GOBIERNO DE ESPAÑA
MINISTERIO DE INDUSTRIA, TURISMO Y COMERCIO

Report on the Telecommunication, Information Technology and Content Sector in Spain 2010.
(2011 Edition)

September 2011

The Report on the Telecommunication, Information Technology and Content Sector in Spain 2010, issued by the ONTSI, has been prepared by the ONTSI Studies team:

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Contents

EXECUTIVE SUMMARY

THE SECTOR AS A WHOLE (2010)[1]

Enterprises: The number of active enterprises was **30,333** in 2009. Of these, 11% provided Telecommunication Services and 89% were involved in Information Technology (IT) and Content. By type of activity, 50 out of 100 IT enterprises were dedicated to Computer and Related Activities, followed by those engaged in Content (29%) and in Trade (11%).

Information Technology and Telecommunication (ICT) and Content enterprises accounted for 2.5% of the total number of service sector enterprises[2].

Revenue: The turnover in 2010 amounted to **€ 104,373 million**, a decrease of 2.8% compared to 2009. 62% of the turnover was generated by IT and Content enterprises and 38% by Telecommunications enterprises[3]. Within the IT and Content sector, Computer and Related Activities accounted for 42.5% of the turnover, followed by Trade with 25.2% and Content Activities with 19.5%.

The ICT revenue /GDP ratio for 2010 is 9.8%.

Employment: In 2010, ICT and Content enterprises employed **over 459,000 people, 1.5% less than in 2009**. IT activities generated the most jobs, with 83% of the total, a decrease of 1.2% compared to 2009. Telecommunication enterprises accounted for 17% of the employment, with 77,839 jobs.

Investment: ICT and Content enterprises **invested more than €16,000 million** in 2010. The greatest investments were made by Information Technology and Content enterprises that accounted for 73% of the total investment in the sector.

Gross Added Value at market prices: Gross added value at market prices exceeded €62,000 million in 2010, 2.2% less than in 2009. This amount represents 5.85% of the Gross Domestic Product[4] of 2010, as compared to 6.04% in 2009.

Foreign trade: **Trade balance of the ICT sector** in 2010 was negative, amounting to **€11,201 million**, with coverage of **50.1%**. **Exports** reached €**11,224 million** and **imports** rose to **€22,425 million**.

1 For the purposes of this study, the Telecommunications sector includes Audiovisual Services and Telecommunications operators; and the Information Technology sector includes ICT Manufacturing, ICT Trade, Computer and Related Activities, Other telecommunication activities, Content, Videogame distribution and Online advertising enterprises.

2 According to the Services Survey 2009 published by the Spanish National Statistics Institute, the number of enterprises in the services sector was 1,208,010.

3 62% of the turnover was generated by IT enterprises and 38% by Telecommunications enterprises3.

4 GDP calculated by the INE by aggregating the four quarterly estimations of 2010.

THE TELECOMMUNICATIONS SECTOR IN SPAIN (2010)

Enterprises: The number of active enterprises was **3,343 in 2009**[5]. Telecommunications enterprises accounted for 11% of the total number of ICT sector enterprises.

Revenue: Revenue from the Telecommunications sector **fell by 3.5% in 2010**, **down to €39.787 billion**, which means a slow down in the trend started in 2009.

By categories, revenue from retail services amounted to €33,396 million, 3.4% less than in 2009, and revenue from wholesale services amounted to €6,391 million, 3.7% less than in 2009. The downward trend in the wholesale market dates back to 2006.

The weakness of the demand as a consequence of the crisis affected final services, especially fixed and mobile telephony, which recorded both revenue and traffic reductions.

Revenue from audiovisual services amounted to €4,423 million, excluding subsidies, 2.1% less than in 2009. This drop was caused by the reduced demand for Video-On-Demand and Pay-Per-View services.

Employment: In 2010, **employment** in the Telecommunications sector **decreased almost by 3%**, going from 80,080 employees in 2009 to 77,839 in 2010.

Mobile operators accounted for the greatest growth in their workforce.

Revenue per employee has increased significantly in the last eight years, from €315,000 per employee in 2003 to €429,000 per employee in 2010.

Investment: Investment in the Telecommunications sector in 2010 amounted to **€4,480 million**, including both Telecommunications activities and Audiovisual services, which represents an increase of 4.6% with respect to 2009.

5 Includes Telecommunication Operators and Audiovisual Services. ONTSI's own elaboration based on data from the Companies Register.

SPANISH IT AND CONTENT (2010)

Enterprises: In **2009** there were **26,990 enterprises** in the Information Technology and Content sector, **2.2% more than in 2008**. Of these, 50.2% (13,558 enterprises) were devoted to Computer and Related Activities, followed by Content enterprises with 29.6% of the total, Trade enterprises with 11.2% and enterprises engaged in Other telecommunication activities with 5.5%. Manufacturing enterprises only accounted for 3.4% of the total.

Revenue: 62% of the turnover of the sector as a whole (ICT and Content) was generated by IT and Content enterprises, which amounted to over **€64 billion in 2010,** showing a **decrease of 2.3%** compared to 2009. Turnover from Manufacturing enterprises recorded the greatest drop (-18.6%), Other telecommunication activities recorded a decrease of 14.4% and Content enterprises reduced its turnover by 3.1%. On the contrary, turnover from Trade enterprises rose by 12.7% and turnover from Computer and Related Activities rose by 0.7%.

Employment: In 2010, the IT and Content sector employed **over 381,000 people**, **1.2% less than in 2009**. IT and Content generated 83% of the total employment of the sector as a whole. Most notable are Computer and Related Activities that created over 240,000 jobs, followed by Content enterprises with 69,000 jobs and Trade with over 35,000 jobs.

Investment: IT and Content enterprises invested **over 12,000 million euros** in 2010, out of which €6,861 million corresponded to Computer and Related Activities. These investments represented 73% of the total investment of the sector as a whole.

Figures from the Telecommunication, Information Technology and Content Sector

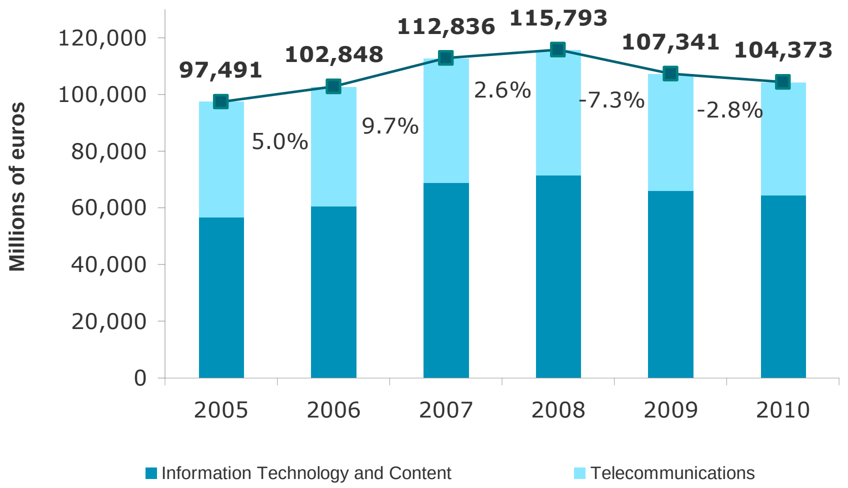
The sector is comprised of 30,333 enterprises.

The sector turnover reached €104,373 million in 2010, out of which €64,586 million correspond to the IT and Content sector and €39,787 million to the Telecommunications sector.

Employment reached 459,165 jobs in 2010.

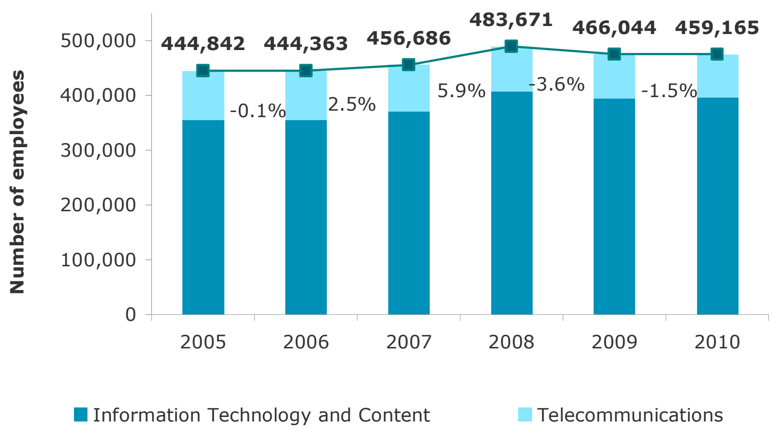
ICT and Content enterprises invested €16,681 million in 2010.

Sector turnover (Millions of euros)



Source: CMT and ONTSI

Employment (Number of employees)



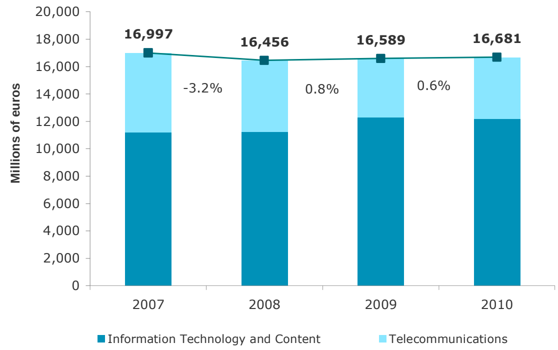
Source: CMT and ONTSI

Enterprises (Number of enterprises)

	2007	2008	2009
Information Technology and Content	25,693	26,322	26,990
Telecommunications	3,373	3,373	3,343
Total	**29,066**	**29,695**	**30,333**

Source: ONTSI's own elaboration based on data from the Companies Register

Investment (Millions of euros)



Report on the Telecommunication, Information Technology and Content Sector in Spain 2010. (2011 Edition)

1. Introduction

1. INTRODUCTION

1.1. Conceptual framework

The main objective of the study is to learn about the current situation and recent evolution of the structural and economic characteristics specific to each of the activities that comprise the Information and Communication Technology (ICT) sector, such as the number and size of the enterprises within each division of activity, accounting data (revenue, purchases, expenses), in addition to employment and investment structure. The Content and Audiovisual Services Sector is also analysed in this study.

In order to determine the list of ICT sector activities and products and the Content and Audiovisual Services sector activities, the methodological work carried out by the OECD (Organisation for Economic Co-operation and Development) has been taken as a reference.

The ICT sector is made up of manufacturing and services enterprises that have as their main activity any of those linked to the development, production, marketing and intensive use of Information and Communication Technologies.

The enterprises corresponding to these codes have been selected using as a starting point a directory created based on the Companies Register database, which constitutes the framework for the survey.

The study is structured in several blocks:

-Chapter 1 offers an approach to the definition of the Telecommunication, Information Technology and Content sector, as well as setting out the methodology used for preparing the study and the most relevant indicators of the sector's enterprise structure.

-Chapter 2 presents a compilation of tables and figures designed to offer a quantitative view of the Telecommunications and Information Technology sector.

- Chapter 3 analyses the production structure of the Information Technology sector, which includes the following activity divisions: Manufacturing, Trade, Computer and Related Activities, Other telecommunication activities and Content.

-Chapter 4 provides an overview of the sales value of the main products from the economic activities analysed in the previous chapters.

-Additionally, chapter 5 presents the highlights of the sector during 2010.

-Finally, the appendices offer detailed information on the methodology used, sampling and characterisation of the sector by activity classes.

We have used two main information sources in this report. On the one hand, the Annual Report 2010 of the Telecommunications Market Commission (CMT) has been taken as a reference to analyse the Telecommunications sector. On the other, the ONTSI has conducted a survey among IT and Content enterprises, which include the following activity divisions: Manufacturing, Trade, Computer and Related Activities, Other telecommunication activities and Content. This survey has been taken as a reference to analyse IT and Content enterprises. The following is a description of methodology used in this report.

1.2. Methodology

The methodology used for preparing the study has been designed according to the following criteria:

1.2.1. Scope

The scope of the study is defined with respect to the population surveyed, time and space.

For this edition, a sample of 2,531 IT and Content enterprises has been surveyed out of the total population of 26,990 enterprises based in Spain. This sample is comprised of the enterprises with the greatest turnover from the different activity classes studied in this report.

Indicators that offer results at national level have been defined, which make it possible to establish aggregations to generate a dynamic sector analysis.

The reference period runs from 2005 to 2009, using preliminary information for the last year.

As a result of the new methodological framework, based on the classification CNAE 2009, a base-year change has been carried out to link 2005 and 2009 series. Base exchange coefficients have been calculated to estimate data from previous years. Both methodologies (the new and the old one) had to coexist during a period of time (2007-2008) to link the two series. This allowed us to obtain results at a subgroup level.

1.2.2. Sample

The study concentrates on the economic activity of enterprises active during the reference period 2010-2009. The results of unconsolidated accounts have been used to ensure a better distribution of figures by activity classes.

1.2.3. Review of methodology

In the process of monitoring and improving estimations –which is carried out for each new edition–, we detected the need to update the National Classification of Economic Activities (CNAE) field, which is extracted from the Directory of Enterprises, based on the data from the Companies Register and other ONTSI directories.

Update of the field CNAE has enabled the identification of enterprises that were under a wrong CNAE code in the 2010 edition, due mainly to the process of transition from CNAE 93 Rev.1 to CNAE 2009 and the appearance of new enterprises under new CNAE codes, like web portals.

After the reclassification, a comprehensive process of selective refinement has been carried out to check variables used in the 2009 edition and improve results.

The modifications have affected the series from 2009 to 2008.

1.3. ICT and Content sector classification

To characterise the macro sector, we have used the definition of Telecommunications, Information Technologies and Content proposed by the Organisation of Economic Co-operation and Development (OECD). In this way, results that are comparable at an international level are obtained.

1.3.1. ICT Classification

In 2002, the OECD proposed a new definition of the sector, that after successive reviews, was finally approved in 2007 and came into force in 2009, when was finally adopted both by the OECD and Eurostat.

The redefinition process of this sector arises as a result of reviewing the classification of economic activities given by the United Nations statistics division, entitled: "International Standard Industrial Classification of All Economic Activities" (ISIC) Rev. 4.

The European Economic Activity Classification and also the National Economic Activity Classification follow these recommendations, which have been adopted by the United Nations Statistical Commission. For this reason, in Spain, the Ministry of the Treasury approved the National Classification of Economic Activities (CNAE 2009)[6], fulfilling the requirements of Regulation (EC) No 1893/2006 of the European Parliament

6 (Royal Decree 475/2007, of 13 April)

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and of the Council, of 20 December 2006, which establishes the Statistical Classification of Economic Activities (NACE Rev. 2) and enhances the comparability of national classifications.

This classification is a boost to the work to modernise the production of national statistics as it reflects the current situation and enables companies, financial institutions, governments and other market operators to have reliable data that is comparable worldwide.

The international comparison of economic statistics requires that Countries use classifications of economic activities which follow these recommendations.

The OECD divides the ICT sector into two major sections: Manufacturing and Services. In general, the principles for classifying these ICT sections are the following:

In the case of Manufacturing, the products must be oriented towards the processing and communication of information, including its transfer and presentation. In the case of Services, these must allow information processing and communication via electronic media.

This report analyses the main indicators of the different activity classes within the divisions of Manufacturing, Trade, Computer and Related Activities, and Telecommunications, which make up the ICT sector. In addition to the ICT sector, the Content and Audiovisual Services sector is analysed jointly, due to the importance of it in the national economy and its high degree of convergence with the ICT sector.

The indicators under the epigraph 'Telecommunications' come from the Annual Report 2010 of the Telecommunications Market Commission (CMT). They include activity classes 6010 Radio broadcasting and 6020 Television programming and broadcasting activities. Despite being included in the OECD's classification for the Content and Audiovisual Services sector, we have maintained these activity classes within the Telecommunication sector to be coherent with the results provided by the CMT.

Additionally, the subgroup ' Other telecommunication activities' is analysed independently in this report, since it comprises a group of enterprises, not included in the Annual Report of the CMT, which are telecommunication operators. The enterprises included in the group 61 are those dedicated to installation, resale of network capacity, telecom system integration consulting, and provision of telephone/Internet services in public facilities, that are not included in the census of operators of the CMT.

The following table shows the activities of the ICT sector with their corresponding code 'CNAE 2009'.

Table 1. ICT sector classification according to the OECD

Telecommunication and Information Technology Sector	
CNAE 2009	**ICT Manufacturing**
2611	Manufacture of electronic components
2612	Manufacture of assembled printed circuits
2620	Manufacture of computers and peripheral equipment
2630	Manufacture of telecommunications equipment
2640	Manufacture of consumer electronics
2680	Manufacture of magnetic and optical media
	ICT Services
	Trade
4651	Wholesale trade of computers, computer peripheral equipment and software
4652	Wholesale trade of electronic and telecommunications equipment and their components
	Computer and Related Activities
5821	Publishing of computer games
5829	Publishing of other software
6201	IT programming activities
6202	IT consulting activities
6203	IT resource management
6209	Other services related to information technology and computing
6311	Data processing, hosting and related activities
6312	Web portals
9511	Repair of computers and peripheral equipment
9512	Repair of communications equipment
	Telecommunications
6110	Cable telecommunications
6120	Wireless telecommunications
6130	Satellite telecommunications
6190	Other telecommunication activities

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1.3.2. Content Classification

When searching for a classification of the Content sector, the disparity of existing criteria and methodologies is noticeable, as most of these do not differentiate the Content sector from the ICT sector and include activity classes of one in the other.

In 1998, the OECD started working on a definition of the content industry through the WPIIS (Working Party on Indicators for the Information Society). The content sector was defined as: "the industry that manufactures products that provide content with information", considering the electronic content sector (or digital content sector) as a subsector of the former. Despite the definition adopted for the content and electronic content sector, the OECD did not specify the economic activities that comprised said industry, only that the definition would be based on the North American classification system NAICS 2002 (North American Industry Classification System), where part of the industries pertaining to the ICT sector such as telecommunications or Internet Service Providers (ISPs) were included.

Work on a new proposal started in October 2006, which was finally established as the classification in 2007, being: "The production (goods and services) of the content and audio-visual services industry is oriented towards informing, educating and/or entertaining via communication media. This industry includes the production, publication and/or distribution of content (information, culture and entertainment-related products) where the content corresponds to organised messages addressed to human beings". The new classification of the Content and Audiovisual services sector by activity classes became applicable in 2009 and it has been used in this publication for the first time, based on the proposal made by the OECD in 2002, and drawn up from ISIC Rev. 4.

In point 3.5, the activity classes pertaining to the subgroup of Contents are analysed in depth, including book and newspaper publishing and other publishing activities, cinema, video and TV programme activities, recording and music edition activities, other information services, and programming and broadcasting activities [7].

The following table shows the classification used to characterise the Content and Audiovisual Services sector, according to the recommendations of the OECD.

[7] Audiovisual Services, together with Telecommunications, are analysed in depth in the Annual Report 2010 of the CMT.

Table 2. Content sector classification according to the OECD[8]

Content sector	
CNAE 2009	**Book and Newspaper Publishing and Other Publishing Activities**
5811	Publishing of books
5812	Publishing of directories and postal address guides
5813	Publishing of newspapers
5814	Publishing of magazines
5819	Other publishing activities
	Cinema, Video and TV Programme Activities
5912	Cinematographic, video and television post-production activities
5914	Motion picture projection
5915	Film and video production activities
5916	Television programme production activities
5917	Film and video distribution activities
5918	Television programme distribution activities
	Sound Recording and Music Edition Activities
5920	Sound Recording and Music Edition Activities
	Programming and Broadcasting Activities
6010	Radio broadcasting activities
6020	Television programming and broadcasting activities
	Other Information Services
6391	News agency activities
6399	Other Information Services

8 This classification has been recommended by the OECD

1.4. Characterization of the Sector

Next, the main figures, object and description of the different subsectors included in this report are presented.

GROUP: *Manufacturing*
CNAE 2009: 2611;2612;2620;2630;2640;2680

OBJECT

It is comprised of enterprises dedicated to manufacture of semiconductors, assembled printed circuits, computers, servers and peripheral IT devices. Additionally, it includes manufacturers of telephone and data transmission equipment, audio and video consumer electronics, magnetic and optical recording media.

DESCRIPTION OF ACTIVITIES

Classes

2611-Manufacture of electronic components
2612-Manufacture of assembled printed circuits
2620-Manufacture of computers and peripheral equipment
2630-Manufacture of telecommunications equipment
2640-Manufacture of consumer electronics
2680-Manufacture of magnetic and optical media

Activities

- Electronic components and integrated circuits
- Printed and electronic circuits
- Computer components
- Electronic subsets
- Design and manufacturing of telecommunications equipment, telephones and multimedia sets
- TV and radio reception systems
- Design and manufacturing of audio and PA equipment
- Development of image and sound recording and transmission equipment
- Manufacturing of discs

MAIN FIGURES

	2009	2010	%
Enterprises	919	-	-
Turnover (Million €)	5,441	4,428	-18.6%
Employment (Employees)	18,523	18,874	1.9%
Investment (Million €)	572	559	-2.4%

GROUP: *Trade*

CNAE 2009: 4651;4652

OBJECT

It includes enterprises engaging in the wholesale of equipment, devices and computer software. It also includes enterprises dedicated to the wholesale of electronic and telecommunication equipment.

DESCRIPTION OF ACTIVITIES

Classes

4651-Wholesale trade of computers, computer peripheral equipment and software
4652-Wholesale trade of electronic and telecommunications equipment and their components

Activities

- IT wholesaler
- IT applications
- Printing and copying equipment
- Back-up and data recording machines
- Electronic telecommunication equipment
- Consumer electronics
- Network equipment
- Point of sale terminals
- Control and signalling electronic equipment

MAIN FIGURES

	2,009	2,010	%
Enterprises	3,032	-	-
Turnover (Million €)	15,913	16,256	2.11%
Employment (Employees)	35,388	35,434	0.13%
Investment (Million €)	791	816	3.09%

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GROUP: *Computer and Related Activities*

CNAE 2009: 5821;5829;6100;6201;6202;6203;6209;6311;6312;9511;9512

OBJECT

It includes all companies engaging in activities related to the creation, production, development and publishing of videogames, standard and customised software, applications, data bases, updates and technical support;
technology consulting activities and user training activities; IT resource and data base management and running; provision and installation of infrastructure for hosting and data processing; web running, and maintenance and repair of computing, electronic and communication equipment.

DESCRIPTION OF ACTIVITIES

Classes

5821-Publishing of computer games
5829-Publishing of other software
6100-Other telecommunications
6201-IT programming activities
6202-IT consulting activities
6203-IT resource management
6209-Other services related to information technology and computing
6311-Data processing, hosting and related activities
6312-Web portals
9511-Repair of computers and peripheral equipment
9512-Repair of communications equipment

Activities

- Entertainment software
- Standard and customised software
- Telecommunications consulting and engineering
- Global IT and communication solutions
- Management and running of IT systems, resources and servers
- Installation of infrastructure for hosting and data processing
- Running of web portals and search engines
- Repair and maintenance of electronic, IT and telecommunication equipment

MAIN FIGURES

	2009	2010	%
Enterprises	13,558	-	-
Turnover (Million €)	27,227	27,421	0.7%
Employment (Employees)	241,538	243,529	0.7%
Investment (Million €)	7,133	6,861	-3.8%

GROUP: *Content and Audiovisual Services*

CNAE 2009: 5811;5812;5813;5814;5819;5912;5914;5915;5916;5917;5918; 5920;6391;6399

OBJECT

It is comprised of enterprises dedicated to book, newspaper, magazine and directory publishing, both in paper and digital format, video and TV programme activities and sound and music recording. It also includes production, post-production, distribution, film screening, advertisements, TV programmes and original sound or music recording, as well as purchase/sale of distribution and property rights.

