Textbook piracy takes toll in Mexico
Publishers, authors decry loss of millions in royalties

By Marion Lloyd, Globe Correspondent, 6/1/2004

MEXICO CITY -- From her tiny office in central Mexico City, Maria Fernanda Mendoza is fighting a lonely battle against an illicit multimillion-dollar industry that few here take seriously: textbook piracy.

As general manager of the Mexican Center for the Protection and Promotion of Authors' Rights, Mendoza has almost single-handedly taken on back-room publishers printing knockoffs of popular textbooks, Internet sites offering illegal CD-ROMs, and the thousands of copy shops that reproduce entire books without paying a cent in royalties.

It can be a dangerous job. Last year, a street vendor in downtown Mexico City came after Mendoza with an ice pick after she attempted to photograph his stock of pirated textbooks.

"I'm probably crazy to be doing this," she said in an interview at her center, which is known by the Spanish acronym CeMPro and has a total staff of three. Mendoza represents 65 Mexico-based publishers who are concerned about textbook piracy.

Many are local subsidiaries of US publishers -- including several with operations in Boston -- who lost an estimated $40 million in Mexico last year due to piracy of mostly Spanish-language textbooks, according to the Association of American Publishers.

Unlike in Asia, where book piracy is a well-established industry, the practice is a recent phenomenon in Latin America. Even in a relatively well-off country such as Mexico, people read an average of just half a book a year.

The bulk of losses are in college textbooks, which can range in price from $10 to $200 -- as much as many Mexicans make in a month. By far the biggest threat to publishers in the region is the unauthorized photocopying of college textbooks.

In Mexico, students photocopy an estimated 5 billion to 10 billion pages of copyrighted textbooks each year, often in copy shops located on university campuses, according to the US publishers' association. The result is an estimated 50 million books that CeMPro estimates would otherwise have been sold, costing authors $48 million in lost royalties and publishers $550 million in lost sales. In comparison, Mendoza estimates that pirated textbooks cost authors $10 million in lost royalties and cut publishers' sales by 10 percent.

However, she notes that few in Latin America view book piracy -- and in particular the unauthorized photocopying of texts -- as an offense worthy of legal action, not even the authors whose rights she is fighting to defend.
Many of those authors are professors who teach at the National Autonomous University of Mexico, or UNAM, which is famed for its populist approach to education. The university, which has a staggering 130,000 students, charges a token 20-cent annual tuition fee and many professors encourage their students to copy entire books to save money.

"I don't know if it's illegal. But we've always done it," said Yolanda Ibarra, an employee at a copy shop in the basement of the UNAM's medical school. She said she frequently copies entire books, and that nobody has ever told her not to.

Many students also expressed surprise when reminded that they were breaking the law by photocopying textbooks. "We know it's illegal. But sometimes we can't find the book. Or we don't have the money," said David Hurtado Reyes, 19, a first-year medical student. He said he recently photocopied a friend's biochemistry book rather than pay $140 for the original -- five times the monthly scholarship he receives from the UNAM to help cover the cost of school supplies.

Economics is clearly a factor in encouraging students to ignore the law. In Mexico the average yearly salary is $6,500. In Bolivia, where pirating is rampant, the average yearly salary is $953.

"It's a serious problem, and it's only going to get worse," said Javier Neyra, director of operations in Latin America and Spain for New York-based McGraw-Hill, whose college publishing division is based in Boston. McGraw-Hill, which controls 37 percent of the college textbook market in Mexico, is a leader among US publishers operating in Latin America. Neyra said improvements in scanning technology and photocopy machines have enabled pirates to create low-cost copies that are virtually identical to the originals. "The technology is a real threat," he said.

In some cases, the pirates are employees of publishing houses or printing presses, who make duplicates of book negatives and then print additional copies without the publisher's knowledge.

As a result, some publishers have switched from using negatives to burning images onto metal plates. But pirates, who are usually one step ahead in technology, can simply scan the finished book.

Many publishers accuse Latin American governments of failing to enforce their own laws against piracy. An exception is Colombia, where the government has won more than 100 lawsuits against book pirates and recouped large fines on behalf of publishers, according to industry representatives.

In Mexico, the federal attorney general's office carried out its first raid against a bookstore selling pirated books last August, acting on evidence gathered by CeMPro.

Publishers also point to loopholes in the law, which allow Mexicans to make one copy of each book for personal use -- a provision they say is exploited for commercial purposes. The law also puts the onus on publishers to prove their books are being pirated, a time-consuming and expensive process. By the time police are ready to act, the pirates may have skipped town.

"It's very hard to reach the head of the operation," said Ramon Obon, a lawyer who heads the Intellectual Property Commission of the Mexican Bar Association. He said no one had ever been convicted in Mexico of book piracy, a crime that carries a maximum 10-year prison sentence, nor for illegal photocopying, which is punishable by a maximum fine of $38,000.

Mexican officials, meanwhile, blame the publishing industry for failing to report more piracy cases.

"If we don't have complaints, there's little we can do," said Carlos Vega Memije, the assistant attorney general for federal crimes, who is in charge of fighting all types of piracy. He said publishers filed their first 11 complaints in 2002, and another 21 last year, but that no complaints had been logged so far this year.
However, Vega acknowledged that fighting book piracy was not a high priority for his office. "It's more important to seize goods that pose a health risk, like fake medicines or adulterated alcohol, than books," he said.

Mexican authors and editors also have had trouble recouping losses from illegal photocopying. But since 2001, CeMPro has begun working with universities and copy centers to recoup royalties on photocopied texts, a standard practice in the United States. The center's success rate is minimal by US standards, but it is groundbreaking for much of Latin America.

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