissioners that they can find an audience helps, and international rights sales are a good data point.' (Seph McKenna)

2010 research made the case for more adaptations in the Australian film industry to mitigate the risk involved in screen production.⁶ Proportions of adaptations at that time were relatively low and declining. However, by 2016, Chair of the Melbourne International Film Festival Claire Dobbin noted that around 50% of producers slates were taken up with adaptation projects – an increase from previous decades in which there was a focus on original work.⁷

'The wonderful thing about working with literary material is that the writer of the literary piece has already done the massive amount of research and storytelling work that is required to make a screen story connect with an audience.'

(Producer of *the Secret River* Stephen Luby)⁸

In recent years, meetings with publishers and agents have become more organised. Just as publishers go to book fairs to network with international publishers, in Australia they now attend Books at MIFF, a networking event aimed at bringing the publishing and film and television industries closer. With more opportunities to showcase a book's success through book sales and international rights sales, book-to-film adaptation prospects rise.

6 Hancock M 2010, *Mitigating Risk*, Occasional Paper #2, Australian Film Television and Radio School.

7 Poole M 2016, 'Books at MIFF 2016 – fostering the slow growth of adaptations'. November, 5. www.markpoole.com.au.

8 Luby S (Ruby Entertainment) 2020, *Submission to Parliamentary Inquiry on Australia's Creative and Cultural Industries and Institutions*. (Sub 51).

3. Future prospects: challenges, assets and opportunities

This section outlines the challenges and opportunities set to shape the development of international rights sales of Australian-authored books overseas – now and into the near future.

Challenges and needs to address

A number of challenges affect the capacity of the local industry to engage with the international publishing market. Many of these pre-date the disruptions of COVID-19 and were successfully being addressed at that time.

A crowded marketplace and the ‘tyranny of distance’

While clear gains have been made by rights sellers of Australian authored books in recent years, a crowded international marketplace and the ‘tyranny of distance’ remain major obstacles.

In the survey, competition from overseas markets was selected by over half of the respondents and ranked as the most important obstacle. The most selected obstacle related to the distance from other markets, suggesting that Australia’s geographic position in relation to the currently largest markets may still be an impediment when it comes to networking and securing deals. Difficulties in identifying and/or making connections, and the costs of translation were also highly ranked explanations.

These findings were supported by case study interviews which mentioned Australia’s exposure to global forces and the need for investment to protect Australian rights selling against prevailing economic conditions.

To address this, the project researchers recommend continued and improved support of Australian stands at key books fairs. They also recommend continued support of the Australia Council’s Visiting International Publishers (VIPs) scheme, continued support of the Council’s Translation Fund for Literature, and the investigation of additional funding opportunities to support individuals to develop their professional networks and skills in rights sales.

Ongoing funding support for Australian publishers at international book fairs is essential to ensure that Australian books are visible in the crowded global marketplace. Just as vital, however, is continued and extended funding support for Australian book authors. This remains critical for the long-term development of high-quality manuscripts that are competitive in international markets.

Table 7: Top 5 current obstacles to expanding rights sales according to agents and publishers: by average order of importance

	Average order of importance
The number of titles in overseas markets which compete with my lists	1
Type of work published (i.e. locally focused)	2
Distance from other markets	3
Competition from other publishers/literary agencies	4
Changing international trends running counter to my lists	5

Table 8: Top 5 current obstacles to expanding rights sales according to agents and publishers: by % of respondents

	% of respondents selecting as an obstacle
Distance from other markets	59
The number of titles in overseas markets which compete with my lists	56
Competition from other publishers/literary agencies	44
Type of work published (i.e. locally focused)	41=
Difficulties in identifying and/or making connections	41=
Difficulty attracting interest from overseas publishers and agents in my lists	41=
Cost of translation	41=

Lack of diversity within Australia’s international literature and rights selling cohort

Over recent years there has been seismic change in the way people think and talk about diversity, both in and beyond arts and culture. Diversity is increasingly recognised as central to judgements of relevance, performance and sustainability. Fuelled by global movements and social shifts, urgency is building for real, tangible change and greater accountability for action.

Interviews conducted for this research identified a lack of diversity in Australia’s rights selling cohort. The book industry needs to explore ways to employ a more diverse workforce. Challenges include the fact that, while jobs are highly sought after, many roles are modestly paid and many members of the book industry work long hours of unpaid overtime in an industry with tight profit margins.

Interviewees also raised questions regarding the diversity of voices within Australian literature represented overseas.