DESCRIPTION OF ACTIVITIES

Classes

5811-Publishing of books
5812-Publishing of directories and postal address guides
5813-Publishing of newspapers
5814-Publishing of magazines
5819-Other publishing activities
5912-Cinematographic, video and television post-production
5914-Motion picture projection
5915-Film and video production
5916-Television programme production
5917-Film and video distribution
5918-Television programme distribution
5920-Sound recording and music edition
6391-News agency activities
6399-Other information services

Activities

- Books, newspapers, magazines, advertising…
- Publishing services
- R&D services
- Translation services
- Video lab
- Films, advertisements, TV programmes, documentaries, series, music and original sound
- Audiovisual content in cinemas, TV networks and the Internet
- Projections in cinemas, the outdoor or other projection rooms
- Purchase of distribution and property rights
- Material like news, photos and articles for the media
- Information searches
- News briefings

MAIN FIGURES

	2009	2010	%
Enterprises	7,996	-	-
Turnover (Million €)	11,693	11,150	-4.6%
Employment (Employees)	77,550	69,896	-9.9%
Investment (Million €)	3,629	3,657	0.8%

1.5. Economic context

The Information and Communication Technology (ICT) and Content Sector is one of the most relevant sectors in the national economy, not only for its size and its contribution to the economy in general, but also because it is giving way to a new production model based on ICT.

2010 started with the intensification of the economic crisis and the Stability Pact adopted by the EU, a fiscal adjustment program to reduce public deficit, which has significantly affected the growth of the Spanish economy.

The subsequent reorganization and recapitalisation of the banking sector and the uncertainty in markets limited the financing capacity of enterprises, which were forced to revise their growth expectations.

The first half of the year showed a modest recovery attempt with slight increases in the gross domestic product (GDP), based on the various effects of advanced expenses of consumers and enterprises, which eventually ended in the second half of the year. The year ended with a GDP of €1,062.591 billion -calculated as the aggregation of the four estimations of the year-, which means a slight recession of 0.1%.

The contribution of the domestic demand to aggregate growth is -1.2%, while the contribution of the external demand to GDP growth is +1.1%.

Regarding the composition of the GDP, 79% corresponds to final consumption expense, 1.3% less than in 2009. Gross capital formation represents 22% of GDP.

In 2010, the Services sector maintains its supremacy as the main driving force of Spain's economy according to the Spanish National Statistics Institute, with a contribution to the Gross Domestic Product of 66%.

The labour market showed job losses in 2010 for the third consecutive year, according to the Active Population Survey (APS), with a drop of 2.3% compared to 2009. The Services sector generated 72.6% of the employment, experiencing a 0.3% drop in the year-on-year figures.

In terms of prices, the recovery in oil and raw materials prices together with the rise in import prices, derived from the depreciation of the euro, had significant effects on the annual average variation rate of the Consumer Price Index, going from a negative rate of -0.3% in 2009 to a positive rate of +1.8% in 2010, thus increasing the price differential between the eurozone and Spain to 0.7 points.

By items, IT equipment prices experienced the greatest fall of -6.1%, followed by those of telephone equipment, with a reduction of -0.8%. This has contributed to an increased investment in technology.

Exports were the main driving force of growth in 2010, since they enabled the reduction of the accumulated current account deficit by 18%, down to €47,674 million. On the other hand, imports had a more moderate behaviour in line with the evolution of the domestic demand.

In 2010, the corporate sector revived its investment expectations, partially due to the need to replace goods and equipment after the dramatic reduction of investment in 2009, and strengthened by the increase in exports and improved behaviour of the industry. Additionally, a reduction in the cost of bank financing was observed in the annual average.

2. The Telecommunication, Information Technology and Content Sector

2. THE TELECOMMUNICATION, INFORMATION TECHNOLOGY AND CONTENT SECTOR

2.1. The Sector as a whole

2.1.1. General figures

In 2009, the Telecommunication, Information Technology and Content sector was comprised of 30,333 enterprises. Of these, 11% were involved in Telecommunication services and 89 % were devoted to Information Technologies and Content.

By type of activity, 50 out of 100 IT and Content enterprises were dedicated to Computer and Related Activities, followed by those engaged in Content (29%) and in Trade (11%). This piece of data has been extracted from the Directory of Enterprises of the ONTSI, based on the registration data in the Companies Register and other ONTSI directories.

ICT enterprises account for 2.5% of the total number of service sector enterprises[9].

Table 3. Number of ICT sector enterprises: Telecommunication, Information Technology and Content. Year 2009 (Number of enterprises)

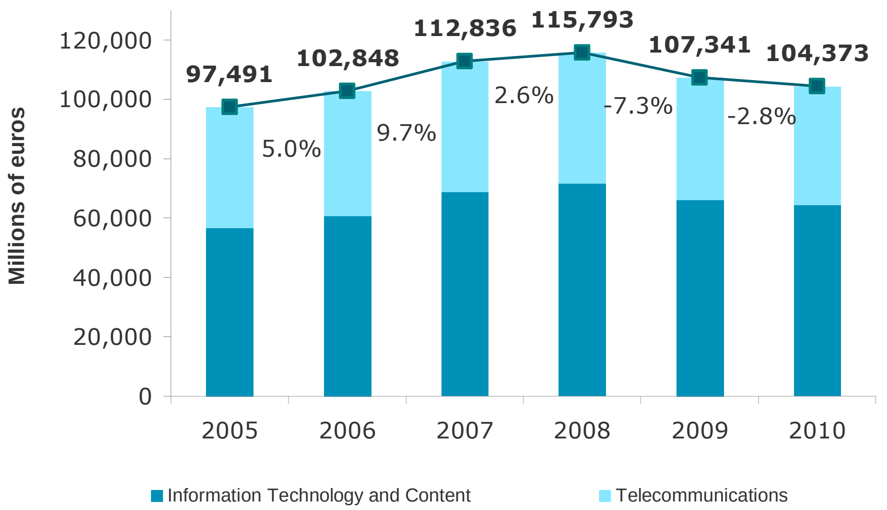
	2007	2008	2009
Information Technology and Content	25,693	26,322	26,990
Telecommunications	3,373	3,373	3,343
Total	**29,066**	**29,695**	**30,333**

Source: CMT and ONTSI

Between 2005 and 2010, the Telecommunication, Information Technology and Content sector grew by 7% with respect to 2005. Computer and Related Activities showed good management capacity, recording a growth of more than 40% compared to 2005. These were followed by Content activities with a growth of 13%. Finally, ICT trade grew by 1% and Manufacturing fell by 28%.

9 According to the Services Survey 2008 published by the Spanish National Statistics Institute, the number of enterprises in the services sector was 1,208,010.

Figure 1. Evolution of ICT sector turnover: Telecommunication, Information Technology and Content (Millions of euros)



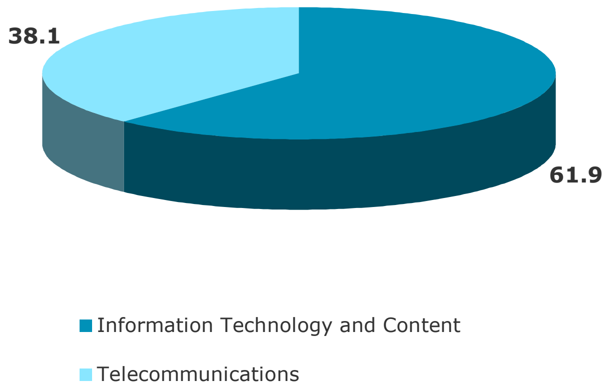
Source: CMT and ONTSI

The Telecommunication, Information Technology and Content sector turnover amounted to €104,373 million in 2010, 2.8% less than in 2009. 61.9% of this turnover was generated by IT and Content enterprises and 38% by Telecommunications enterprises[10]. Within the ICT sector, Computer and Related Activities accounted for 42.5% of the turnover, followed by Trade with 25.2% and Content Activities with 19.5%.

The corporate fabric of this sector is composed of micro-enterprises with less than ten employees and a sales generation capacity of less than €2 million.

[10] Includes revenues from Telecommunication Operators and Audiovisual Services (source CMT).

Figure 2. ICT sector turnover: Telecommunication, Information Technology and Content. Year 2010 (% / total)



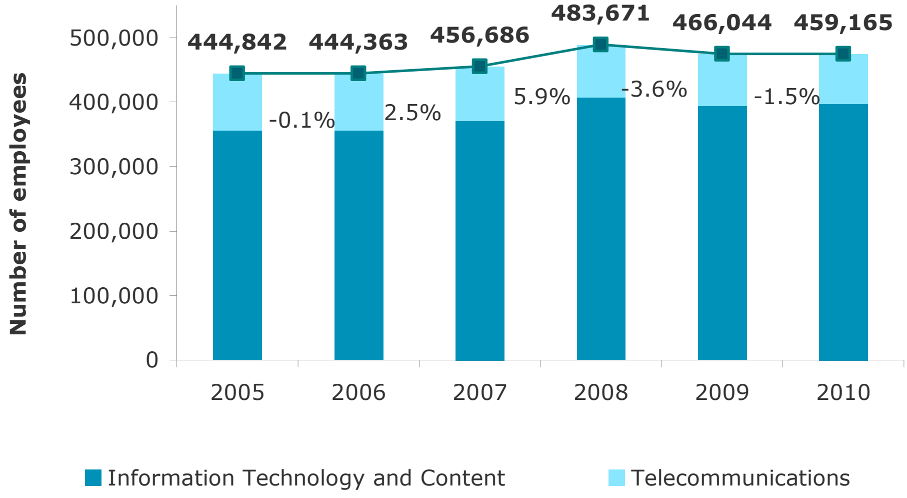
Source: CMT and ONTSI

In the period 2005-2010, employment grew by 3% with respect to 2005. Information Technology and Content, with an increase of 7%, recorded the best results.

In 2010, ICT enterprises faced the challenge of developing and putting into place flexible and scalable on-demand services that are commercialised and invoiced according to their use, and managed internally or externally. High-tech activities such as those related to data bases, publishing of software and software consultancy trigger a significant increase in productivity since they are highly innovative and knowledge-based. ICT services, like Trade and Other telecommunication activities, found it difficult to reduce its labour needs per product unit, although this did not affect the quantity or quality of its production.

In 2010, ICT enterprises employed over 459,165 people, 1.5% less than in 2009. IT and Content activities generated the most jobs, with 83% of the total, a decrease of 1.2% compared to 2009. Telecommunication services accounted for 17% of the employment, 2.8% less than in 2009.

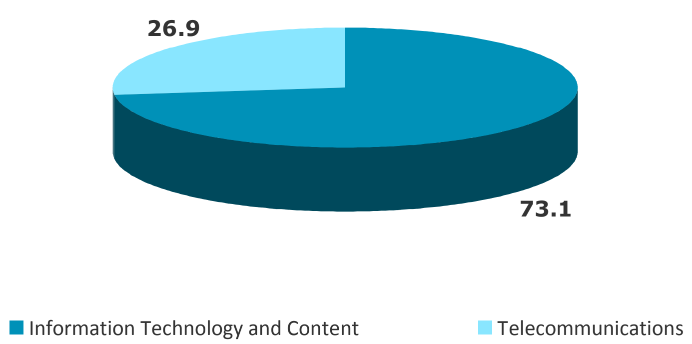
Figure 3. Evolution of ICT sector employment: Telecommunication, Information Technology and Content. Year 2010 (Number of employees)



Source: CMT and ONTSI

ICT enterprises invested more than €16,681 million in 2010. The greatest investments were made by Information Technology and Content enterprises that accounted for 73% of the total investment in the sector.

Figure 4. ICT sector investment: Telecommunication, Information Technology and Content. Year 2010 (% / total)



Source: CMT and ONTSI

Revenue from the Telecommunication, Information Technology and Content sector accounted for 9.8% of GDP. Gross added value at market prices exceeded €62,000 million, 13% more than in 2005. This amount represents 5.85% of the Gross Domestic Product[11] of 2010, as compared to 6.04% in 2009.

Table 4. Gross Added Value at market cost for the ICT sector: Telecommunication, Information Technology and Content (Millions of euros)

	2005	2006	2007	2008	2009	2010
Information Technology and Content	33,229	34,808	41,860	44,811	41,744	41,362
Telecommunications	21,748	22,831	23,908	23,336	21,747	20,819
TOTAL	**54,977**	**57,638**	**65,768**	**68,148**	**63,491**	**62,181**

Source: ONTSI

11 GDP calculated by the INE by aggregating the four quarterly estimations of 2010.

2.2. The Telecommunications sector

2.2.1. General Telecommunications sector data

In 2009, the Telecommunications sector was comprised of 3,343 enterprises, with an employment creation capacity of 77,839 jobs.

Table 5. Number of Telecommunications sector enterprises. Year 2009 (Number of enterprises)

	2007	2008	2009
Telecommunication operators	1,859	1,865	1,855
Audiovisual Services	1,514	1,508	1,488
Total	**3,373**	**3,373**	**3,343**

Source: ONTSI's own elaboration based on data from the Companies Register

The sector turnover reached €39,787 million, 3.5% less than the previous year. This means a slow down in the downward trend started in 2009, when the sector decreased by 6.6% after ten years of continued growth. By categories, revenue from retail services amounted to €33,396.3 million, 3.4% less than in 2009, and revenue from wholesale services amounted to €6,391 million, 3.7% less than in 2009. The downward trend in the wholesale market dates back to 2006. The weakness of the demand as a consequence of the crisis affected final services, especially fixed and mobile telephony, which recorded both revenue and traffic reductions.

Within retail, fixed telephone experienced a turnover drop of 9%, a downward trend that started in 2005. This drop is the result of the high competition in the market and the fact that fixed telephone is one of the most mature markets in the field of electronic communications.

As a result of price adjustments, mobile telephony recorded a revenue reduction of 3%, down to €14,024 million, although the number of lines grew slightly. This drop was mainly due to the decrease in revenue from voice traffic, which could not be compensated by the increase in data services (access to mobile broadband). Revenue from SMS and MMS also experienced a decrease, especially in the case of value added SMS.

Fixed broadband services represent 11.9% of all revenues from final services in the field of electronic communications. In 2010, there were notable advances in average speeds subscribed to by users as a result of more competitive offers.

Over the last year, there were more net subscriptions to datacards (1.39 million) than to post-paid mobile lines (1.3 million).

Average revenue per minute shows a clear downward trend since 2002, due to different factors such as increased competence, and there are hardly any differences between contract and pay as you go options.

In 2010, Telefónica continues to be the dominant operator, with a market share of 58.5%. Cable operators increased their share, going from 16.49% in 2009 to 18.3% in 2010. The other operators increased their share in a greater extent, reaching 23.1%.

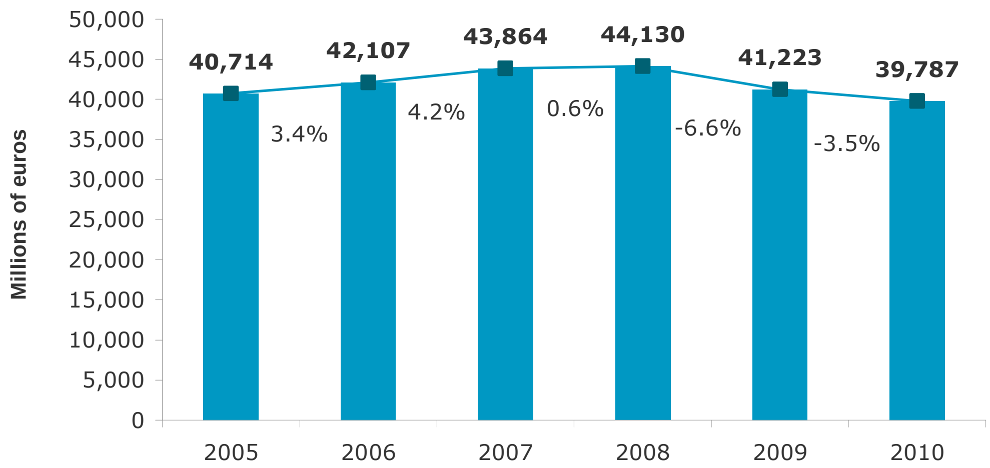
Telefónica's share on traffic revenue decreased 3 points compared to the previous year. On the contrary, alternative operators gained weight in the market, as did with customers and lines. 14 enterprises had a turnover of more than €36 billion.

Revenue from audiovisual services amounted to €4,423 million, excluding subsidies, 2.1% less than in 2009. This drop was caused by the reduced demand for Video-On-Demand and Pay-Per-View services. Revenue from advertising and pay-TV fees increased by 0.2% and 3.9% respectively. Private television channels increased their revenue from advertising by 24.7%, mainly due to the new financing model adopted by the Spanish national public broadcaster (CRTVE) that included elimination of advertising.

An important milestone was the analogue switch-off that was successfully completed in Spain in April 2010. One of its consequences was the audience fragmentation phenomenon, as the result of the appearance of new operators with new channels, and also of new channels that were allocated to broadcasters in July and started to operate in September.

There was a decrease in revenue from Pay-TV caused by a reduction in the football on-demand purchased by viewers. This reduction was triggered by the appearance of a new Pay-TV channel (GolTV), a multi-platform football broadcaster that offers a new service model, which includes Pay-DTT (Digital Terrestrial Television), cable, IPTV and mobile broadcasting.
The total number of Pay-TV subscribers rose by 7.7%, up to 4.56 million subscribers and a penetration rate of 9.7 subscribers per 100 inhabitants.

Figure 5. Evolution of the Telecommunication sector turnover (Millions of euros)

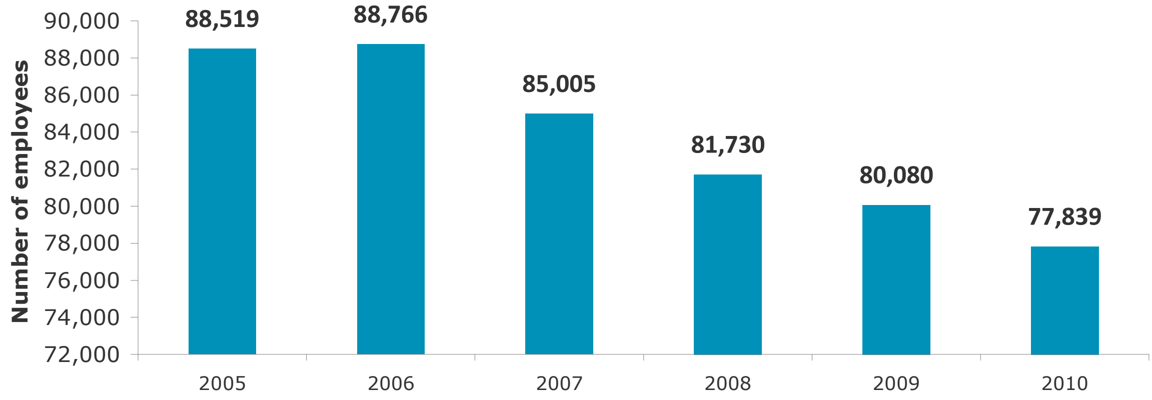


Source: CMT

A high concentration of revenue and subscribers was observed in the main three market operators: Sogecable (with Digital+), Ono and Telefónica (with Imagenio) that added up to 89.7% of revenue and 78.8% of all subscribers. The biggest of the three, Sogecable, obtained almost 64.4% of total revenue and 38.9% of all subscribers, followed by Ono (13.4% of revenue and 22.89% of subscribers) and Telefónica (11.9% and 17.2% respectively). Sogecable is the operator with the highest average revenue per user, followed at a significant distance by Ono and Telefónica.

In 2010, 77,839 people were employed in the sector, recording a 2.8% decrease from 2009. From 2005 to 2010, Telecommunications sector's employment has been reduced by 12.1% as a result of the search for synergies between operators that has conducted to important acquisitions in the Spanish market. Revenue per employee has increased significantly in the last eight years, from €315,000 per employee in 2003 to €429,000 per employee in 2010.

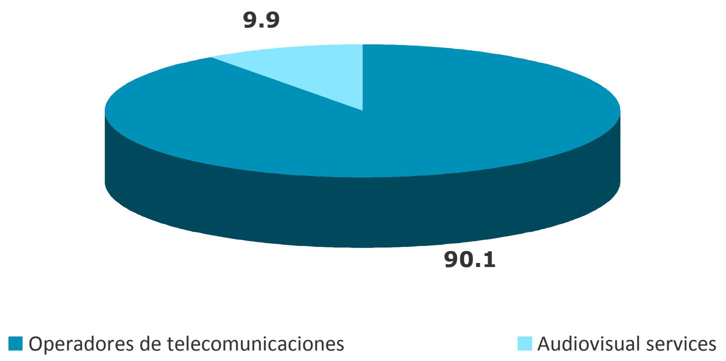
Figure 6. Evolution of Telecommunications sector employment (Number of employees)



Source: CMT

It is worth highlighting the 4.6% growth in operators' investment, which reached 4.6 billion euros, the first increase in the past two years. This growth is mainly due to the extension of mobile network coverage, with 95% of the population having access to at least one 3G/UMTS (four points more than in 2009).

Figure 7. Investment made by the Telecommunications sector. Year 2010 (% / total)



Source: ONTSI. Estimation based on CMT data

2.3. Telecommunication, Information Technology and Content

2.3.1. Telecommunication, Information Technology and Content. General data.

In 2009, the Information Technology and Content sector was comprised of more than 26,990 enterprises, accounting for 2.2% of Services sector enterprises[12]. This piece of data has been extracted from the Directory of Enterprises of the ONTSI, based on the registration data in the Companies Register and other ONTSI directories.

Most of the active enterprises were included within the Computer and Related Activities division, with 13,558 active enterprises, accounting for 50.2% of the total. These were followed by Content enterprises, which accounted for 29.6% of the total. There were more than 3,000 Trade enterprises, representing 11.2% of the total. In last place, active enterprises included in Computer and Related Activities and those included in Manufacturing, accounted for 5.5% and 3.4% respectively.

Table 6. Number of IT and Content sector enterprises. Year 2009 (Number of enterprises)

	2007	2008	2009
Manufacturing	888	909	919
Trade	2,813	2,869	3,032
Computer and Related Activities	12,985	13,151	13,558
Other telecommunication activities	1,491	1,509	1,485
Content	7,516	7,884	7,996
Total	**25,693**	**26,322**	**26,990**

Source: ONTSI

IT and Content enterprises carry out a wide range of activities, with enormous differences both in the types of IT services offered and in the industrial production processes of information technologies , a characteristic that has a decisive effect on the sector's production structure.

In geographic terms, it should be noted that Madrid and Catalonia lead the autonomous regions with the highest number of installed enterprises.

Madrid was the autonomous region with the greatest number of IT and Content enterprises in 2010, where 34% of the enterprises had their headquarters. It was followed by Catalonia with 24% and Andalusia and the Region of Valencia, which with 9% and 8% respectively are becoming consolidated with a strong corporate fabric in their territory. 8 enterprises of the population did not indicate their fiscal residence, so they could not be classified under any category.

By activities, most notable is the high concentration of Manufacturing enterprises in Catalonia, as well as the high number of Computer and Related Activities enterprises present in the Region of Valencia and Andalusia.

12 Source: According to the "2009 Annual Services Survey and Annual Trade Survey" published by the INE (Spanish National Statistics institute), the total number of services enterprises is 1,208,010.

