

WIPO COMMISSIONED STUDY ON THE CONTRIBUTION OF THE COPYRIGHT –BASED INDUSTRIES TO THE ECONOMY OF JAMAICA

History:

The Creative Industries Division of the World Intellectual Property Organisation (WIPO) was established in 2005 as a focal point for the discussion of the impact that intellectual property policies and practices have on the creative industries. The Division engages with creative industry stakeholders and carries out studies on the creative potential of nations, quantifying the economic contribution of creative activities, as well as developing practical tools for creative enterprises and entrepreneurs, and assisting creators in benefiting from their intellectual property assets. (Source: WIPO)

The national studies on the economic contribution of the creative activities or industries, namely the copyright-based sectors, are intended to provide empirical data from which informed and targeted policies can be formulated and implemented. The findings of study are also to serve as important inputs to promoting growth and development of the creative industries in the country.

Link between Copyright and Creative Industries:

The focus on copyright sector in quantifying the value of creative industries stems from the fact that the creative or cultural industries, which usually involves art, literary works, drama, dance, music, fall under the area of Copyright and Related Rights protection. Copyright covers the actual creative works whilst Related Rights covers the works of those who communicate the copyrighted works to the public such as performers, producers of phonograms (record, CD's), and broadcast organisations.

Jamaican Copyright Study

In 2006, WIPO on the request of the Jamaican Intellectual Property Office (JIPO), commissioned the preparation of a national study on the economic contribution of the copyright-based industries to Jamaica. Prepared by Dr. Vanus James, Economist/ Consultant, Mona School of Business and the University of Technology, the study was finalised in 2007 and officially launched in March 2008. A second comprehensive presentation of the study was provided during the International Reggae Day Copyright Forum hosted by JIPO and Jamaica Arts Holding Ltd on July 1, 2008. The Jamaican study is one of thirteen (13) completed studies to date (as at March 2008) by WIPO and the first to be done within the Caribbean region. Some of the other completed country studies include Singapore, Canada, Croatia, Mexico, Russia and the United States of America.

The study forms part of a wider WIPO publication on creative industries available internationally for academic, reference and research.

Objectives of the national study:

1. To quantify the economic contribution of copyright and related rights-based industries in Jamaica by estimating their value added to GDP, share of national employment and revenue generated from foreign trade
2. To analyse and elaborate on selected copyright-based industries of importance to Jamaica, their national market structure, value chain, demand and supply patterns, labor market, policy framework, support from public and civil sector including the role of

collective management organisation and other copyright related organisations, financing mechanisms, implications of the digital environment *inter alia*.

3. To propose policy, strategy and institutional interventions for encouraging the growth and development of copyright-based industries in Jamaica.

Source of Data:

The study used basic national accounting data on selected sectors provided by STATIN, the Jamaica 2001 Population Census and the 10 % Census of Economic Activity along with consultations with stakeholder institutions/ organisations.

Areas of focus:

The copyright sector was defined by 4 groups of activities:

1. **‘Core Copyright Industries’** comprising:

- *press and literature,*
- *music, theatrical productions, and opera*
- *motion picture, video and sound,*
- *radio and television,*
- *photography, visual and graphic arts, related professional and technical services. Software databases and new media,*
- *Advertising services,*
- *Copyright Collective Management Societies.*

2. **‘Interdependent Copyright Industries’**

- *engaged in the production, manufacture and sale of equipment that facilitate copyright activity such as TV sets, radios, DVD players, computers, musical instruments, blank recording material and paper.*

3. **‘Partial Copyright activities’**

- *includes products and services that have a significant components based on copyright, for example, museums, jewellery, architecture, furniture design,*

4. **‘Non-dedicated Support Industries’**

- *which facilitate the communication and distribution of copyright-based activities such as general wholesale and retail, transportation, telephony, the Internet. These industries facilitate the communication and distribution of copyright-based activities.*

Main findings:

The study found that in 2005, the copyright sector contributed J\$29 billion in producer’s values at constant (1996) prices (US\$464.7 million), or 4.8 % of GDP. The sector also accounted for 3.03 % of employment.

Of the total 4.8 %, the core copyright industries accounted for J\$10,363.8 million or 35.6 % of the total. The 3 main contributors were:

- Radio and television broadcasting – J\$3578 million (US\$57.3 million) or 12.3% of total copyright sector,
- Press and Literature – J\$3090.8 million (US\$49.5 million) or 10.6% of total copyright sector,
- Music and Theatrical productions – J\$1263.5 million (US\$20.2 million) or 4.34% of total copyright sector,

The 3 remaining industry groupings contributed 15.5 % (Interdependent), 9.8 % (Partial) and 39 % (Non-dedicated support).

In terms of employment, the core copyright industries contributed 1.8 % of total employment or 59.3 % of all employment in the copyright sector. The highest employment activities were:

- Press and literature – 20% (of copyright)
- Radio and television – 15.7%
- Music and theatrical productions – 9%

The music sector itself accounted for 6.4 % of copyright sector employment

The ranking of the copyright sector in comparison to other sectors of the Jamaican economy

Sectors	Percent
Agriculture, Forestry and Fishing	5.2%
Mining and Quarrying	5.8%
Manufacturing	13.3%
Electricity and Water	4.1%
Construction and Installation	10.6%
Distributive Trade (Wholesale and Retail)	21.8%
Transport, Storage and Communication	13.9%
Financing and Insurance Services	8.2%
Real Estate and Business Services	5.2%
Producers of Government Services	9.8%
Miscellaneous Services	8.5%
Household and Private Non-Profit Institutions	0.5%
Less Imputed Service Charge	6.8%
TOTAL GROSS DOMESTIC PRODUCT	100.0%
Copyright (Core and Neighboring)	4.8%

The study noted that,

- The copyright-based sector can become one of the main sectors leading the Jamaican economy. However, current challenges impeding such development include; shortage of both working capital and real fixed capital as well as skills in the private (wage employment) sector, combined with an inadequate protection of loan finance and a community of traditional capitalists lacking interest in large-scale domestic capital formation in this sector.

Successfully realising the sector's potential will require among other things:

- Investment in acquiring and producing applicable knowledge - relevant education and training for practical participation in the relevant industries.
- Corresponding investment in physical capital assets to complement the human capital accumulation (above described). These assets both include public infrastructure and private physical capital formation.

Future steps

Using the data provided by the study, JIPO will be working with relevant agencies, Ministries and stakeholders in the copyright industries, to identify how best to build on and implement the recommendations made in the study to achieve sustainable growth and development of the dynamic Jamaican copyright sector.

“The activities in which a country is most creative and hence, most capable of developing new domestic capital and the skills to use it, are ultimately those that offer the best opportunities for exploiting available externalities and developing its distinct comparative advantage.”

Jamaican Copyright Study, 2007