Solutions to a lack of diversity within the Australian rights selling workforce, and in Australian literature sold overseas, may not lie in quick fix responses. Long term commitment to nurturing and mentoring over time is needed, along with mechanisms to ensure equity and a diversity of voices within international Australian literature.

Digital networking and the disruptions of COVID-19

All respondents placed a high value on in-person networking. This raises questions about the ability of the industry to function amidst the disruptions to international travel caused by COVID-19.

Face-to-face meetings enabled respondents to gauge whether they could do business based on shared values and ethics, reading tastes and publishing lists, and market opportunities. These meetings, often accompanied by socialising after hours at book fairs, became the basis for friendships in many cases and provided a foundation for maintaining business interactions online in between book fairs.

It is not clear whether it is possible to build the same depth of personal networks which facilitate rights sales through remote communication alone. It also remains to be seen whether such strong sentiment against online interactions has been softened at all by the forced exposure to such methods as a result of the pandemic. That said, all the agents and publishers interviewed for this research estimate that it will take at least two years for the Australian and international English-language book industry to recover from the disruptions of COVID-19. And that the inability to travel and meet in-person clearly represents a challenge to the usual functioning of the industry.

Investment will be required to stem these losses and to help the industry meet the challenges of reviving relationships. This could involve investment in new modes of relationship-building, such as those that use digital technology, and/or support in the rebuilding of face-to-face events.

Assets and opportunities

The Australian publishing industry's success in international rights sales has provided a critical set of resources. There is currently a significant opportunity to capitalise upon these hard-earned assets, and to further expand the international demand for Australian literature.

Professionalisation of the sector

A key insight of this research has been the growing professionalism of Australia's international rights selling sector, despite a lack of formal training. Australian rights sellers have nurtured and cemented relationships with overseas editors, and have developed an invaluable understanding of overseas editors' tastes and industry contexts. They have also played an increasingly important role in book fairs and other industry events at which international rights are traded.

This knowledge and industry status is invaluable, and is at stake with current an ongoing disruptions. It also takes decades to develop.

There is an opportunity here for experienced rights sellers to mentor newcomers, folding the knowledge developed across the last couple of decades into the growth of an even stronger and profitable sector. There is already a strong camaraderie between rights sellers, and this would provide a ready base for such work.

Any such mentoring programs would also provide an ideal platform for addressing the lack of cultural diversity in Australia's rights selling cohort, drawing on the asset of Australia's diverse community to create a more globally connected rights selling industry.

Increasing international interest in Australian literature

After decades of capacity building and relationship building by Australia's rights selling community, interest and awareness in Australian literature appears to be increasing in overseas publishing houses and their markets (see page 14).

Research participants noted greater awareness of the quality of Australian authors from overseas publishers, agents and readers, along with Australian literature's increased commercial appeal.

These findings suggest a significant accomplishment on the part of Australia's rights sellers. They also indicate a major opportunity to build on these gains, and to leverage existing interest in Australian literature for increased export opportunities in future.

A functioning infrastructure

Another key finding of this research is that the infrastructure that exists to support rights sales of Australian-authored books is serving its users well. This is a key aspect of the 'success story' told by this project's findings.

Participants emphasised the importance of inbound and outbound rights and market delegations. These included attendance at book fairs, trips to key markets (such as those supported by the Australia Council, and those self-funded by publishers), and the Australia Council's VIPs program. Almost every conduit for rights sales that was listed in the survey was rated as useful, and not one respondent said they wouldn't use an available mechanism again.

There is a clear opportunity to further invest in and secure the sustainability of these programs, and to rebuild the connections that have been disrupted by COVID-19.