Table 7. Number of IT and Content sector enterprises by Autonomous Regions. Year 2010
(Number of enterprises)

	Manufacturing	Trade	Computer and Related Activities	Other telecommunication activities	Content	Total	percentage of the total
Andalucia	78	303	1,100	165	692	2,338	9%
Aragón	39	80	331	37	123	610	2%
Canarias	11	146	352	68	191	768	3%
Cantabria	6	21	74	11	33	145	1%
Castilla La Mancha	24	64	226	26	135	475	2%
Castilla y León	22	90	358	43	216	729	3%
Cataluña	277	699	3,201	248	1,957	6,382	24%
Ciudad Autónoma de Ceuta	2	4	1	0	4	11	0%
Ciudad Autónoma de Melilla	0	1	4	3	6	14	0%
Comunidad de Madrid	243	821	4,682	478	2,884	9,108	34%
Comunidad Foral de Navarra	7	32	129	25	76	269	1%
Comunidad Valenciana	101	279	1,113	130	555	2,178	8%
Extremadura	3	29	116	11	47	206	1%
Galicia	29	150	587	73	380	1,219	5%
Islas Baleares	5	36	241	36	156	474	2%
La Rioja	5	12	39	8	14	78	0%
Pais Vasco	51	145	614	56	340	1,206	4%
Principado de Asturias	8	42	203	23	99	375	1%
Región de Murcia	8	78	183	44	84	397	1%
Spain	**919**	**3,032**	**13,554**	**1,485**	**7,992**	**26,982**	**100%**

Source: ONTSI

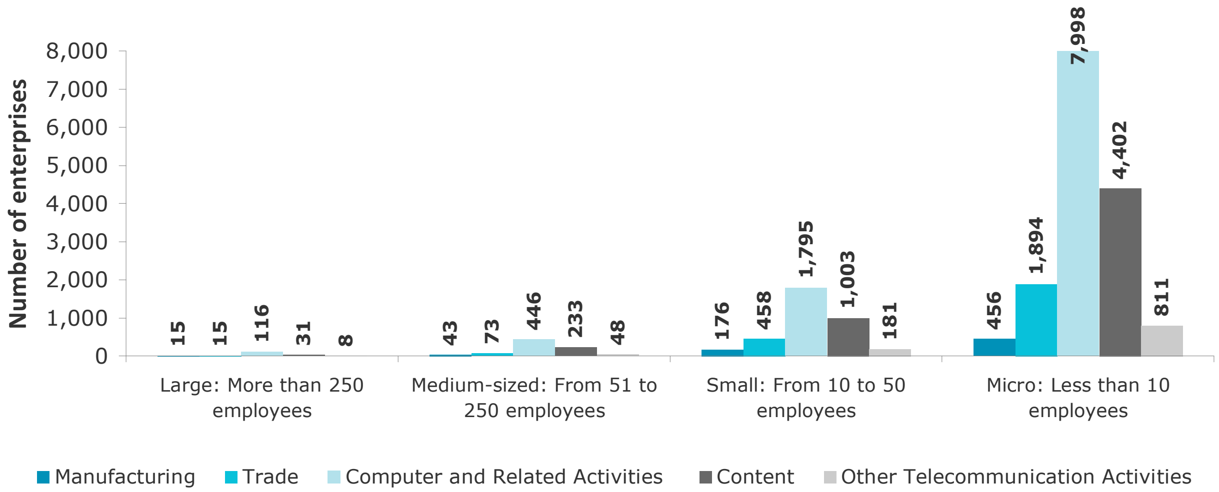
Galicia and the Basque Country are becoming consolidated as emerging autonomous regions in the creation of enterprises engaging in Computer and Related Activities.

With regard to sector structure by enterprise size, the growth of this sector is supported by a strong corporate fabric composed of micro-enterprises with less than ten employees, which account for 77% of the total and have a sales generation capacity of less than €2 million. Large enterprises (with more than 250 employees) represent 1% of the Spanish business fabric and account for 34% of the total turnover.

25% of the enterprises have not indicated the number of employees in their account at the Companies Register, so they could not be classified under any category.

The presence of large enterprises remains constant, particularly in the Computer and Related Activities division, where there were 116 enterprises with high employment-generating capacity.

Figure 8. Distribution of IT and Content sector enterprises by employees. Year 2009
(Number of enterprises)

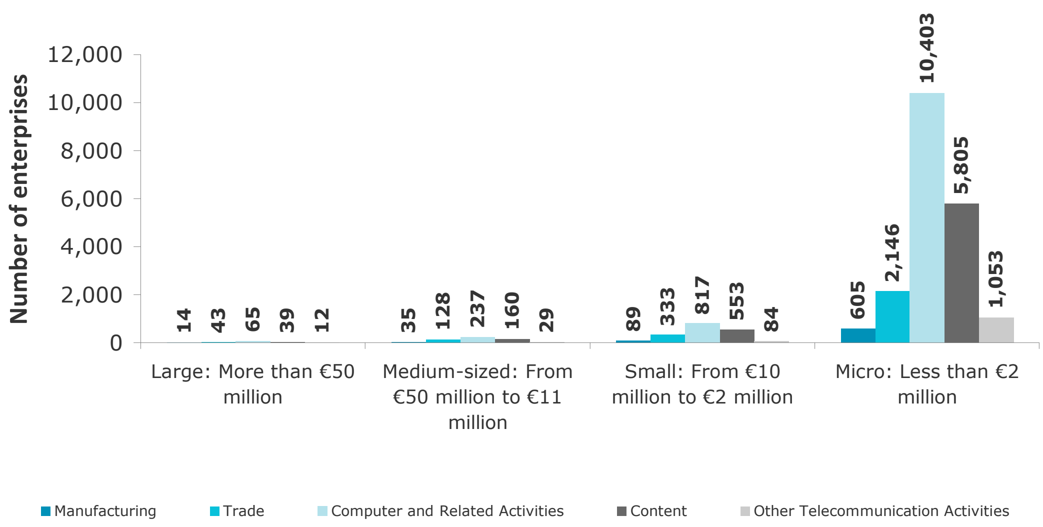


Source: ONTSI

As for turnover, only 0.8% of the enterprises of the Information Technology and Content sector have a turnover of over €50 million, while 88.4% of them have a sales generation capacity of less than €2 million.

16% of the enterprises have not indicated their turnover in their account at the Companies Register, so they could not be classified under any category.

Figure 9. Distribution of IT and Content sector enterprises by turnover. Year 2009
(Number of enterprises)



Source: ONTSI

By class of activity, the segment with the greatest capacity for generating enterprises was that of other services related to information technology and computing, with 5,604 enterprises, followed by that dedicated to IT consulting activities, with a total of 3,579 enterprises.

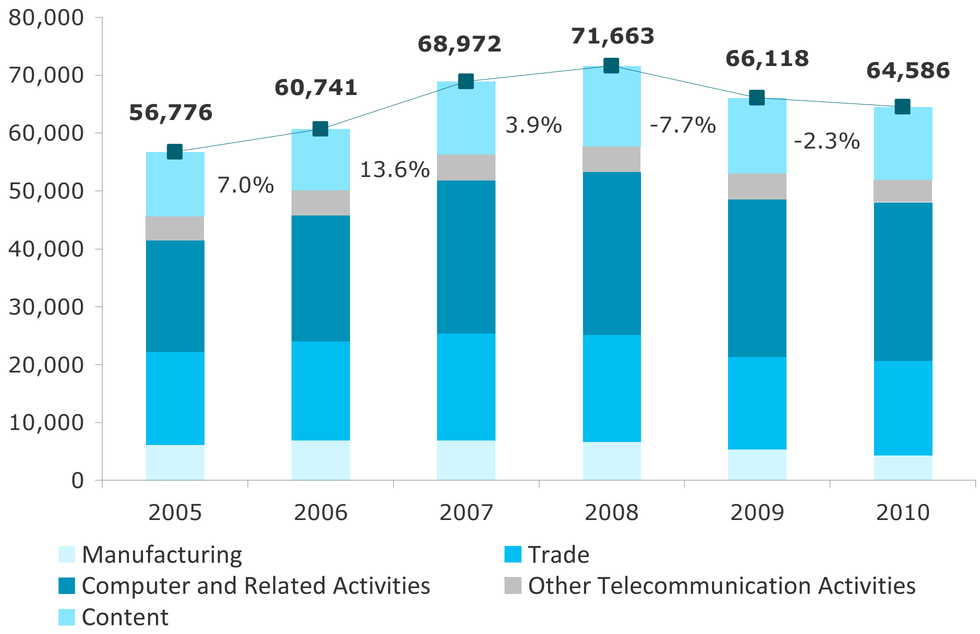
The new National Classification of Economic Activities (CNAE) has entailed a real reorganisation of the Information Technology and Content sector. The Manufacturing subgroup has been reduced to include only those activities closely related to information technologies, eliminating classes such as Manufacture of Valves, Tubes, Television and Radio Transmitters, or Instruments and Appliances for Measuring, Checking and Testing, and Industrial Process Control Equipment.

The Trade subgroup has been resized and now concentrates IT equipment distribution and telecommunication activities.

Computer and Related Activities have increased their size, and the existing classes have been reorganized to become more detailed and to include new activities such as publishing of computer games or IT resource management and web portals, thus generating a more compact block of IT services that are closely linked to ICT and Content activities.

In the period 2005-2010, the Information Technology and Content sector grew by 13.8%, being the Computer and Related Activities division the one that recorded the best results with an accumulated growth of 42.5%, while Trade was almost constant with 1.2%. Additionally, over this period, Manufacturing activities continued to regress, registering an accumulated decrease of 28.4% in five years.

Figure 10. Evolution of the IT and Content sector turnover (Millions of euros)



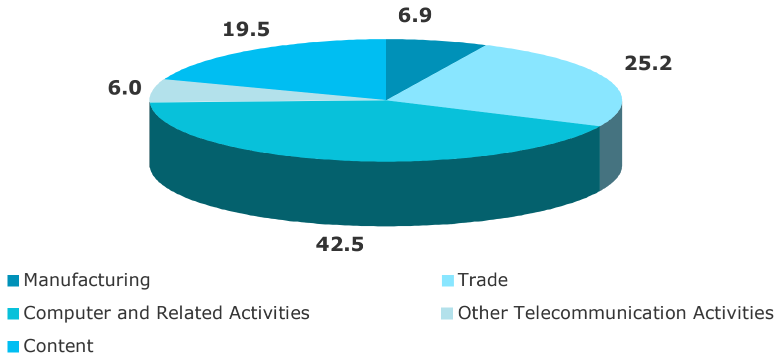
Source: ONTSI

Note: Content includes the turnover from Videogame distribution and Online advertising activities

Revenue of the Information Technology and Content sector amounted to €64,586 million in 2010, including turnover from the online advertising and videogames subgroups, within the Content division. This means a decrease of 2.3% in revenue compared to 2009. Turnover from Manufacturing recorded the greatest drop (-18.6%), followed by Other telecommunication activities that fell by 14.4% and Content enterprises that reduced its turnover by 3.1%. However, both Trade and Computer and Related Activities increased their turnover by 2.2% and 0.7% respectively.

Turnover of the Information Technology and Content sector was mainly driven by Computer and Related Activities and Trade that accounted for 42.5% and 25.2% of the total, respectively. Content and Manufacturing generate 19.5% and 6.9% of the total turnover, respectively.

Figure 11. IT and Content sector turnover. Year 2010 (% / total)



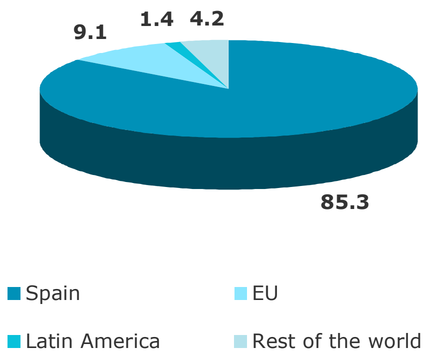
Source: ONTSI

Note: Content includes the turnover from Videogame distribution and Online advertising activities

As for the operating revenue structure of the IT and Content sector, sales represented 95.4% of total revenue. Most revenue comes from service provision, which with 44.2% is the main activity of these enterprises, followed by merchandise net sales with 32.3%. Only 2.6% of revenue originated from activities other than the enterprises' principal activity, for example operating subsidies and non-core revenue.

In 2010, IT and Content production was mainly absorbed by domestic demand (85.3%), followed by exports to the EU (9.1%), Latin America (1.4%) and the rest of the world (4.2%).

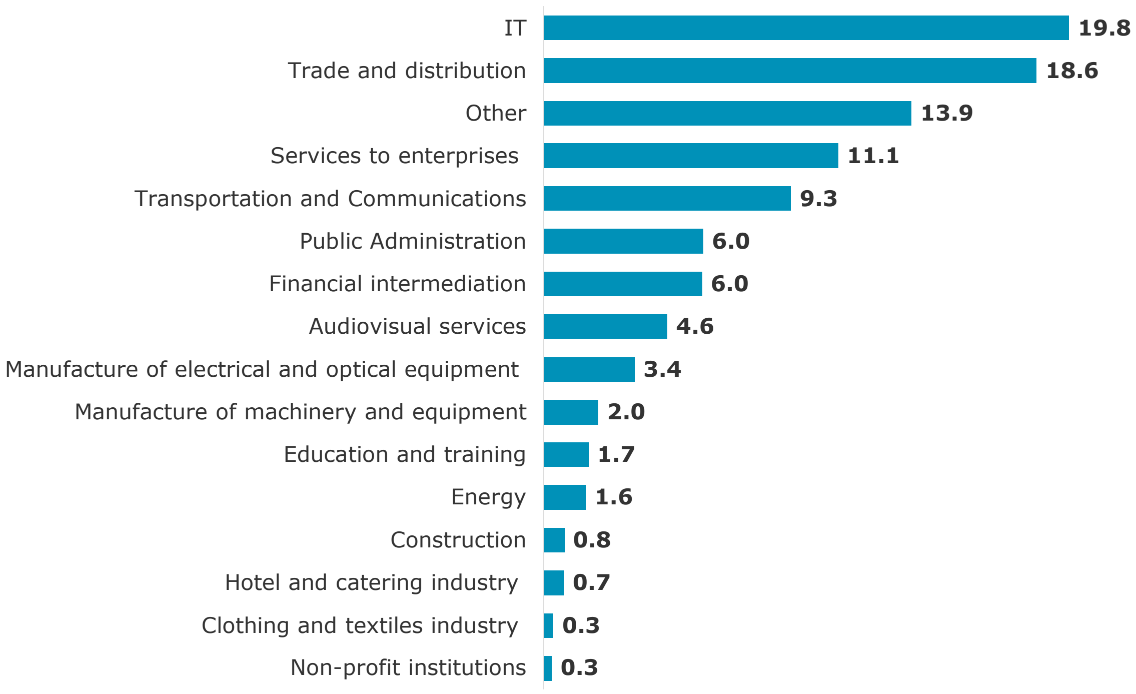
Figure 12. Geographical distribution of sales. Year 2010 (% / total)



Source: ONTSI

IT, trade and distribution, followed by services to enterprises, transport and communication are the main customers of Spanish technology enterprises, absorbing 58.8% of their total turnover. The growing presence of the public administration as a direct customer is significant, highlighting the increasingly evident fact that IT and Content enterprises are present in both private and public sector activities.

Figure 13. Functional distribution of sales in the IT and Content sector. Year 2010 (% / total)

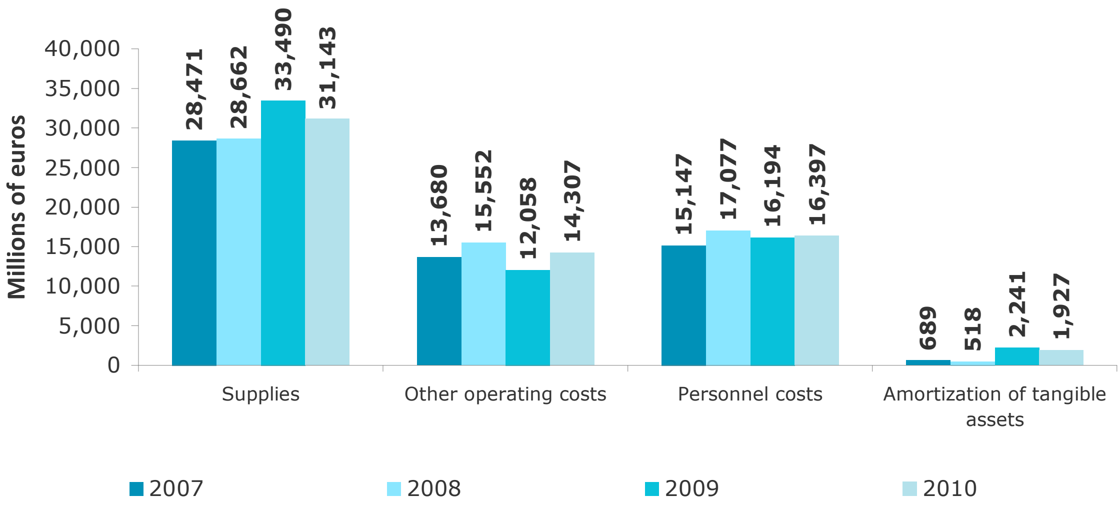


Source: ONTSI

With regard to cost structure, consumption and work carried out by other enterprises represented 48.8% of the total operating costs, out of which merchandise consumption accounted for €22,228 million.

Personnel costs accounted for almost 26% of the total with €16,397 million and a rise of 1.3% compared to 2009. Other operating costs reach €14,307 million, 22.4% of the total operating costs, which means an increase of 18.6% compared to the previous year.

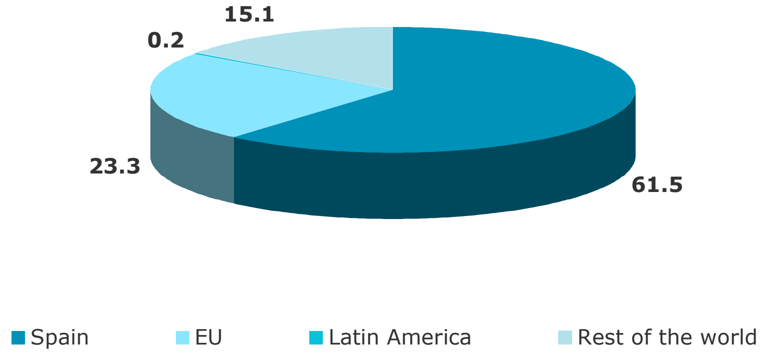
Figure 14. Cost structure of the IT and Content sector (% / total)



Source: ONTSI

The origin of IT and Content sector supplies is diversified. The main IT and Content sector supplier (with 61.5%) is the domestic market. Additionally, 23.3% of the suppliers are from the EU and 15.1% from the rest of the world, while only 0.2% of the IT sector suppliers are from Latin America.

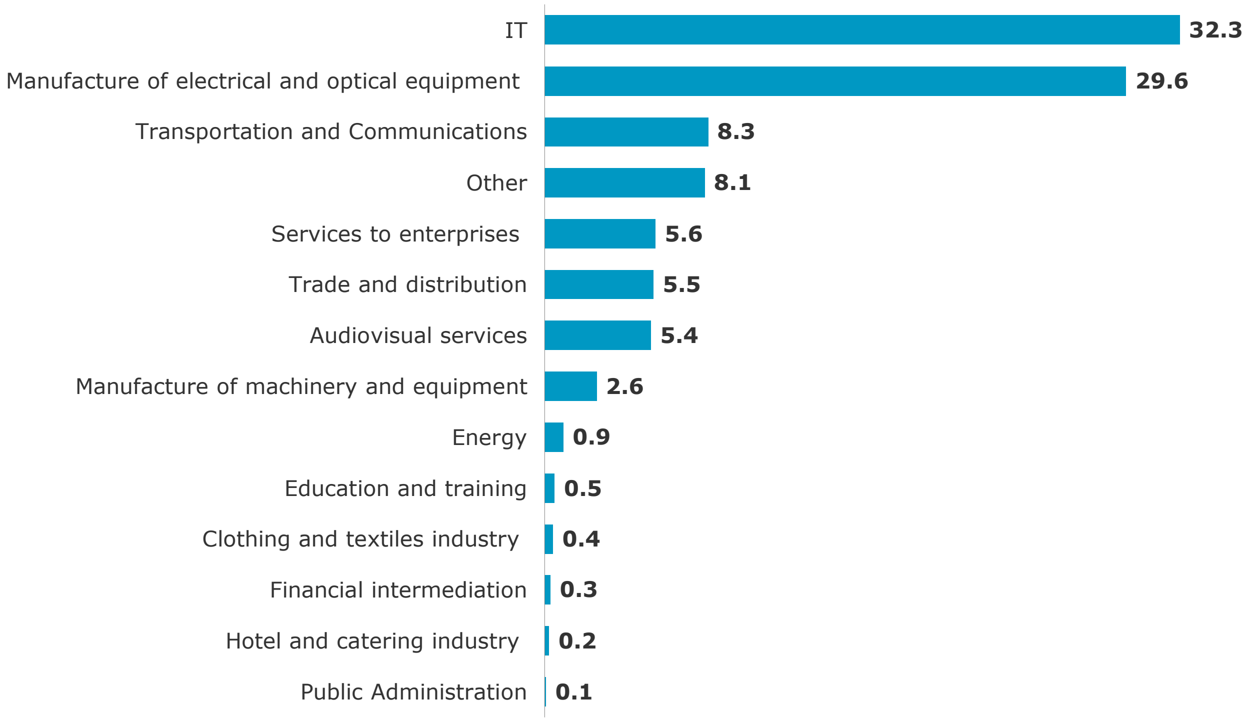
Figure 15. Geographical distribution of IT and Content sector purchases. Year 2010 (% / total)



Source: ONTSI

As for the functional distribution of IT and Content sector purchases, the main suppliers come from areas like Computing (with almost one third of total purchases) and the electric, electronic and optical industry (with 29.6%).

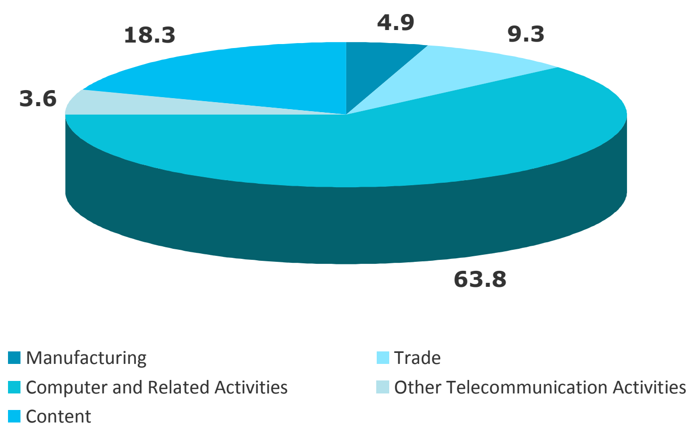
Figure 16. Functional distribution of IT and Content sector purchases. Year 2010 (% / total)



Source: ONTSI

Employment exceeded 380,000 persons in 2010, 1.2% less than in 2009. The greatest number of employees came from the Computer and Related Activities division, which accounted for 63.8% of total employment within the sector, with 243,307 employees. It was followed by Content with 18.3%, Trade with 9.3%, and Manufacturing and Other Telecommunications Activities, with 4.9% and 3.6% respectively.

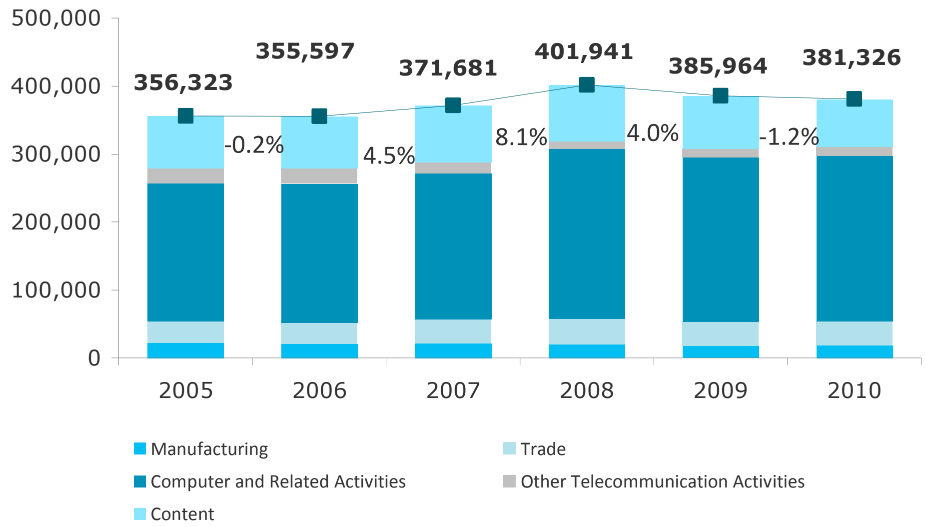
Figure 17. IT and Content sector employment. Year 2010 (% / total)



Source: ONTSI

During the period 2005-2010, employment followed a positive trend, growing 7% in this period. Computer and Related Activities constituted the division that experienced the greatest growth during the reference period with 20%, growing from 202,067 employees in 2005 to 243,307 in 2010. The number of employees in the Trade activity division also grew by 11% during the same period, from 32,015 employees in 2005 to 35,434 in 2009. On the contrary, there was a strong reduction in the number of jobs in the Manufacturing division, falling from 22,683 to 18,874, due to the cost reduction and enhanced competitiveness of Manufacturing activities. The Content group also experienced a fall of 9% in employment, from 76,967 in 2005 to 69,896 in 2010. The division called Other telecommunication activities is the one with the most dramatic fall (-39%).

Figure 18. Evolution of IT and Content sector employment (Number of employees)



Source: ONTSI

IT and Content enterprises invested over 12,000 million euros during 2010; the investments made by Computer and Related Activities enterprises represent 56.2% of corporate investment in tangible and intangible assets.

Intangible fixed assets[13] represented 57% of the total investment made by IT enterprises, with particular significance of those belonging to the Computer and Related Activities segment and, within it, investment made by enterprises engaging in IT programming activities.

Tangible fixed assets[14] represented 43% of the total investment. In this case, the investment effort of the computer and related activities segment is remarkable, with an increase of 15% on 2009. On the contrary, the Content division reduced investment in tangible fixed assets by 17.5%.

Production value in 2010 reached €64,246 million, which was down 2.7% with respect to 2009.

Gross added value at market prices exceeded €41,000 million in 2010, 0.9% less than in 2009. This amount represents 3.89% of the 2010 Gross Domestic Product, compared to 3.96% in 2009.

Gross added value at factor cost generated in 2010 by the Information Technology and Content sector reached €41,865 million, 0.3% less than in 2009. Enterprises allocated 40% of the gross added value to remuneration of their workforce, which represents a 1.4% increase with respect to 2009. The rest, that is to say, the gross operating surplus, fell by 1.3%. The balance makes it possible to evaluate the profitability of the classes that comprise the IT and Content sector, by analysing the difference between the gross added value at factor cost and personnel costs.

13 Includes real increases in intangible property elements created by virtue of rights that are susceptible of economic evaluation, as well as advancement payments received by the providers of these fixed assets.

14 Includes real increases in tangible property elements represented by movables and real estate.

The greatest contribution to this surplus corresponded to Computer and Related Activities, which accounted for nearly 56% of the total, having become consolidated as the main business generator within the IT and Content sector.

IT and Content sector productivity rose to €109,789 per worker, which represents an increase of 0.9% with respect to 2009.

The contribution per product or service unit to the revenue-generating capacity of enterprises reached a maximum in Computer and Related Activities, with 84%, and a minimum in Trade, with 31%.

Within the Computer and Related Activities subgroup, various service provision activities such as data processing, hosting and web portals, were above the Information Technology and Content sector average in terms of their revenue-generating capacity.

2.3.2. IT and Content sector statistics

2.3.2.1. Enterprises

2.3.2.1.1. IT and Content Sector enterprises

Table 8. IT and Content sector enterprises. Year 2009 (% / total)

	2009
Manufacturing	3.4
Trade	11.2
Computer and Related Activities	50.2
Other Telecommunication Activitie	5.5
Content	29.6
Total	**100**

Source: ONTSI

2.3.2.2. Revenue

2.3.2.2.1. Operating revenue structure of the IT and Content sector

Table 9. Operating revenue of the IT and Content sector (Millions of euros)

	2,007	2,008	2,009	2,010
Turnover	63,269	65,855	65,480	63,156
Work carried out by the enterprise in relation to assets	370	382	553	707
Operating subsidies	784	859	1,415	1,703
Changes in the stocks of finished goods and goods in process - Manufacturing	ND	ND	416	666
Total	**64,423**	**67,096**	**67,865**	**66,233**

Source: ONTSI

Table 10. Operating revenue of the IT and Content sector (% / total)

	2007	2008	2009	2010
Turnover	98.2	98.1	96.5	95.4
Work carried out by the enterprise in relation to assets	0.6	0.6	0.8	1.1
Operating subsidies	1.2	1.3	2.1	2.6
Changes in the stocks of finished goods and goods in process - Manufacturing	ND	ND	0.6	1.0
Total	**100**	**100**	**100**	**100**

Source: ONTSI

2.3.2.2.2. Turnover

Table 11. IT and Content sector turnover (Millions of euros)

	2005	2006	2007	2008	2009	2010
Manufacturing	6,181	6,953	6,994	6,753	5,441	4,428
Trade	16,067	17,038	18,392	18,419	15,913	16,256
Computer and Related Activities	19,237	21,781	26,457	28,124	27,227	27,421
Other Telecommunication Activities	4,236	4,347	4,502	4,454	4,557	3,901
Content	11,056	10,622	12,628	13,914	12,980	12,580
Total	**56,776**	**60,741**	**68,972**	**71,663**	**66,118**	**64,586**

Source: ONTSI

Note: Content includes the turnover from Videogame distribution and Online advertising activities

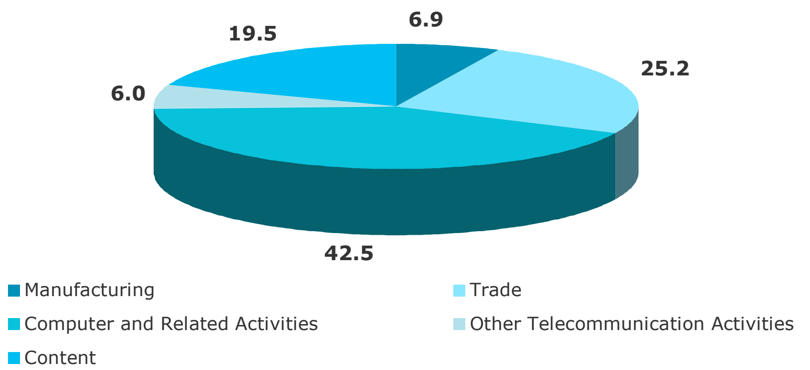
Table 12. Variation of the IT and Content sector turnover (% / total)

	2005 / 2006	2006 / 2007	2007 / 2008	2008 / 2009	2009 / 2010
Manufacturing	12.5%	0.6%	-3.5%	-19.4%	-18.6%
Trade	6.0%	7.9%	0.1%	-13.6%	2.2%
Computer and Related Activities	13.2%	21.5%	6.3%	-3.2%	0.7%
Other Telecommunication Activities	2.6%	3.6%	-1.1%	2.3%	-14.4%
Content	-3.9%	18.9%	10.2%	-6.7%	-3.1%
Total	**7.0%**	**13.6%**	**3.9%**	**-7.7%**	**-2.3%**

Source: ONTSI

Note: Content includes the turnover from Videogame distribution and Online advertising activities

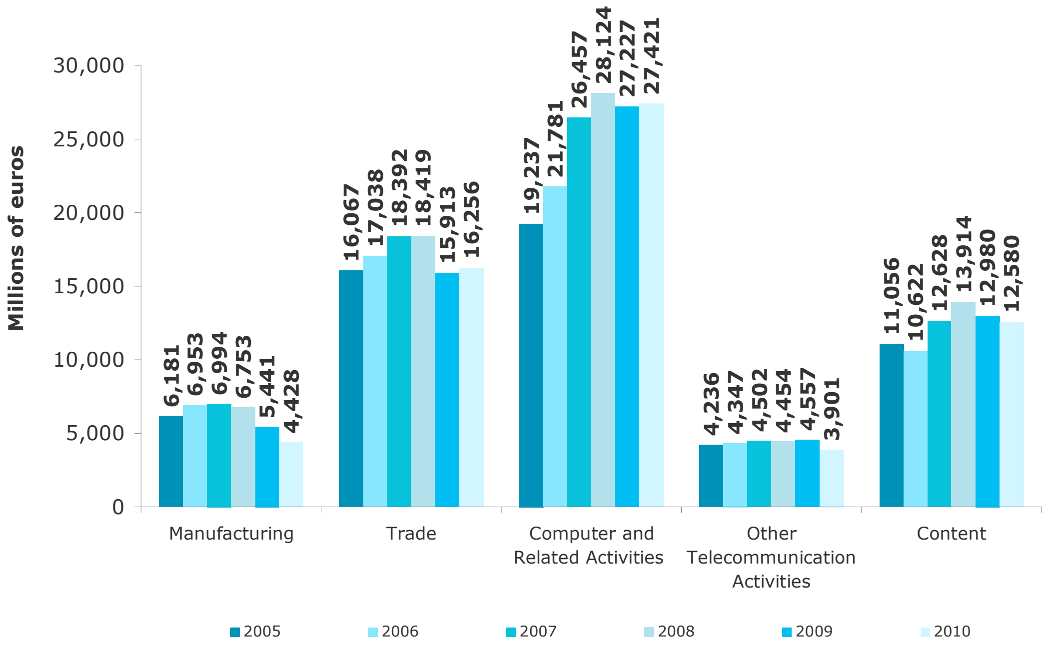
Figure 19. IT and Content sector turnover. Year 2010 (% / total)



Source: ONTSI

Note: Content includes the turnover from Videogame distribution and Online advertising activities

Figure 20. Evolution of the IT and Content sector turnover (Millions of euros)



Source: ONTSI

Note: Content includes the turnover from Videogame distribution and Online advertising activities

2.3.2.2.3. IT sector turnover structure

Table 13. Breakdown of the IT and Content sector turnover (Millions of euros)

	2007	2008	2009	2010
Product net sales	16,523	17,520	15,457	14,862
Merchandise net sales	24,165	24,776	22,128	20,368
Provision of services	22,581	23,558	27,896	27,926
Total	**63,269**	**65,855**	**65,480**	**63,156**

Source: ONTSI

Note: Content includes the turnover from Videogame distribution and Online advertising activities

Table 14. Breakdown of the IT and Content sector turnover (% / total)

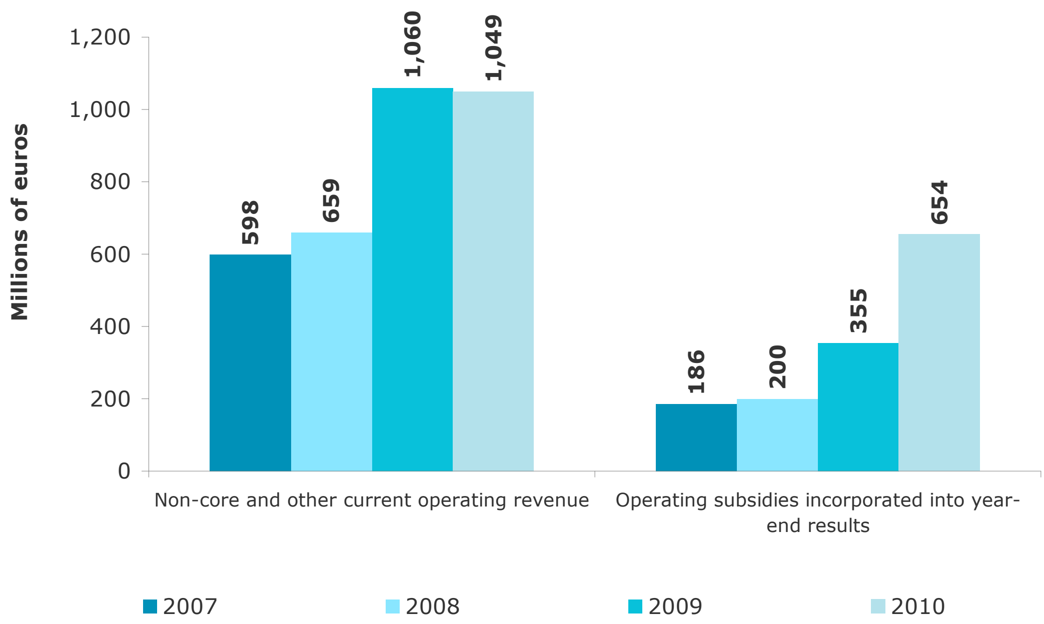
	2007	2008	2009	2010
Product net sales	26.1	26.6	23.6	23.5
Merchandise net sales	38.2	37.6	33.8	32.3
Provision of services	35.7	35.8	42.6	44.2
Total	**100**	**100**	**100**	**100**

Source: ONTSI

Note: Content includes the turnover from Videogame distribution and Online advertising activities

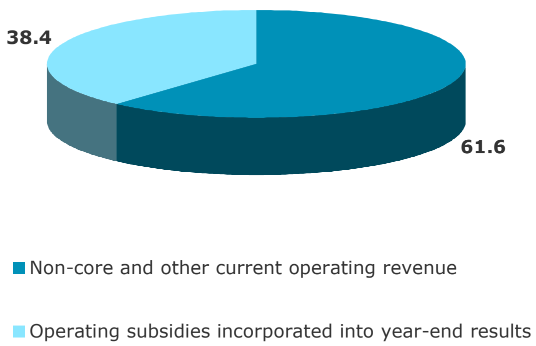
2.3.2.2.4. Other operating income

Figure 21. Evolution of other operating income of the IT and Content sector (Millions of euros)



Source: ONTSI

Figure 22. Distribution by categories of other operating income in the IT and Content sector. Year 2010 (% / total)



Source: ONTSI

2.3.2.3. Costs

2.3.2.3.1. Structure of operating costs

Table 15. Distribution by purchase and cost categories in the IT and Content sector (Millions of euros)

	2007	2008	2009	2010
Supplies	28,471	28,662	33,490	31,143
Merchandise consumption	19,119	18,696	21,930	22,228
Raw materials and other consumables consumption	4,404	4,581	5,848	3,561
Work carried out by other enterprises	4,948	5,385	5,629	5,167
Merchandise, raw materials and other supplies spoilage	ND	ND	83	187
Other operating costs	13,680	15,552	12,058	14,307
External services	13,645	15,514	11,940	11,530
Expenditure on R&D	196	216	265	177
Insurance premiums	100	116	137	157
Other	13,350	15,182	11,538	11,197
Taxes	35	39	118	151
Loss, impairment and variation in provisions for trade operations	ND	ND	0	267
Other current operating costs	ND	ND	0	2,359
Personnel costs	15,147	17,077	16,194	16,397
Wages, salaries and related compensation	11,990	13,163	12,837	12,984
Social security contributions	3,158	3,914	3,269	3,369
Provisions	ND	ND	88	45
Amortization of tangible assets	689	518	2,241	1,927
Total	**57,988**	**61,810**	**63,983**	**63,774**

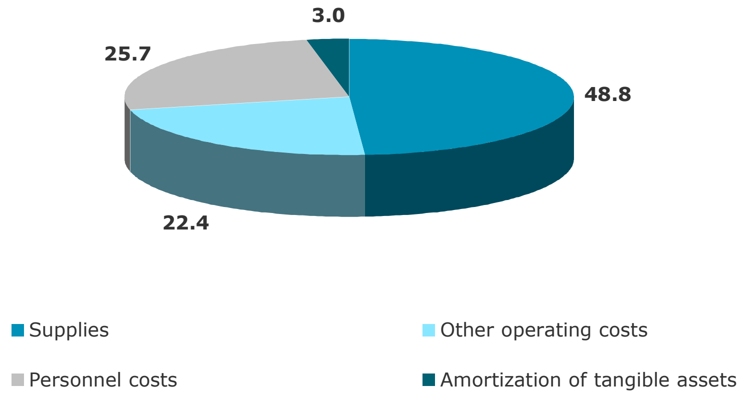
Source: ONTSI

Table 16. Percentages by purchase and cost categories in the IT and Content sector (% / total)

	2007	2008	2009	2010
Supplies	49.1	46.4	52.3	48.8
Merchandise consumption	67.2	65.2	65.5	71.4
Raw materials and other consumables consumption	15.5	16.0	17.5	11.4
Work carried out by other enterprises	17.4	18.8	16.8	16.6
Merchandise, raw materials and other supplies spoilage			0.2	0.6
Other operating costs	23.6	25.2	18.8	22.4
External services	99.7	99.8	99.0	80.6
Expenditure on R&D	1.4	1.4	2.2	1.5
Insurance premiums	0.7	0.7	1.1	1.4
Other	97.8	97.9	96.6	97.1
Taxes	0.3	0.2	1.0	1.1
Loss, impairment and variation in provisions for trade operations	ND	ND	0.0	1.9
Other current operating costs	ND	ND	0.0	15.2
Personnel costs	26.1	27.6	25.3	25.7
Wages, salaries and related compensation	79.2	77.1	79.3	79.2
Social security contributions	20.8	22.9	20.2	20.5
Provisions	ND	ND	0.5	0.3
Amortization of tangible assets	1.2	0.8	3.5	3.0
Total	**100**	**100**	**100**	**100**

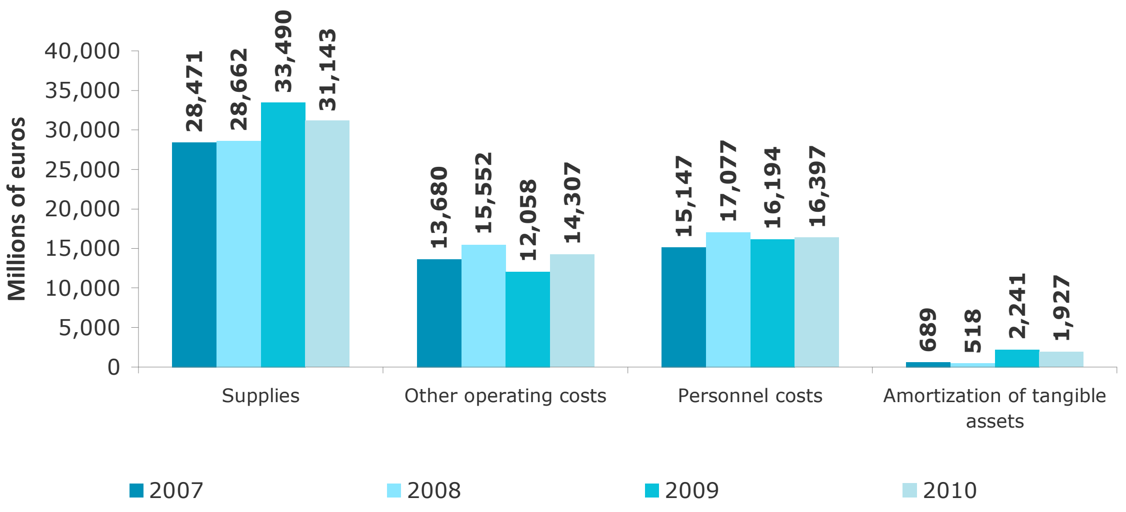
Source: ONTSI

Figure 23. Distribution of the purchase and cost categories of the IT and Content sector. Year 2010 (% / total)



Source: ONTSI

Figure 24. Evolution of operating costs of the IT and Content sector (Millones de euros)



Source: ONTSI

2.3.2.4. Employment

Table 17. IT and Content sector employment (Number of employees)

	2005	2006	2007	2008	2009	2010
Manufacturing	22,683	20,994	21,406	20,855	18,523	18,874
Trade	32,015	31,570	35,726	37,550	35,388	35,434
Computer and Related Activities	202,067	203,930	214,323	249,564	241,538	243,307
Other Telecommunication Activities	22,590	22,578	16,172	11,644	12,964	13,815
Content	76,967	76,525	84,053	82,327	77,550	69,896
Total	**356,323**	**355,597**	**371,681**	**401,941**	**385,964**	**381,326**

Source: ONTSI

Table 18. Variación del empleo del sector TI y los Contenidos (% / total)

	2005 / 2006	2006 / 2007	2007 / 2008	2008 / 2009	2009 / 2010
Manufacturing	-7.4%	2.0%	-2.6%	-11.2%	1.9%
Trade	-1.4%	13.2%	5.1%	-5.8%	0.1%
Computer and Related Activities	0.9%	5.1%	16.4%	-3.2%	0.7%
Other Telecommunication Activities	-0.1%	-28.4%	-28.0%	11.3%	6.6%
Content	-0.6%	9.8%	-2.1%	-5.8%	-9.9%
Total	**-0.2%**	**4.5%**	**8.1%**	**-4.0%**	**-1.2%**

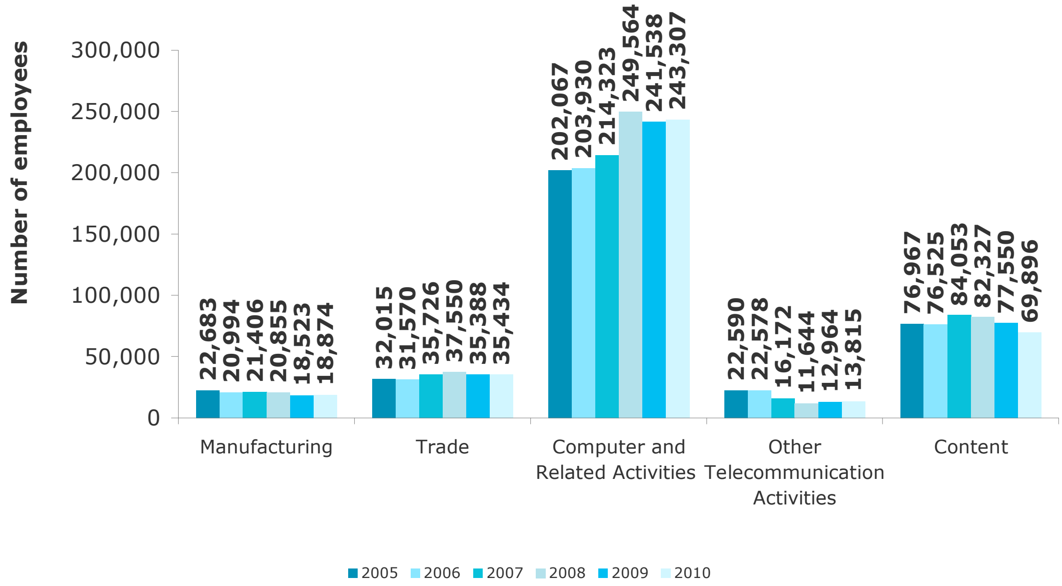
Source: ONTSI

Table 19. IT and Content sector employment Year 2010 (% / total)

	2009	2010
Manufacturing	4.8	4.9
Trade	9.2	9.3
Computer and Related Activities	62.6	63.8
Other Telecommunication Activities	3.4	3.6
Content	20.1	18.3
Total	**100**	**100**