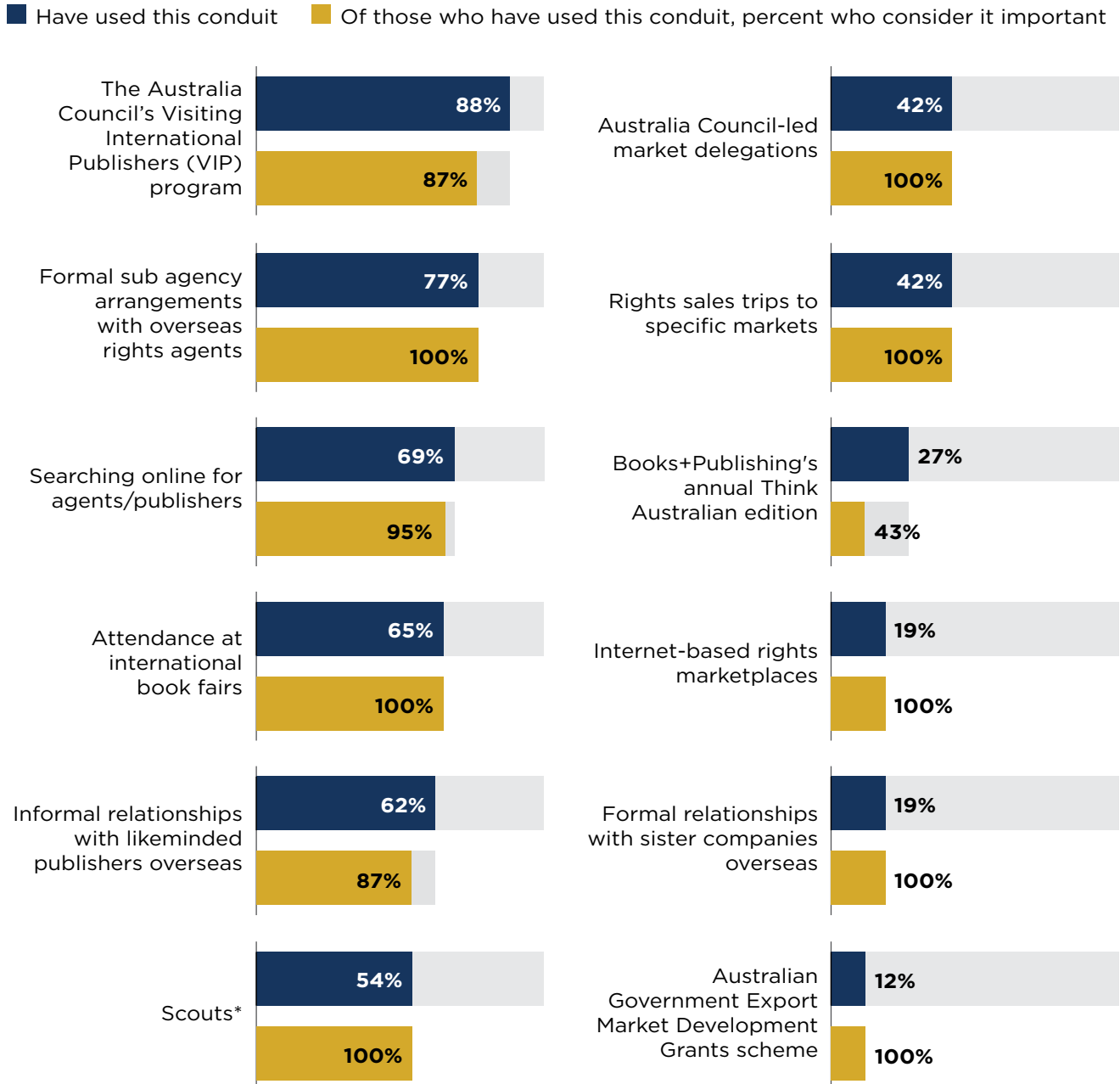
Digital transitions – challenge or opportunity?

The development of digital communication technology has played a key part in the evolution of the rights selling industry over the last few decades. While face-to-face meetings are considered critical to establishing networks, digital communication has helped Australian rights sellers build and maintain relationships with publishers overseas. This has helped to address the 'tyranny of distance' mentioned as a challenge, and is a likely reason for the increased awareness of Australian literature overseas.

Alongside this, digital transition in the book industry has also produced a series of disruptions to conventional conceptions of the author, the publisher, to supply chains, and even the physical book. The impacts of these wider digital transformations are beyond the scope of this report. However, we must note the implications for copyright – a concept and mechanism which is challenged by current digital disruptions.

Copyright and the institutions that maintain it are critical for international rights markets, and for the local industries on which these international markets are built. At the most fundamental level, copyright is essential for the livelihood of authors and so for the literature they produce. Copyright is also therefore foundational to the book publishing industry, at both domestic and international scales.

Figure 11: % of respondents that have used various conduits to develop rights sales transactions



* Scouts play an important role in both the buying and selling of rights, advising their publisher clients about new books that would suit their lists. The relationship between a scout and their publisher client is exclusive, and so a scout can only have one client per territory. As one research participant said: "Book scouts are fantastic, and they are really good at creating buzz around a book."