Source: ONTSI

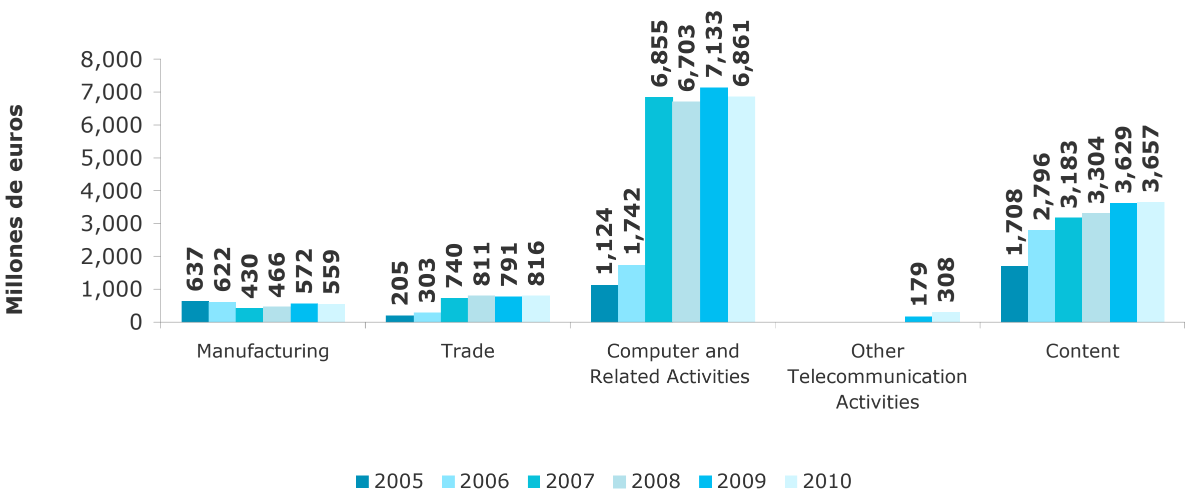
Figure 25. Evolution of IT and Content sector employment (Number of employees)



Source: ONTSI

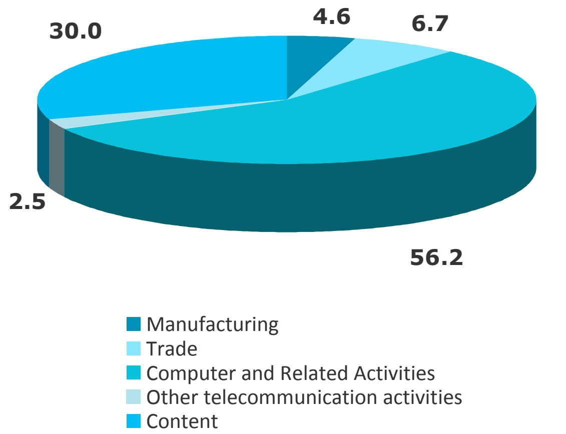
2.3.2.5. Investment

Figure 26. Investment in the IT and Content sector (Millions of euros)



Source: ONTSI

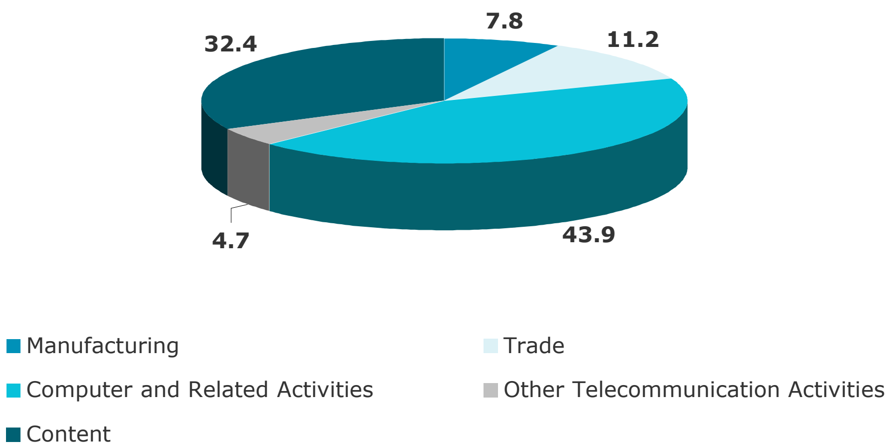
Figure 27. Distribution of investment in the IT and Content sector by segments. Year 2010 (% / total)



Source: ONTSI

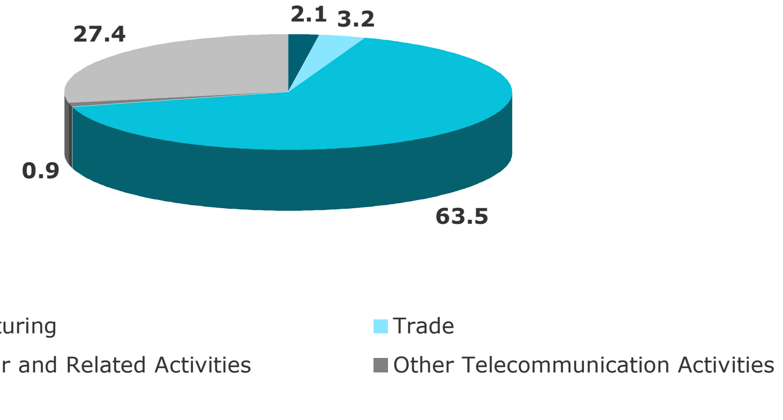
2.3.2.5.1. Structure of investment

Figure 28. IT and Content sector tangible fixed assets. Year 2010 (% / total)



Source: ONTSI

Figure 29. IT and Content sector intangible fixed assets. Year 2010 (% / total)



Source: ONTSI

2.3.2.6. Financial expenses and revenue

Table 20. Financial expenses and revenue in the IT and Content sector. Year 2010 (Millions of euros)

Financial expenses of the IT sector
(Millions of euros)

	2009	2010
Manufacturing	54	36
Trade	113	110
Computer and Related Activities	493	609
Other telecommunication activities	17	29
Content	317	241
Total	**994**	**1,025**

Financial revenue of the IT sector
(Millions of euros)

	2009	2010
Manufacturing	44	17
Trade	48	76
Computer and Related Activities	507	515
Other Telecommunication Activities	6	11
Content	326	310
Total	**931**	**929**

Source: ONTSI

2.3.3. The IT sector in the Spanish economy

2.3.3.1. Economic aggregates of the IT and Content sector

Table 21. Economic aggregates of the IT and Content sector (Millions of euros)

	2005	2006	2007	2008	2009	2010
Production	53,115	57,346	64,237	66,897	66,020	64,246
Intermediate consumption	19,886	22,539	22,377	22,085	24,277	22,883
Gross Added Value at market prices	**33,229**	**34,808**	**41,860**	**44,811**	**41,744**	**41,362**
Gross Added Value at factor cost	**33,140**	**34,948**	**41,677**	**44,579**	**41,977**	**41,865**
Remuneration of employees	13,514	15,239	13,574	15,247	16,167	16,396
Gross operating surplus	**19,806**	**19,990**	**28,398**	**29,678**	**25,811**	**25,469**

Source: ONTSI

Table 22. Variation in economic aggregates of the IT and Content sector (% variation)

	2005 / 2006	2006 / 2007	2007 / 2008	2008 / 2009	2009 / 2010
Production	8.0%	12.0%	4.1%	-1.3%	-2.7%
Intermediate consumption	13.3%	-0.7%	-1.3%	9.9%	-5.7%
Gross Added Value at market prices	**4.8%**	**20.3%**	**7.0%**	**-6.8%**	**-0.9%**
Gross Added Value at factor cost	**5.5%**	**19.3%**	**7.0%**	**-5.8%**	**-0.3%**
Remuneration of employees	12.8%	-10.9%	12.3%	6.0%	1.4%
Gross operating surplus	**0.9%**	**42.1%**	**4.5%**	**-13.0%**	**-1.3%**

Source: ONTSI

2.3.3.2. Productivity

Table 23. IT and Content sector productivity (euros per employee)

	2005	2006	2007	2008	2009	2010
Manufacturing	95,494	104,216	139,732	143,175	126,365	108,597
Trade	203,183	223,407	202,266	208,820	159,013	143,613
Computer and Related Activities	56,109	51,102	76,802	82,862	94,834	96,352
Other Telecommunication Activities	116,246	121,357	173,819	254,895	137,102	129,566
Content	119,801	104,228	116,986	130,596	120,256	135,828
Total	**79,968**	**71,184**	**98,676**	**106,052**	**108,760**	**109,789**

Source: ONTSI

2.3.3.3. Revenue-generating capacity

Table 24. Revenue-generating capacity by activity classes (% / total)

	2005	2006	2007	2008	2009	2010
Manufacturing	40.12	37.10	38.15	40.76	42.49	45.56
Trade	33.29	32.96	40.66	41.84	34.52	30.85
Computer and Related Activities	81.49	83.88	80.89	81.96	83.28	83.94
Other telecommunication activities	ND	ND	ND	ND	38.54	46.46
Content	87.56	79.20	85.88	85.39	74.42	82.75
Total	**60.44**	**58.94**	**64.49**	**66.39**	**63.19**	**65.16**

Source: ONTSI

Table 25. Variation in the revenue-generating capacity of the IT and Content sector (% Variation)

	2005 / 2006	2006 / 2007	2007 / 2008	2008 / 2009	2009 / 2010
Manufacturing	-7.5%	2.8%	6.8%	4.2%	7.2%
Trade	-1.0%	23.4%	2.9%	-17.5%	-10.6%
Computer and Related Activities	2.9%	-3.6%	1.3%	1.6%	0.8%
Other telecommunication activities	ND	ND	ND	ND	ND
Content	-9.5%	8.4%	-0.6%	-12.8%	11.2%
Total	**-2.5%**	**9.4%**	**2.9%**	**-4.8%**	**3.1%**

Source: ONTSI

2.4. Foreing trade in the ICT sector

The following is an analysis of international transactions of ICT products (goods and services) in 2010.

For the calculation of ICT Foreign Trade figures, the definition given by the OECD in its report called "Guide to measuring the Information Society", 2009 (http://www.oecd.org/dataoecd/25/52/43281062.pdf) has been taken as a reference, which is based on the UN's 2008 Central Product Classification (CPC) Ver. 2. that came into force in 2009 replacing the previous version (CPC v1 2002).

This classification has meant a real methodological change in the measurement of product data (understanding 'product' as the result of economic activities, both goods and services). The criterion for classification is the nature of the product. Under this criterion, products have been grouped by physical properties and composition. Also, new products have been introduced that were not present in the 2002 classification, and obsolete items lacking in interest have been eliminated.

The National Statistics Institute (INE) has been taken as the source for data concerning ICT services and the State Secretariat of Trade (MITyC, Datacomex[15]) as the source for data concerning ICT goods. Trade balance of the ICT sector in 2009 was negative, amounting to €4.561 million, with coverage of 77.90%. Exports reached €16,081 million and imports amounted to €20,642 million.

Trade balance of the ICT sector in 2010 was negative, amounting to €11,201 billion and a coverage rate of 50.1%. Exports reached €11,224 million and imports amounted to €22,425 million.

Table 26. Foreign trade in ICT goods (Millions of euros)

	2005	2006	2007	2008	2009*	2010*
Exports	12,104	11,220	13,130	13,199	**10,993**	**11,224**
Imports	23,901	26,209	29,331	30,885	**18,950**	**22,425**
Balance	-11,797	-14,989	-16,201	-17,685	**-7,957**	**-11,201**
Coverage	50.6%	42.8%	44.8%	42.7%	**58.0%**	**50.1%**

Source: ONTSI

*In 2009 there was an interruption in the series due to a change in methodology. Data are provisional.

With respect to foreign trade of ICT goods, exports reached €4,432 million and imports amounted to €17,607 million, The trade balance amounted to €-13,175 million, with a coverage rate of 25.17%.

15 Datacomex is an online tool of the State Secretariat for Trade, of the Ministry of Industry, Tourism and Trade (MITyC) that makes it possible to check information on Spanish foreign trade, taking the Spanish National Tax Authorities (AEAT) and Eurostat as the data sources.

Table 27. Foreign trade in ICT goods (Millions of euros)

	2005	2006	2007	2008	2009*	2010*
Exports	6,837	5,674	6,503	6,135	**3,856**	**4,432**
Imports	20,927	22,700	25,296	26,393	**14,941**	**17,607**
Balance	-14,090	-17,026	-18,793	-20,257	**-11,085**	**-13,175**
Coverage	32.67%	25.00%	25.71%	23.25%	**25.81%**	**25.17%**

Source: ONTSI

*In 2009 there was an interruption in the series due to a change in methodology. Data are provisional.

By activity classes, in 2010 the greatest import volume was generated by the class "computers and peripheral equipment", while the greatest export volume was generated by the class "miscellaneous ICT components and goods".

Table 28. Breakdown of foreign trade of goods (Millions of euros)

	Imports		Exports		Balance	
	2009	**2010***	**2009**	**2010***	**2009**	**2010***
Computers and peripheral equipment	4,080	4,662	676	701	-3,404	-3,960
Communication equipment	4,036	4,493	426	457	-3,610	-4,036
Consumer electronics equipment	3,452	4,145	1,212	1,275	-2,240	-2,870
Miscellaneous ICT components and goods	2,977	3,877	1,441	1,906	-1,536	-1,971
Business and productivity software, license services	396	430	101	93	-295	-337
TOTAL	**14,941**	**17,607**	**3,856**	**4,432**	**-11,085**	**-13,175**

Source: Datacomex y MITyC

*Data up to June 2011. Source: Datacomex

Table 29. Year-on-year variation in foreign trade of ICT goods (% Variation)

	Imports	Exports	Balance
	2009/2010*	**2009/2010***	**2009/2010***
Computers and peripheral equipment	14%	4%	16%
Communication equipment	11%	7%	12%
Consumer electronics equipment	20%	5%	28%
Miscellaneous ICT components and goods	30%	32%	28%
Business and productivity software, license services	9%	-8%	14%
TOTAL	**18%**	**15%**	**19%**

Source: Datacomex and MITyC

*Data up to June 2011. Source: Datacomex

Upon analysing the year-on-year variation in foreign trade of ICT goods by groups of products, it can be seen that the class “ICT components and goods” experienced an important growth both in exports and imports as compared to 2009. Specifically, 30% in imports and 32% in exports. It was followed by consumer electronics exports that with €1,275 represent 29% of all exports.

Provisional figures for 2010 for foreign trade in ICT services show a positive balance of €1,974 million and coverage of 140.97%. Imports reached €4,818 million and exports amounted to €6,792 million.

Table 30. Foreign trade in ICT services (Millions of euros)

	2005	2006	2007	2008	2009*	2010*
Exports	5,266	5,546	6,627	7,064	**7,137**	**6,792**
Imports	2,973	3,509	4,035	4,492	**4,009**	**4,818**
Balance	2,293	2,037	2,592	2,572	**3,128**	**1,974**
Coverage	177.12%	158.05%	164.24%	157.26%	**178.02%**	**140.97%**

Source: INE

*In 2009 there was an interruption in the series due to a change in methodology. Data are provisional.

3. The IT and Content sector by activity divisions

3. THE ICT SECTOR BY ACTIVITY DIVISIONS

3.1. ICT Manufacturing

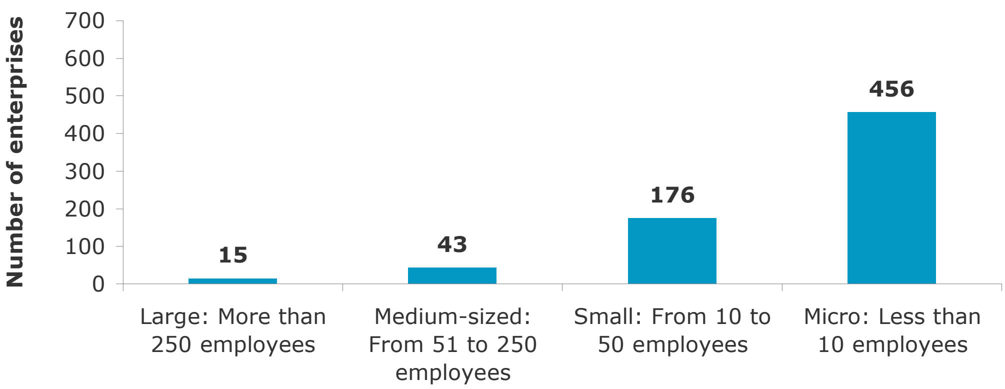
3.1.1. General figures

The number of active enterprises in 2009 was 919, 1% more than in 2008. This piece of data has been extracted from the Directory of Enterprises of the ONTSI, based on the registration data in the Companies Register and other ONTSI directories.

ICT Manufacturing is supported by a corporate fabric composed of enterprises with less than ten employees, which account for 66.1% of the total. Large enterprises only represent 2.2% of this corporate fabric.

25% of the enterprises have not indicated the number of employees in their account at the Companies Register, so they could not be classified under any category.

Figure 30. Distribution of enterprises by number of employees – Manufacturing. Year 2009 (Number of enterprises)

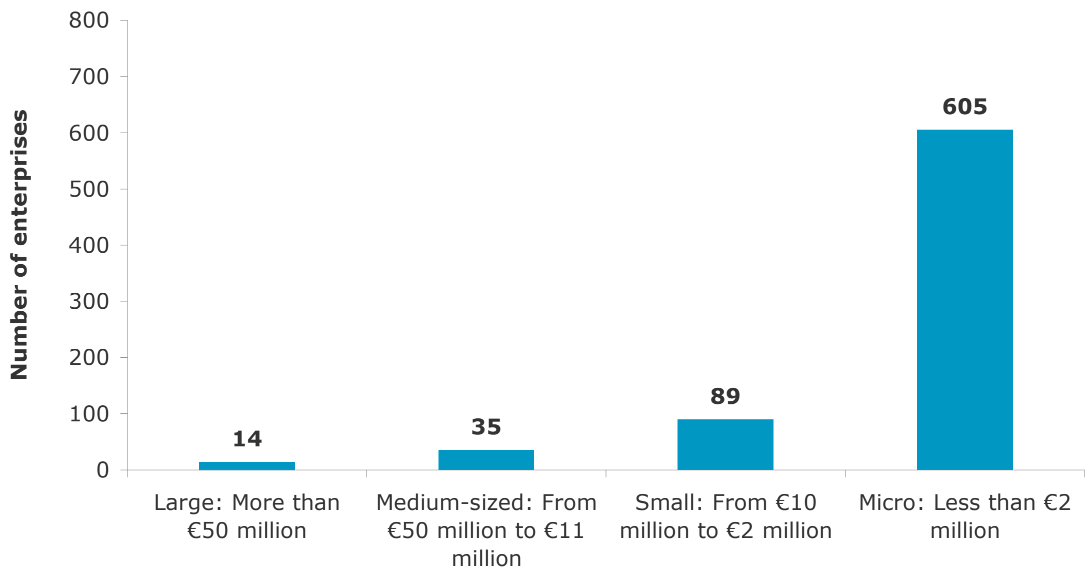


Source: ONTSI

As for turnover, only 1.9% of the enterprises have a turnover of over €50 million, while 81.4% have a sales generation capacity of less than €2 million.

19% of the enterprises have not indicated their turnover in their account at the Companies Register, so they could not be classified under any category.

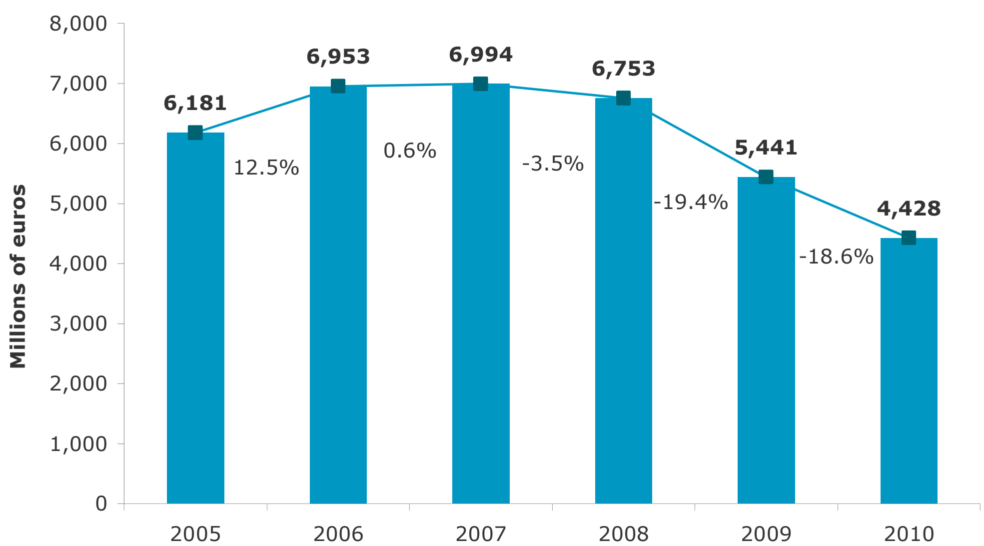
Figure 31. Distribution of enterprises by turnover - Manufacturing. Year 2009 (Number of enterprises)



Source: ONTSI

During the period 2005-2010, ICT Manufacturing turnover fell by 28.4%, which evidences the downturn in this activity division.

Figure 32. Evolution of turnover - ICT Manufacturing (Millions of euros)



Source: ONTSI

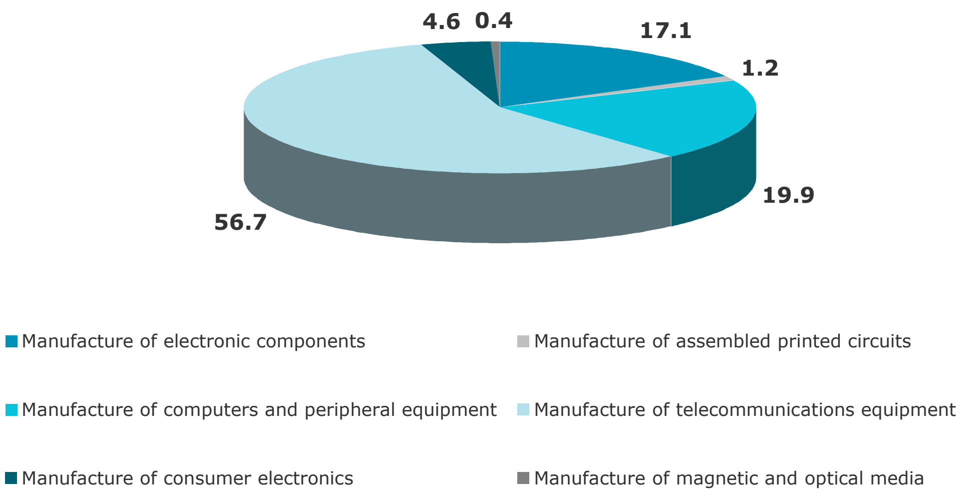
Revenue from ICT industrial enterprises reached €4,428 million in 2010, representing a drop of 18.6% with respect to 2009.

By activity classes, manufacture of telecommunications equipment (€2,510 million) and manufacture of computers and peripheral equipment (€882 million) are the activities with the highest turnover. These activities together accounted for 76.6% of the total turnover from ICT Manufacturing in 2010. These are followed by manufacture of electronic components that accounted for 17.1% of the total with €759 million.

ICT industrial enterprises include those engaged in the assembly of electronic components and printed circuits, setting of printed and electronic circuits, computer components and electronic subsets. Additionally, they include those dedicated to the design and manufacturing of telecommunications equipment, telephone and multimedia sets, creation of TV and radio reception systems, design and manufacturing of audio and PA equipment, development of image and sound recording and transmission equipment, and manufacturing of discs.

After a decade of deceleration of the Spanish ICT manufacturing industry, it seems to have started a rationalization process towards other activities that are not so focused on the assembly of electronic components and printed circuits, but on the development, design and manufacturing of telecommunications equipment –such as DTT equipment-, computers and peripherals for logistics and air control, or electronics for portability and digital homes.

Figure 33. Turnover - ICT Manufacturing. Year 2010 (% / total)



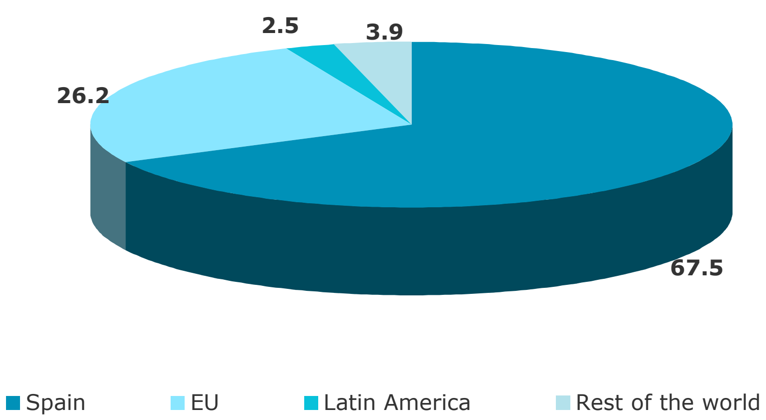
Source: ONTSI

With regard to the operating revenue structure, it can be seen that industrial distribution sales accounted for 97.7% of total revenue, of which the larger part was concentrated in industrial product sales (untransformed goods), followed by merchandise sales (goods transformed in the national territory).

Additionally, 1.2% of the income came from non-core and other current operating revenue from activities other than the enterprises' principal activity and operating subsidies incorporated into year-end results.

In 2010, ICT manufacturing production was mainly absorbed by domestic demand (67.5%), followed by exports to the EU (26.2%), Latin America (2.5%) and the rest of the world (3.9%).

Figure 34. Geographical distribution of sales - ICT Manufacturing. Year 2010 (% / total)



Source: ONTSI

43.1% of the customers of Manufacturing enterprises come from trade and distribution, 20% of them from transport and communication, 15.3% from the electronic and optical industry, 5.9% from the energy industry and 3.8% from computing.

Figure 35. Functional distribution of sales - ICT Manufacturing. Year 2010 (% / total)

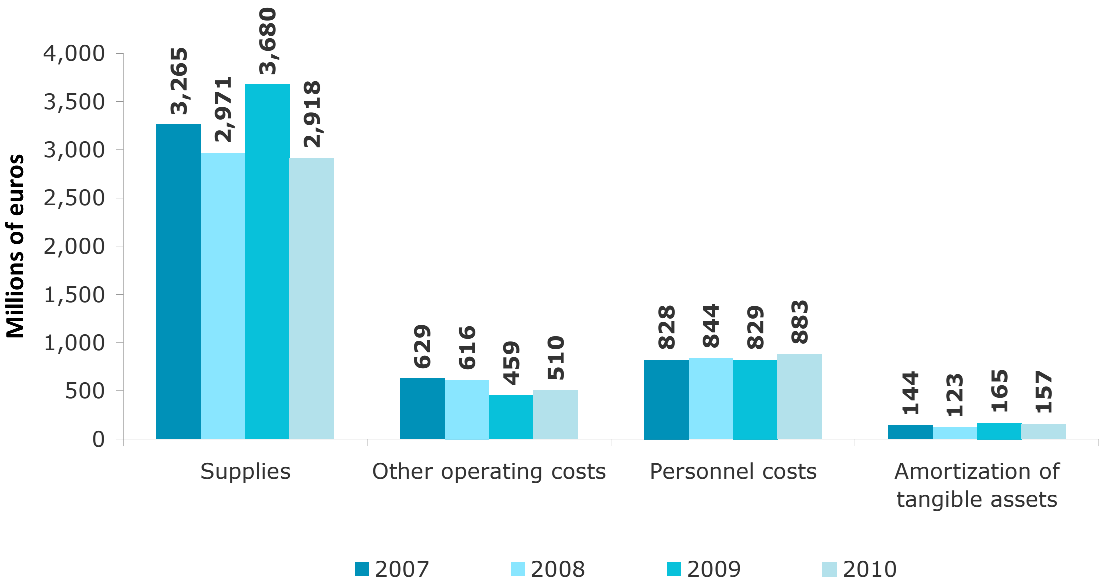
Source: ONTSI

The four main enterprises in the Manufacturing division accounted for 45.58% of the total turnover, and the leading enterprise had a revenue-based market share of 26.34%

With regard to cost structure, consumption and work carried out by other enterprises accounted for 65.3% of total operating costs of these ICT enterprises, followed by personnel costs, which accounted for 19.8% of the total, and external services[16] and tributes, which represented 11.4% of the total.

16 External services include all the costs corresponding to production factors acquired from other enterprises"

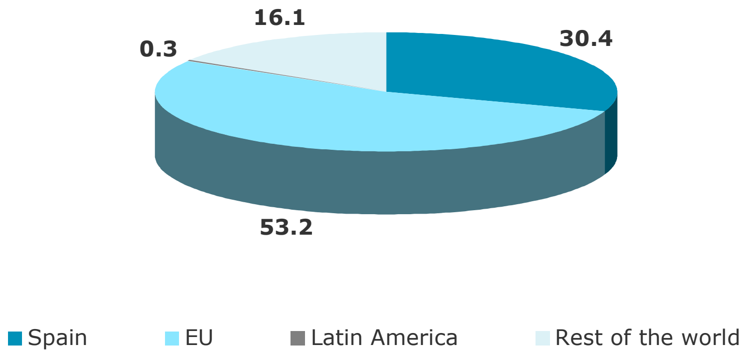
Figure 36. Structure of operating costs - ICT Manufacturing (Millions of euros)



Source: ONTSI

53.2% of the ICT industry suppliers are from the EU, 30.4% from the domestic market, 0.3% from Latin America and 16.1% from the rest of the world.

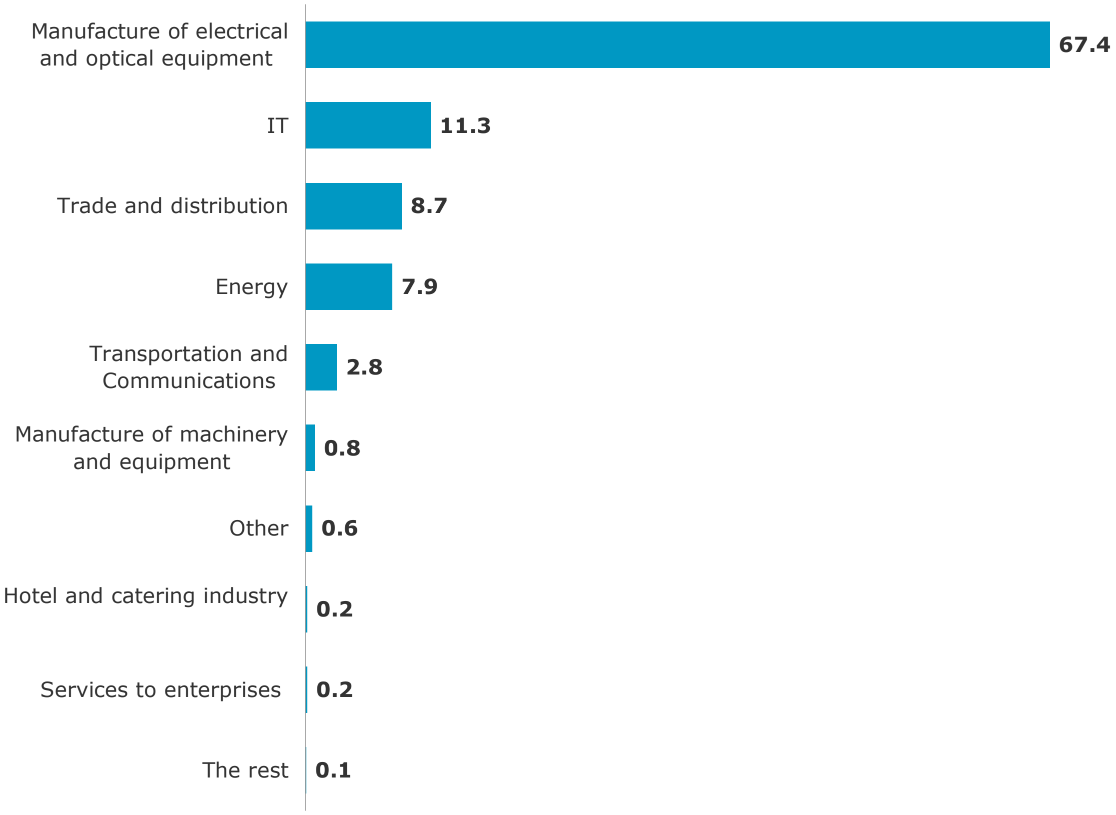
Figure 37. Geographical distribution of purchases - ICT Manufacturing. Year 2010 (% / total)



Source: ONTSI

The main suppliers of ICT Manufacturing enterprises come from areas like the electric, electronic and optical industry (67.4%) and computing (11.3%).

Figure 38. Functional distribution of purchases - ICT Manufacturing. Year 2010 (% / total)

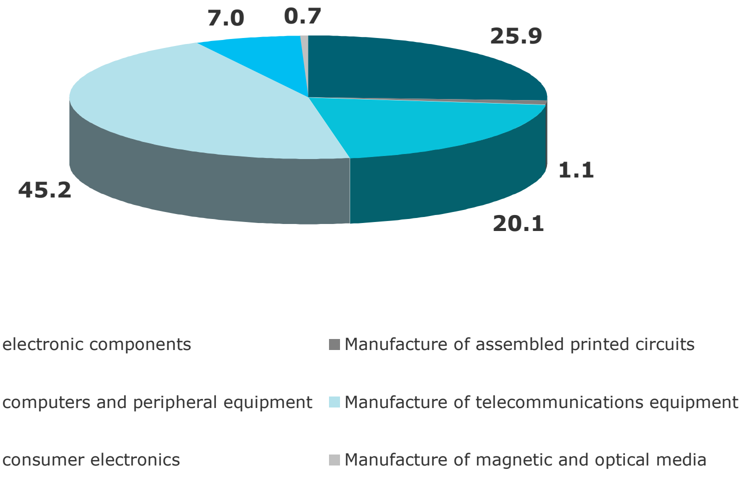


Source: ONTSI

The number of employed persons in the Manufacturing activity division was 18,874 persons, 1.9% more than in 2009.

Telecommunications equipment manufacturers generated the most jobs with 45.2% of the total, followed by electronic components manufacturers with 25.9%, computers and peripheral equipment manufacturers with 20.1%, and lastly consumer electronics manufacturers with 7.0%. The other 1.8% of employment was located in the manufacture of assembled printed circuits (1.1%) and the manufacture of magnetic and optical media (0.7%).

Figure 39. Employment - ICT Manufacturing. Year 2010 (% / total)



Source: ONTSI

ICT manufacturing enterprises invested €559 million in 2010. 51% of this investment was made by manufacturers of telecommunication-related components and 18.9% by manufacturers of electronic components.

3.1.2. ICT Manufacturing statistics

3.1.2.1. Enterprises

3.1.2.1.1. ICT sector enterprises- ICT Manufacturing

Table 31. Enterprises – ICT Manufacturing. Year 2009 (Number of enterprises)

	2008	2009
Manufacture of electronic components	320	337
Manufacture of assembled printed circuits	6	13
Manufacture of computers and peripheral equipment	317	296
Manufacture of telecommunications equipment	171	176
Manufacture of consumer electronics	88	88
Manufacture of magnetic and optical media	7	9
Total	**909**	**919**

Source: ONTSI

Table 32. Enterprises – ICT Manufacturing. Year 2009 (% / total)

	2008	2009
Manufacture of electronic components	35.2	36.7
Manufacture of assembled printed circuits	0.7	1.4
Manufacture of computers and peripheral equipment	34.9	32.2
Manufacture of telecommunications equipment	18.8	19.2
Manufacture of consumer electronics	9.7	9.6
Manufacture of magnetic and optical media	0.8	1.0
Total	**100**	**100**

Source: ONTSI

3.1.2.2. Revenue

3.1.2.2.1. Structure of operating income

Table 33. Operating income - ICT Manufacturing (Millions of euros)

	2007	2008	2009	2010
Turnover	6,994	6,753	5,441	4,428
Work carried out by the enterprise in relation to assets	24	23	45	70
Other operating income	114	67	52	53
Changes in the stocks of finished goods and goods in process - IT	ND	ND	19	28
Total	**7,133**	**6,843**	**5,557**	**4,579**

Source: ONTSI

Table 34. Operating income - ICT Manufacturing (% / total)

	2007	2008	2009	2010
Turnover	98.1	98.7	97.9	96.7
Work carried out by the enterprise in relation to assets	0.3	0.3	0.8	1.5
Other operating income	1.6	1.0	0.9	1.2
Changes in the stocks of finished goods and goods in process - IT	ND	ND	0.3	0.6
Total	**100**	**100**	**100**	**100**

Source: ONTSI

3.1.2.2.2. Turnover

Table 35. Turnover - ICT Manufacturing. Year 2010 (Millions of euros)

	2009	2010
Manufacture of electronic components	626	759
Manufacture of assembled printed circuits	37	53
Manufacture of computers and peripheral equipment	1,281	882
Manufacture of telecommunications equipment	3,278	2,510
Manufacture of consumer electronics	200	205
Manufacture of magnetic and optical media	20	19
Total	**5,441**	**4,428**

Source: ONTSI

Table 36. Turnover - ICT Manufacturing. Year 2010 (% / total)

	2009	2010
Manufacture of electronic components	11.5	17.1
Manufacture of assembled printed circuits	0.7	1.2
Manufacture of computers and peripheral equipment	23.5	19.9
Manufacture of telecommunications equipment	60.2	56.7
Manufacture of consumer electronics	3.7	4.6
Manufacture of magnetic and optical media	0.4	0.4
Total	**100**	**100**

Source: ONTSI

3.1.2.2.3. Turnover structure

Table 37. Breakdown of turnover – ICT Manufacturing (Millions of euros)

	2007	2008	2009	2010
Product net sales	4,032	3,888	1,765	1,905
Merchandise net sales	2,610	2,522	3,343	2,108
Provision of services	352	342	333	415
Total	**6,994**	**6,753**	**5,441**	**4,428**

Source: ONTSI

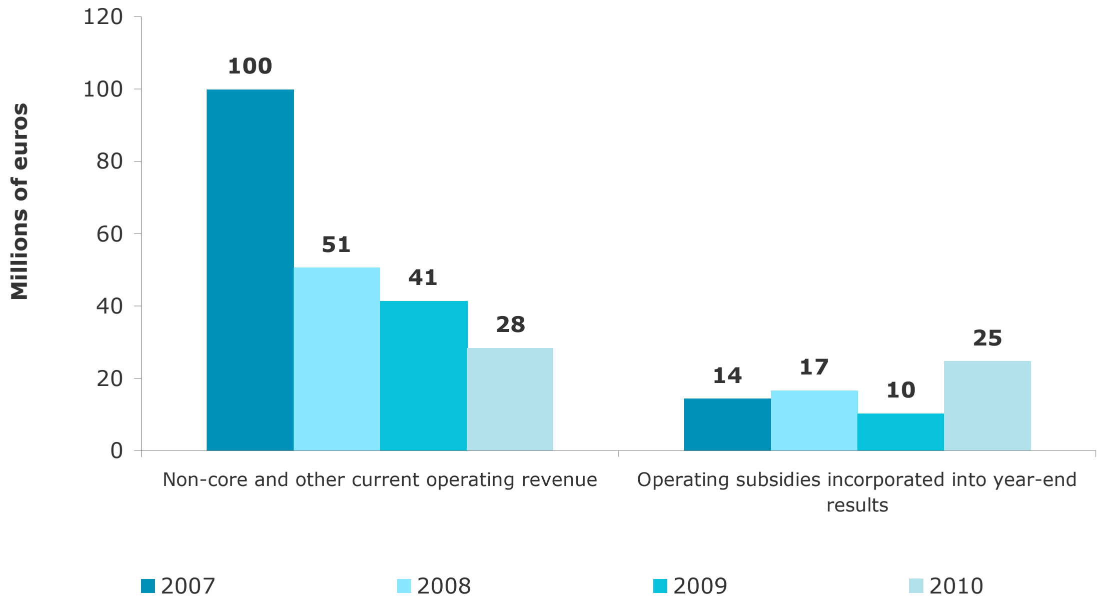
Table 38. Breakdown of turnover - ICT Manufacturing (% / total)

	2007	2008	2009	2010
Product net sales	57.7	57.6	32.4	43.0
Merchandise net sales	37.3	37.4	61.4	47.6
Provision of services	5.0	5.1	6.1	9.4
Total	**100**	**100**	**100**	**100**

Source: ONTSI

3.1.2.2.4. Other operating income

Figure 40. Other operating income - ICT Manufacturing (Millions of euros)



Source: ONTSI

3.1.2.3. Costs

3.1.2.3.1. Structure of operating costs

Table 39. Distribution by purchase and cost categories - ICT Manufacturing (Millions of euros)

	2007	2008	2009	2010
Supplies	3,265	2,971	3,680	2,918
Merchandise consumption	1,743	1,479	1,751	1,565
Raw materials and other consumables consumption	1,329	1,270	1,844	1,233
Work carried out by other enterprises	194	222	84	114
Merchandise, raw materials and other supplies spoilage	ND	ND	1	6
Other operating costs	629	616	459	531
External services	620	604	454	503
Expenditure on R&D	50	35	41	51
Insurance premiums	13	14	10	13
Other	557	556	403	439
Taxes	9	12	5	7
Loss, impairment and variation in provisions for trade operations	ND	ND	0	14
Other current operating costs	ND	ND	0	8
Personnel costs	828	844	829	883
Wages, salaries and related compensation	654	667	665	702
Social security contributions	174	177	163	179
Provisions	ND	ND	1	1
Amortization of tangible assets	144	123	165	157
Total	**4,866**	**4,554**	**5,133**	**4,489**

Source: ONTSI

Table 40. Percentages by purchase and cost categories - ICT Manufacturing (% / total)

	2007	2008	2009	2010
Supplies	67.1	65.2	71.7	65.0
Merchandise consumption	53.4	49.8	47.6	53.6
Raw materials and other consumables consumption	40.7	42.8	50.1	42.2
Work carried out by other enterprises	5.9	7.5	2.3	3.9
Merchandise, raw materials and other supplies spoilage	ND	ND	0.0	0.2
Other operating costs	12.9	13.5	8.9	11.8
External services	98.6	98.0	98.9	94.7
Expenditure on R&D	8.0	5.7	8.9	10.2
Insurance premiums	2.2	2.3	2.2	2.5
Other	89.8	92.0	88.8	87.2
Taxes	1.4	2.0	1.1	1.3
Loss, impairment and variation in provisions for trade operations	ND	ND	0.0	2.5
Other current operating costs	ND	ND	0.0	1.5
Personnel costs	17.0	18.5	16.1	19.7
Wages, salaries and related compensation	79.0	79.0	80.2	79.6
Social security contributions	21.0	21.0	19.7	20.2
Provisions	ND	ND	0.1	0.2
Amortization of tangible assets	3.0	2.7	3.2	3.5
Total	**100**	**100**	**100**	**100**

Source: ONTSI

3.1.2.4. Employment

Table 41. Employment by activity classes – ICT Manufacturing. Year 2010 (Number of employees)

	2009	2010
Manufacture of electronic components	4,782	4,896
Manufacture of assembled printed circuits	203	213
Manufacture of computers and peripheral equipment	4,240	3,788
Manufacture of telecommunications equipment	7,631	8,524
Manufacture of consumer electronics	1,305	1,329
Manufacture of magnetic and optical media	362	124
Total	**18,523**	**18,874**

Source: ONTSI

Table 42. Evolution of employment - ICT Manufacturing (Number of employees)

	2005	2006	2007	2008	2009	2010
Total	22,683	20,994	21,406	20,855	18,523	18,874
Variation		-7.4%	2.0%	-2.6%	-11.2%	1.9%

Source: ONTSI

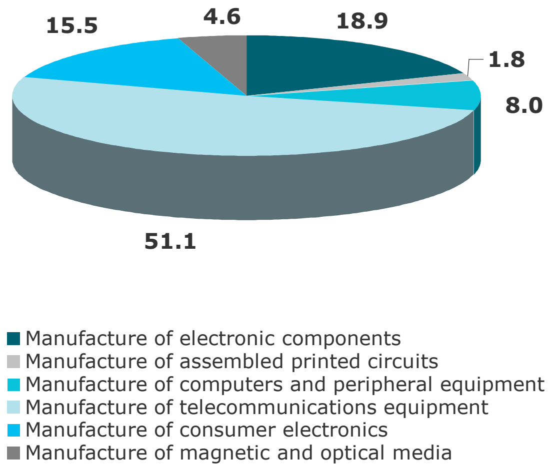
Table 43. Employment by activity classes – ICT Manufacturing. Year 2010 (% / total)

	2009	2010
Manufacture of electronic components	25.8	25.9
Manufacture of assembled printed circuits	1.1	1.1
Manufacture of computers and peripheral equipment	22.9	20.1
Manufacture of telecommunications equipment	41.2	45.2
Manufacture of consumer electronics	7.0	7.0
Manufacture of magnetic and optical media	2.0	0.7
Total	**100**	**100**

Source: ONTSI

3.1.2.5. Investment

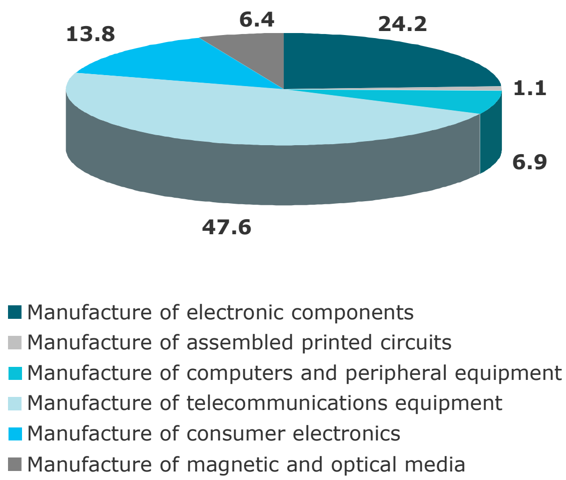
Figure 41. Investment - ICT Manufacturing. Year 2010 (% / total)



Source: ONTSI

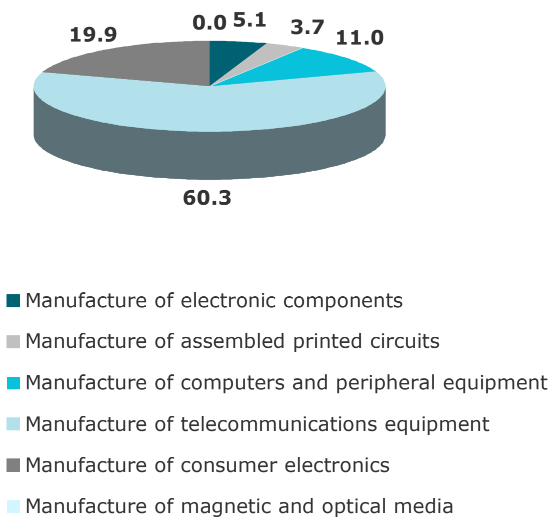
3.1.2.5.1. Structure of investment

Figure 42. Tangible fixed assets - ICT Manufacturing. Year 2010 (% / total)



Source: ONTSI

Figure 43. Intangible fixed assets - ICT Manufacturing. Year 2010 (% / total)



Source: ONTSI

3.1.2.6. Financial expenses and revenue

Table 44. Financial expenses and revenue - ICT Manufacturing. Year 2010 (Millions of euros)

Financial expenses-ICT Manufacturing
(Millions of euros)

	2009	2010
Manufacture of electronic components	10	10
Manufacture of assembled printed circuits	1	1
Manufacture of computers and peripheral equipment	12	7
Manufacture of telecommunications equipment	22	14
Manufacture of consumer electronics	8	6
Manufacture of magnetic and optical media	1	0
Total	**54**	**36**

Financial revenue- ICT Manufacturing
(Millions of euros)

	2009	2010
Manufacture of electronic components	5.7	7.9
Manufacture of assembled printed circuits	0.0	0.1
Manufacture of computers and peripheral equipment	7.8	2.1
Manufacture of telecommunications equipment	29.8	5.6
Manufacture of consumer electronics	1.2	1.2
Manufacture of magnetic and optical media	0.0	0.1
Total	**44**	**17**

Source: ONTSI

3.2. ICT Trade

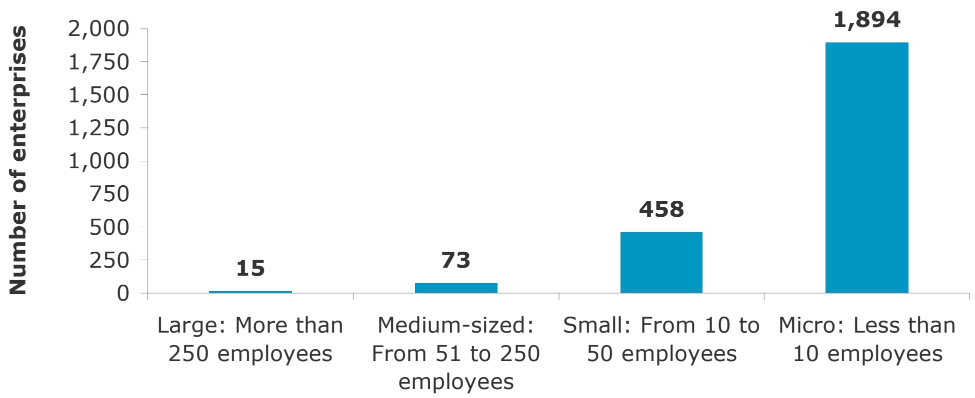
3.2.1. General figures

The value added by the mechanisms and channels for wholesale trade distribution of computers, peripheral equipment and software, as well as electronic and telecommunications equipment and their components, is essential for the development of the Information and Communication Technology sector.

The number of active trade enterprises in 2009 was 3,032, 6% more than in 2008. This piece of data has been extracted from the Directory of Enterprises of the ONTSI, based on the registration data in the Companies Register and other ONTSI directories.

ICT Trade is supported by a corporate fabric composed of enterprises with less than ten employees, which account for 77.6% of the total. Large enterprises only represent 0.6 % of this corporate fabric.
20% of the enterprises have not indicated the number of employees in their account at the Companies Register, so they could not be classified under any category.

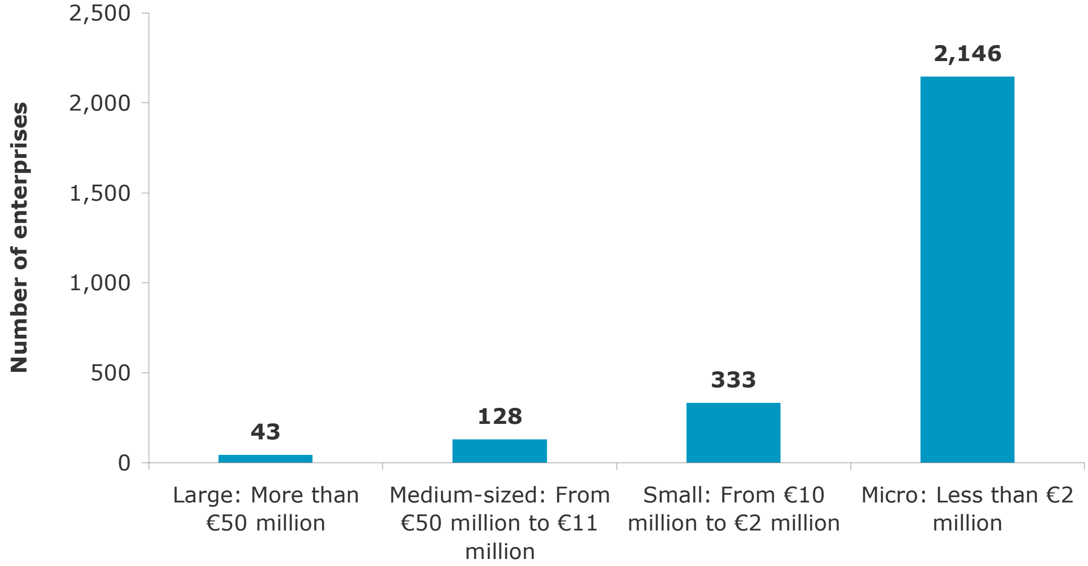
Figure 44. Distribution of enterprises by number of employees – ICT Trade. Year 2009
(Number of enterprises)



Source: ONTSI

As for turnover, only 2 out of 100 enterprises have a turnover of over €50 million, while 81% have a sales generation capacity of less than €2 million.
13% of the enterprises have not indicated their turnover in their account at the Companies Register, so they could not be classified under any category.

Figure 45. Distribution of enterprises by turnover - ICT Trade. Year 2009 (Number of enterprises)



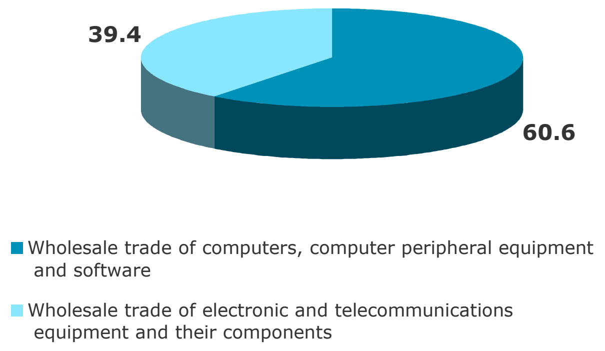
Source: ONTSI

Revenue from ICT trade enterprises reached €16,256 million in 2010, representing an increase of 2.1% with respect to 2009.

Upon analysing the Trade division by activities, it can be seen that the wholesale trade of computers, peripheral equipment and software sales is the activity with the highest turnover, contributing with €9,858 million to the total, while the wholesale of electronic and telecommunications equipment and their components generates €6,398 million. These activities accounted for 60.6% and 39.4% respectively of the total turnover from ICT Trade in 2010.

ICT trade enterprises include those engaged in commercialisation of IT applications, printing and copying equipment, back-up and data recording machines, electronic and telecommunications equipment, consumer electronics, network equipment, point of sale terminals, and control and signalling electronic equipment.

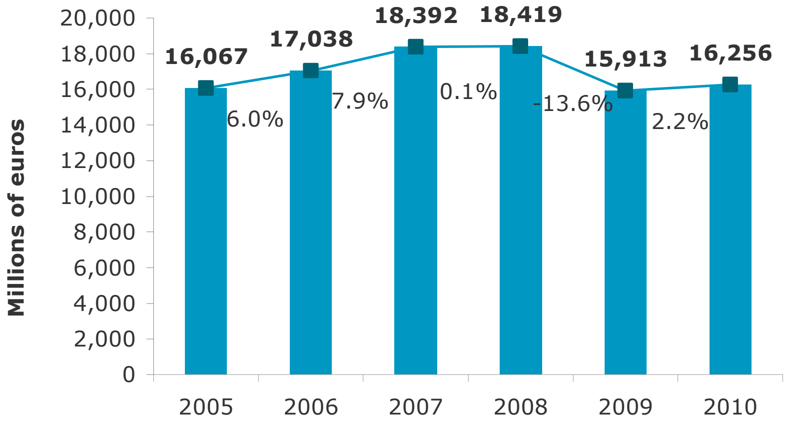
Figure 46. Turnover - ICT Trade. Year 2010 (% / total)



Source: ONTSI

During the period 2005-2010, Trade division turnover increased by 1%. The maturity of the sector, new trade distribution channels, stock management, and reduction of margins hinders growth of Trade activities.

Figure 47. Evolution of turnover - ICT Trade (Millions of euros)



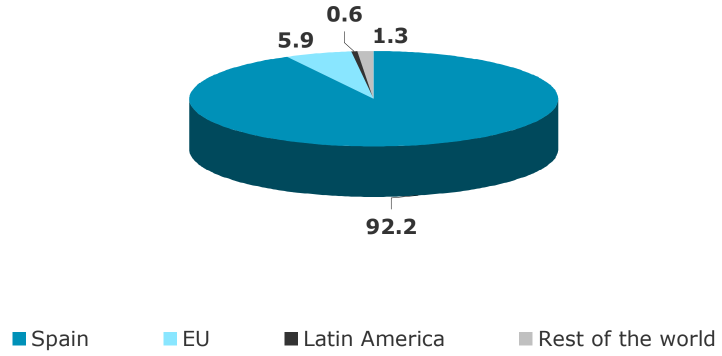
Source: ONTSI

With regard to the operating income structure of trade activities, it should be noted that it was almost entirely linked to sales, which accounted for 96.6% of total operating income. Of these, the larger part was concentrated in merchandise sales (untransformed goods) followed by industrial product sales (goods transformed in the national territory).

Additionally, 2.3% of the income came from non-core and other current operating revenue from activities other than the enterprises' principal activity and operating subsidies incorporated into year-end results.

The destination of the ICT subsector sales in 2010 was basically the Spanish market (accounting for 92.2% of total sales), followed by exports to the European Union (5.9%), the rest of the world (1.3%), and Latin America (0.6%).

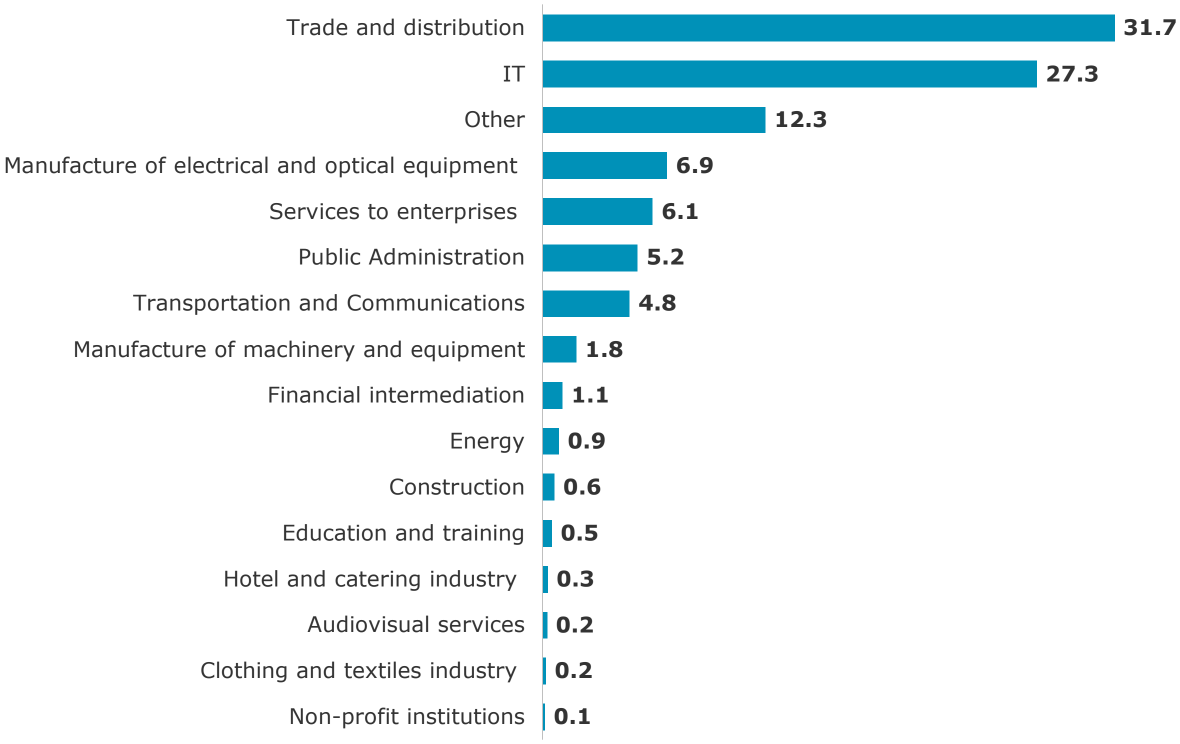
Figure 48. Geographical distribution of sales - ICT Trade. Year 2010 (% / total)



Source: ONTSI

ICT distribution enterprises absorbed 31.7% of the total sales, followed by IT enterprises (buying 27.3% of the total), the electric, electronic and optical industry (6.9% of the total) and the public administration (5.2% of the total).

Figure 49. Functional distribution of sales - ICT Trade. Year 2010 (% / total)



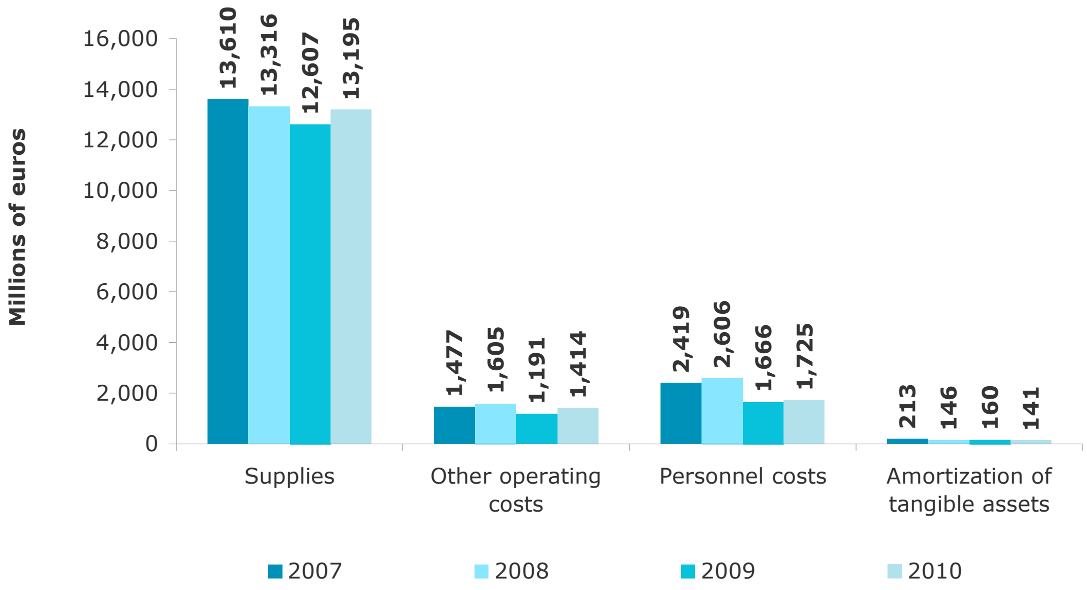
Source: ONTSI

The four main enterprises in this activity division accounted for 25.46% of the total turnover, and the leading enterprise had a revenue-based market share of 8.39%

With regard to cost structure, consumption and work carried out by other enterprises accounted for 80.1% of total operating costs of these ICT enterprises –despite the strong reduction in outsourcing expenses-, followed by personnel costs, which accounted for 10.5% of the total, and external services[17] and tributes, which represented 8.6% of the total.

[17] External services include all the costs corresponding to production factors acquired from other enterprises"

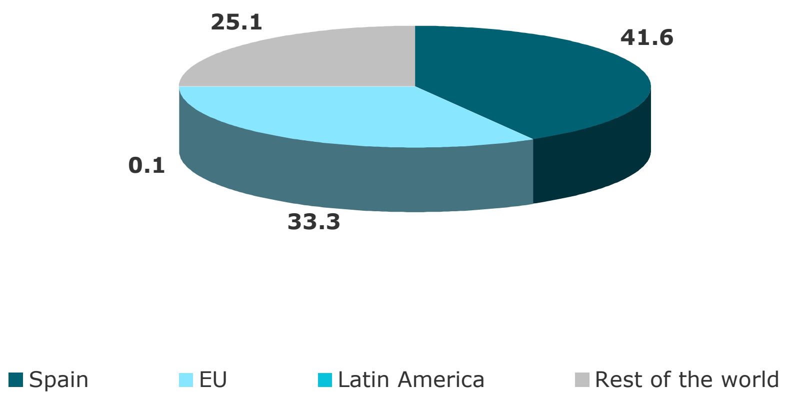
Figure 50. Structure of operating costs - ICT Trade (Millions of euros)



Source: ONTSI

The IT trade obtains 41.6% of its supplies from the domestic market, 33.3% from the European market, 0.1% from Latin America and 25.1% from the rest of the world.

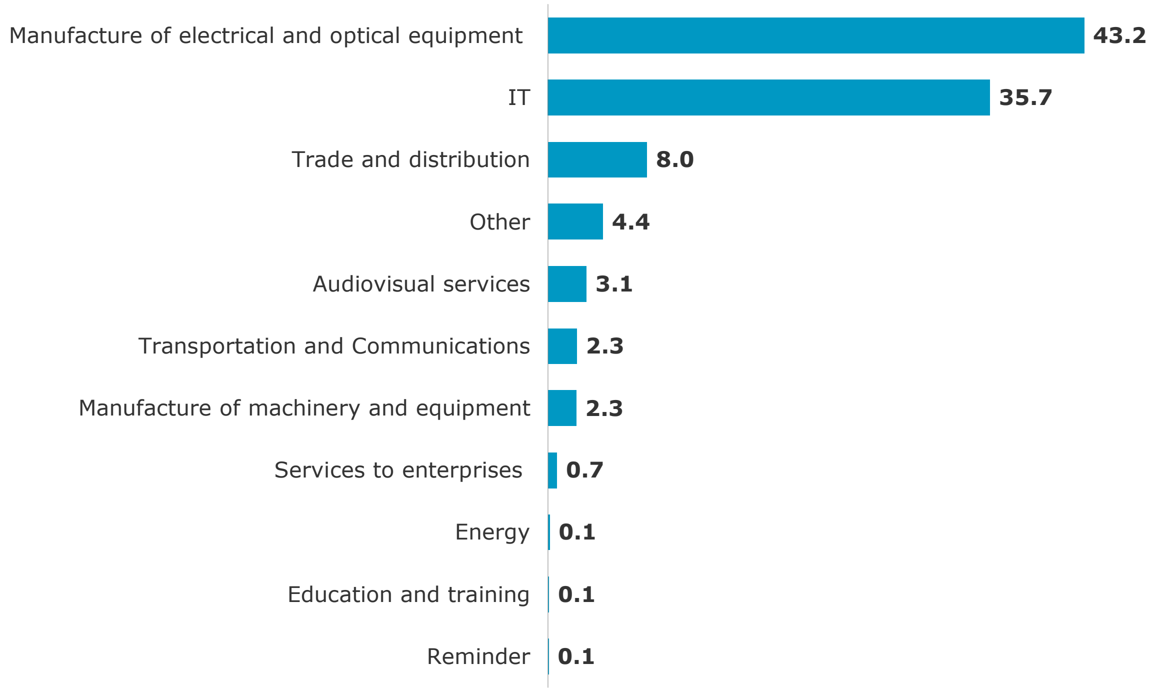
Figure 51. Geographical distribution of purchases - ICT Trade. Year 2010 (% / total)



Source: ONTSI

The main suppliers of ICT distribution enterprises come from areas like the electric, electronic and optical industry (43.2%) and computing (35.7%).

Figure 52. Functional distribution of purchases - ICT Trade. Year 2010 (% / total)



Source: ONTSI

The number of employed persons in the Trade division was 35,434 persons, 0.1% more than in 2009.

The enterprises that provided the most employment were those engaging in wholesale trade of computers, peripheral equipment and software, which accounted for 67% of total employment in this activity division. The wholesale of electronic and telecommunications equipment and their components accounted for the other 33%.

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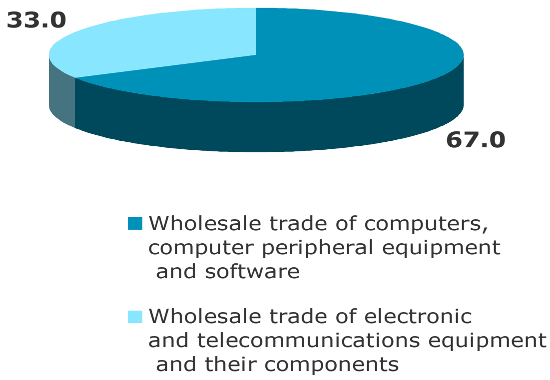
Figure 53. Employment by activity classes – ICT Trade. Year 2010 (% / total)



Source: ONTSI

ICT Trade enterprises invested €816 million in 2010. Upon analysing the Trade division by activities, it can be seen that the wholesale trade of computers, peripheral equipment and software sales is the activity that recorded the highest investment (61.4% to the total), while the wholesale of electronic and telecommunications equipment and their components accounted for 38.6% of the total.

3.2.2. Trade statistics

3.2.2.1. Enterprises

3.2.2.1.1. ICT sector enterprises– ICT Trade

Table 45. Enterprises - ICT Trade. Year 2009 (Number of enterprises)

	2008	2009
Wholesale trade of computers, computer peripheral equipment and software	1,925	1,960
Wholesale trade of electronic and telecommunications equipment and their components	944	1,072
Total	**2,869**	**3,032**

Source: ONTSI

Table 46. Enterprises - ICT Trade. Year 2009 (% / total)

	2008	2009
Wholesale trade of computers, computer peripheral equipment and software	67.1	64.6
Wholesale trade of electronic and telecommunications equipment and their components	32.9	35.4
Total	**100**	**100**

Source: ONTSI

3.2.2.2. Revenue

3.2.2.2.1. Structure of operating income

Table 47. Operating income - ICT Trade (Millions of euros)

	2007	2008	2009	2010
Turnover	18,392	18,419	15,913	16,256
Work carried out by the enterprise in relation to assets	8	6	44	11
Other operating income	264	299	385	393
Changes in the stocks of finished goods and goods in process - IT	ND	ND	28	161
Total	**18,664**	**18,725**	**16,370**	**16,822**

Source: ONTSI

Table 48. Operating income - ICT Trade (% / total)

	2007	2008	2009	2010
Turnover	98.5	98.4	97.2	96.6
Work carried out by the enterprise in relation to assets	0.0	0.0	0.3	0.1
Other operating income	1.4	1.6	2.4	2.3
Changes in the stocks of finished goods and goods in process - IT	ND	ND	0.2	1.0
Total	**100**	**100**	**100**	**100**

Source: ONTSI

3.2.2.2.2. Turnover

Table 49. Turnover - ICT Trade. Year 2010 (Millions of euros)

	2009	2010
Wholesale trade of computers, computer peripheral equipment and software	10,026	9,858
Wholesale trade of electronic and telecommunications equipment and their components	5,887	6,398
Total	**15,913**	**16,256**

Source: ONTSI

Table 50. Turnover - ICT Trade. Year 2010 (% / total)

	2009	2010
Wholesale trade of computers, computer peripheral equipment and software	63.0	60.6
Wholesale trade of electronic and telecommunications equipment and their components	37.0	39.4
Total	**100**	**100**

Source: ONTSI

3.2.2.2.3. IT sector turnover structure

Table 51. Breakdown of turnover – ICT Trade (Millions of euros)

	2007	2008	2009	2010
Product net sales	4,606	4,579	4,515	4,368
Merchandise net sales	11,645	11,568	9,907	10,355
Provision of services	2,140	2,272	1,491	1,534
Total	**18,392**	**18,419**	**15,913**	**16,256**

Source: ONTSI

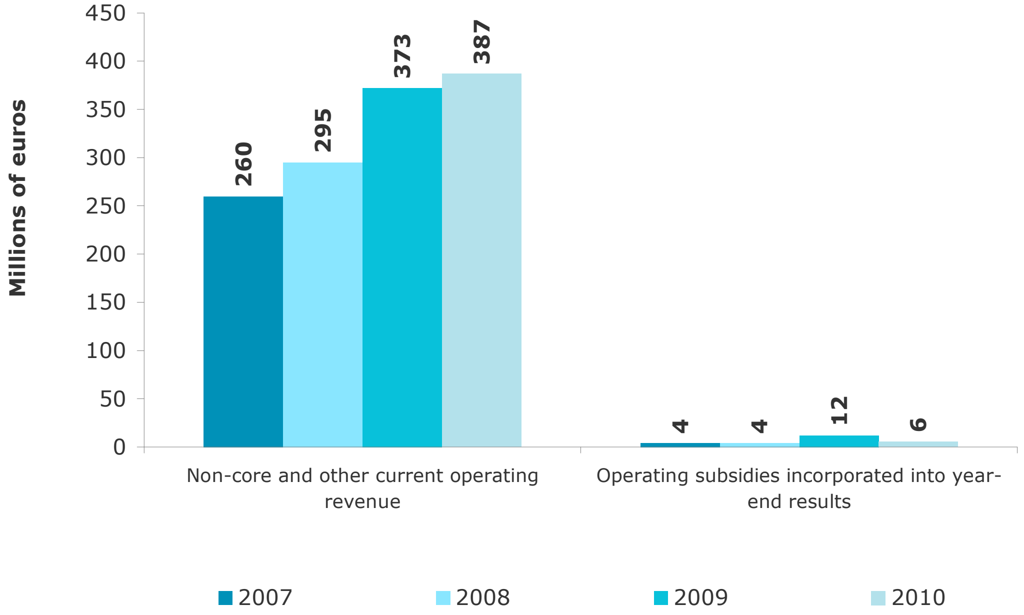
Table 52. Breakdown of turnover - ICT Trade (% / total)

	2007	2008	2009	2010
Product net sales	25.0	24.9	28.4	26.9
Merchandise net sales	63.3	62.8	62.3	63.7
Provision of services	11.6	12.3	9.4	9.4
Total	**100**	**100**	**100**	**100**

Source: ONTSI

3.2.2.2.4. Other operating income

Figure 54. Other operating income - ICT Trade (Millions of euros)



Source: ONTSI

3.2.2.3. Costs

3.2.2.3.1. Structure of operating costs

Table 53. Distribution by purchase and cost categories - ICT Trade (Millions of euros)

	2007	2008	2009	2010
Supplies	13,610	13,316	12,607	13,195
Merchandise consumption	11,017	10,626	11,500	12,841
Raw materials and other consumables consumption	1,489	1,670	586	140
Work carried out by other enterprises	1,103	1,020	515	151
Merchandise, raw materials and other supplies spoilage	ND	ND	6	63
Other operating costs	1,477	1,605	1,191	1,485
External services	1,477	1,605	1,173	1,397
Expenditure on R&D	10	16	11	7
Insurance premiums	41	53	30	36
Other	1,425	1,535	1,131	1,353
Taxes	0	0	18	18
Loss, impairment and variation in provisions for trade operations	ND	ND	0	44
Other current operating costs	ND	ND	0	27
Personnel costs	2,419	2,606	1,666	1,725
Wages, salaries and related comp	1,855	2,003	1,343	1,361
Social security contributions	565	603	322	358
Provisions	ND	ND	0	5
Amortization of tangible assets	213	146	160	141
Total	**17,719**	**17,673**	**15,623**	**16,547**

Source: ONTSI

Table 54. Distribution by purchase and cost categories - ICT Trade (% / total)

	2007	2008	2009	2010
Supplies	76.8	75.3	80.7	79.7
Merchandise consumption	81.0	79.8	91.2	97.3
Raw materials and other consumables consumption	10.9	12.5	4.6	1.1
Work carried out by other enterprises	8.1	7.7	4.1	1.1
Merchandise, raw materials and other supplies spoilage	ND	ND	0.0	0.5
Other operating costs	8.3	9.1	7.6	9.0
External services	100.0	100.0	98.5	94.1
Expenditure on R&D	0.7	1.0	0.9	0.5
Insurance premiums	2.8	3.3	2.6	2.6
Other	96.5	95.7	96.5	96.9
Taxes	0.0	0.0	1.5	1.2
Loss, impairment and variation in provisions for trade operations	ND	ND	0.0	3.0
Other current operating costs	ND	ND	0.0	1.8
Personnel costs	13.7	14.7	10.7	10.4
Wages, salaries and related compensation	76.7	76.8	80.6	78.9
Social security contributions	23.3	23.2	19.3	20.8
Provisions	ND	ND	0.0	0.3
Amortization of tangible assets	1.2	0.8	1.0	0.9
Total	**100**	**100**	**100**	**100**

Source: ONTSI

3.2.2.4. Employment

Table 55. Employment - ICT Trade. Year 2010 (Number of employees)

	2009	2010
Wholesale trade of computers, computer peripheral equipment and software	23,970	23,736
Wholesale trade of electronic and telecommunications equipment and their components	11,418	11,698
Total	**35,388**	**35,434**

Source: ONTSI

Table 56. Employment – ICT Trade. Year 2010 (% / total)

	2009	2010
Wholesale trade of computers, computer peripheral equipment and software	67.7	67.0
Wholesale trade of electronic and telecommunications equipment and their components	32.3	33.0
Total	**100**	**100**

Source: ONTSI

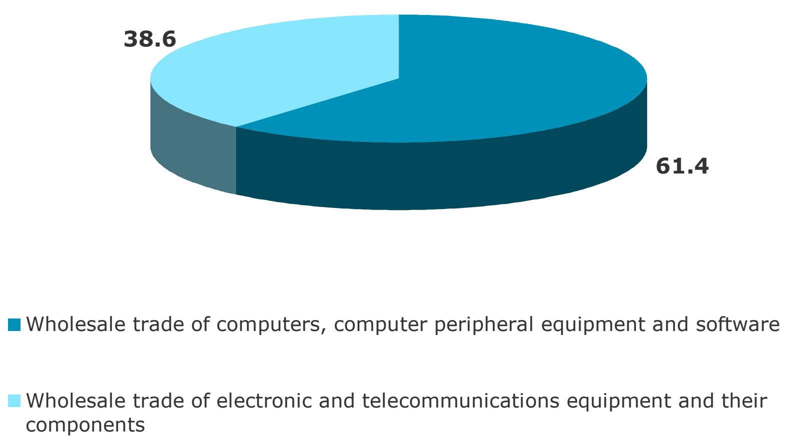
Table 57. Evolution of employment - ICT Trade (Number of employees)

	2005	2006	2007	2008	2009	2010
Total	32,015	31,570	35,726	37,550	35,388	35,434
Variation		-1.4%	13.2%	5.1%	-5.8%	0.1%

Source: ONTSI

3.2.2.5. Investment

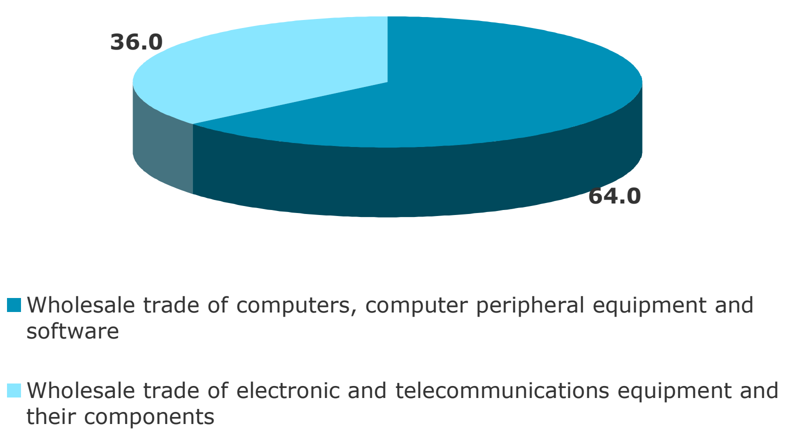
Figure 55. Investment - ICT Trade. Year 2010 (Millions of euros)



Source: ONTSI

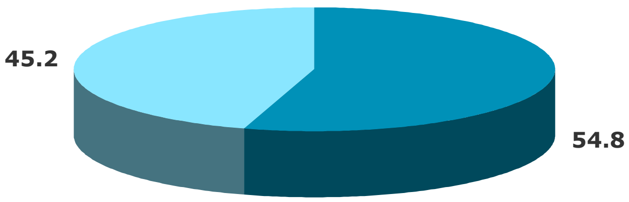
3.2.2.5.1. Structure of investment

Figure 56. Tangible fixed assets - ICT Trade. Year 2010 (% / total)



Source: ONTSI

Figure 57. Intangible fixed assets - ICT Trade. Year 2010 (% / total)



Source: ONTSI

3.2.2.6. Financial expenses and revenue

Table 58. Financial expenses and revenue - ICT Trade. Year 2010 (Millions of euros)

Financial expenses- ICT Trade
(Millions of euros)

	2009	2010
Wholesale trade of computers, computer peripheral equipment and software	65	57
Wholesale trade of electronic and telecommunications equipment and their components	47	52
Total	**113**	**110**

Financial revenue- ICT Trade
(Millions of euros)

	2009	2010
Wholesale trade of computers, computer peripheral equipment and software	37	56
Wholesale trade of electronic and telecommunications equipment and their components	11	20
Total	**48**	**76**

Source: ONTSI

3.3. Computer and Related Activities

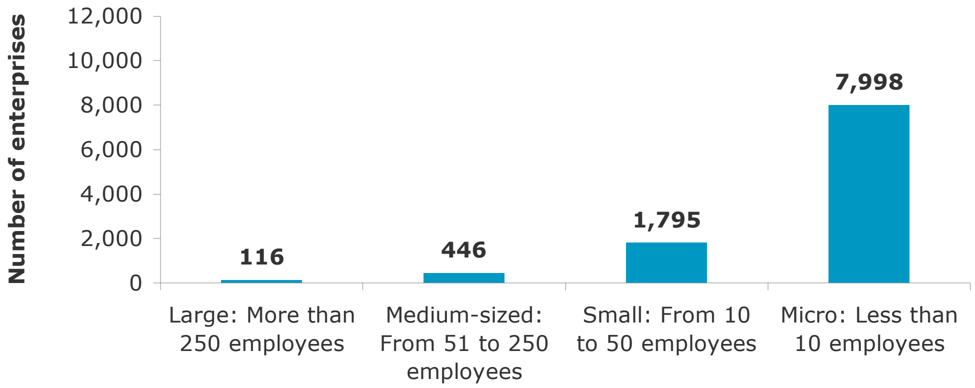
3.3.1. General figures

The number of active enterprises in 2009 was 13,558, 3.1% more than in 2008. This piece of data has been extracted from the Population of Enterprises created by the ONTSI, based on the registration data in the Companies Register and other ONTSI directories.

Computer and Related Activities are supported by a corporate fabric composed of enterprises with less than ten employees, which account for 77.2% of the total. Only 1.1% of enterprises have more than 250 employees.

24% of the enterprises have not indicated the number of employees in their account at the Companies Register, so they could not be classified under any category.

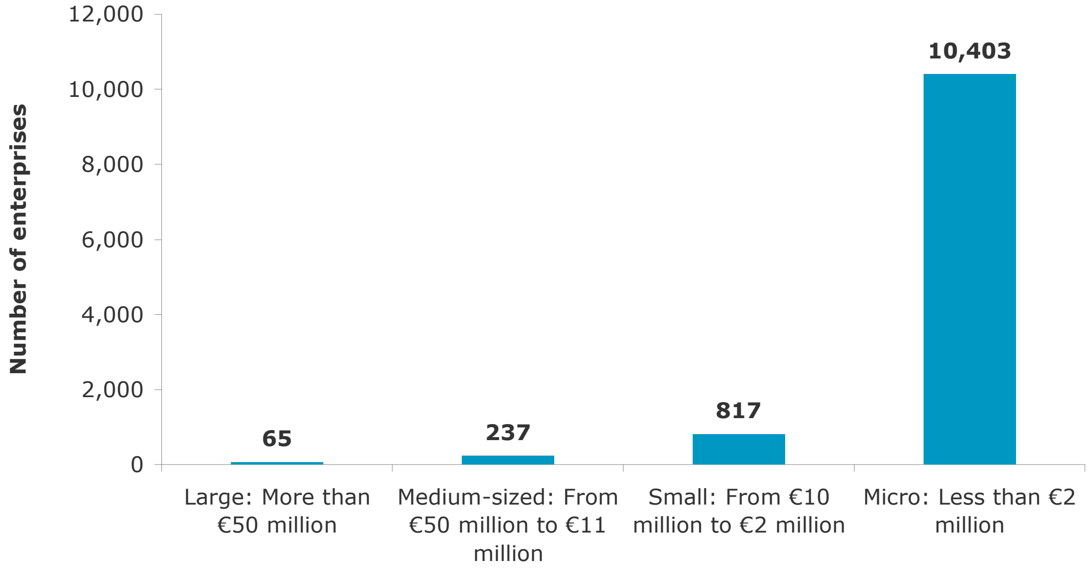
Figure 58. Distribution of enterprises by number of employees – Computer and Related Activities. Year 2009 (Number of enterprises)



Source: ONTSI

As for turnover, only 0.6% of the enterprises have a turnover of over €50 million, while 90.3% have a sales generation capacity of less than €2 million.
15% of the enterprises have not indicated their turnover in their account at the Companies Register, so they could not be classified under any category.

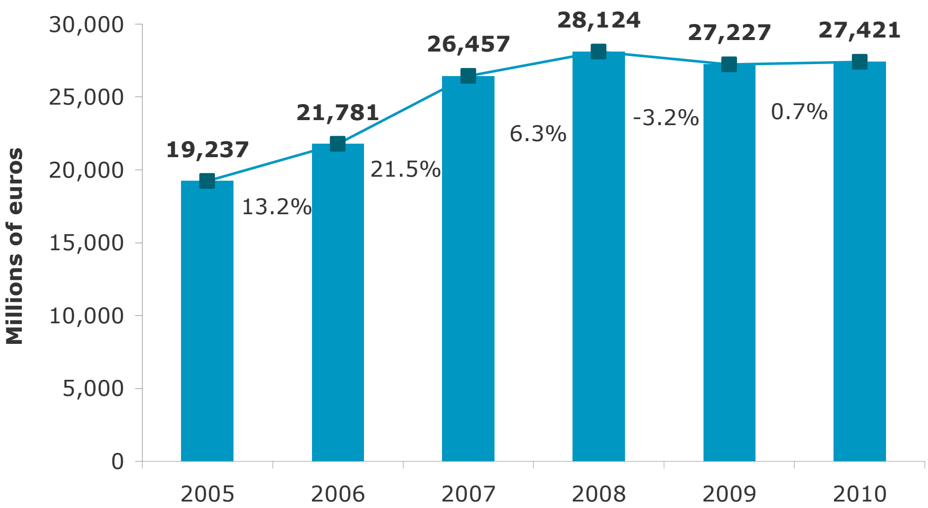
Figure 59. Distribution of enterprises by turnover - Computer and Related Activities. Year 2009 (Number of enterprises)



Source: ONTSI

During the period 2005-2010, the turnover from Computer and Related Activities rose by 42.5%. In 2008, with the start of the crisis, the growth rate turned down but recovered in 2010 with a slight increase of 0.7%.

Figure 60. Evolution of turnover - Computer and Related Activities (Millions of euros)



Source: ONTSI

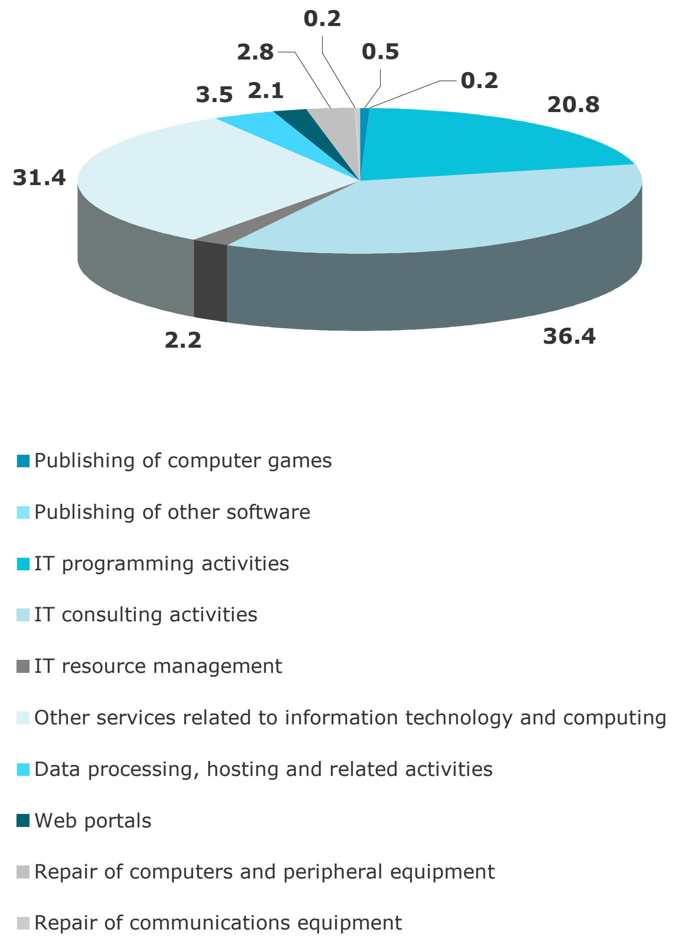
Revenue from Computer and Related Activities enterprises reached €27,421 million in 2010, representing an increase of 0.7% with respect to 2009.

By activity classes, it can be seen that enterprises dedicated to IT consulting and those dedicated to other services related to information technology and IT have a turnover of €9,969 million and €8,601 million respectively, accounting for 67.7% of the total turnover from Computer and Related Activities. These are followed by enterprises engaging in IT programming activities with a sales generation capacity of €5,709 million and accounting for 20.8% of the total turnover of Computer and Related Activities.

The Computer and Related Activities division is comprised of enterprises dedicated to the publishing of computer games, computer software, applications, databases, updates and patches. It also includes enterprises dedicated to technology consulting activities, IT resource management and running, provision and installation of infrastructure for hosting and data processing services, web running, and maintenance and repair of computing, electronic and communication equipment.

Spanish enterprises that provide computer and related services have successfully adapted to the process of redefining ICT services supply and demand. This process has changed, not only service providers' business and market strategies, but also the way they present their offers, manage execution terms and develop projects.

Figure 61. Turnover - Computer and Related Activities. Year 2010 (% / total)



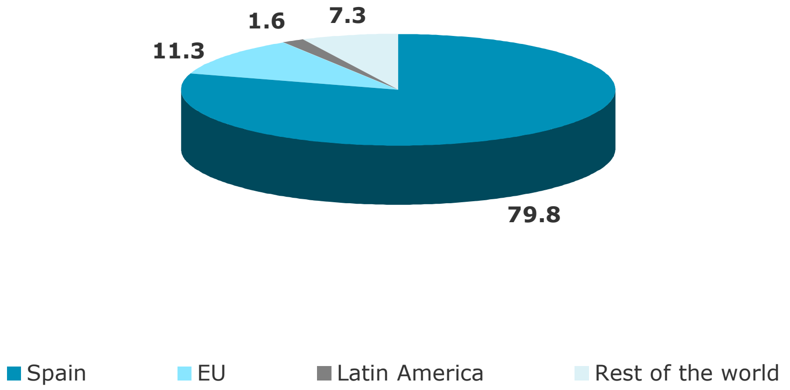
Source: ONTSI

With regard to the operating income structure, it should be noted that it was almost entirely linked to the main activity, that is to say, the turnover, which accounted for 96% of the total income. Most of it came from service provision, which accounted for almost 76.2 % of total turnover, followed by merchandise sales.

Additionally, 1.5% of the income came from other operating income, that is to say, non-core and other current operating revenue and operating subsidies incorporated into year-end results. This income is originated from activities other than the enterprises' principal activity.

Products and services of the Computer and Related Activities area are mainly absorbed by domestic demand, which absorbed 79.8% of total sales, followed by exports to the EU, with 11.3%, Latin America, with 1.6%, and the rest of the world 7.3%.

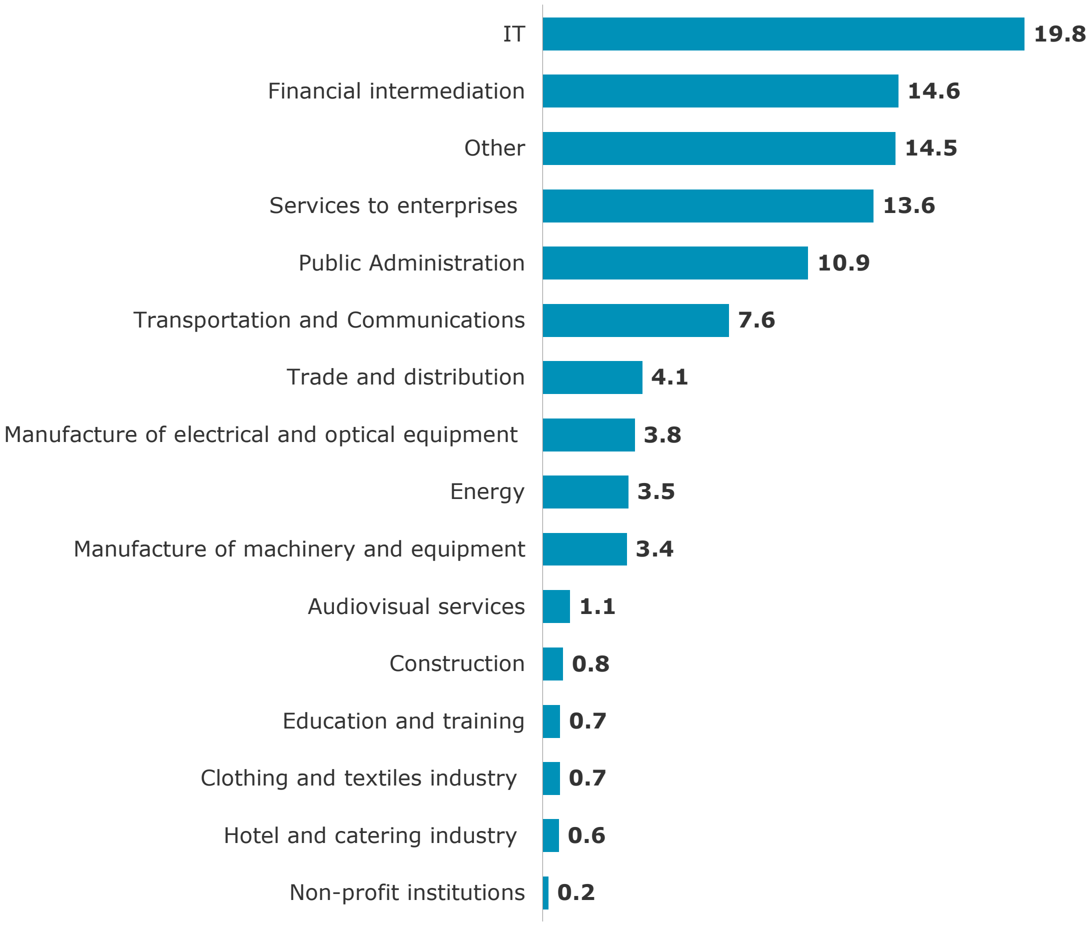
Figure 62. Geographical distribution of sales - Computer and Related Activities. Year 2010 (% / total)



Source: ONTSI

19.8% of the customers of the enterprises in this subgroup come from enterprises that provide computer and related services, so there is a reinvestment in the same value chain. Next we find financial intermediation services enterprises (14.6%), enterprise services enterprises (13.6%) –thanks to the boom in outsourcing– and the public administration (10.9%).

Figure 63. Functional distribution of sales - Computer and Related Activities. Year 2010 (% / total)



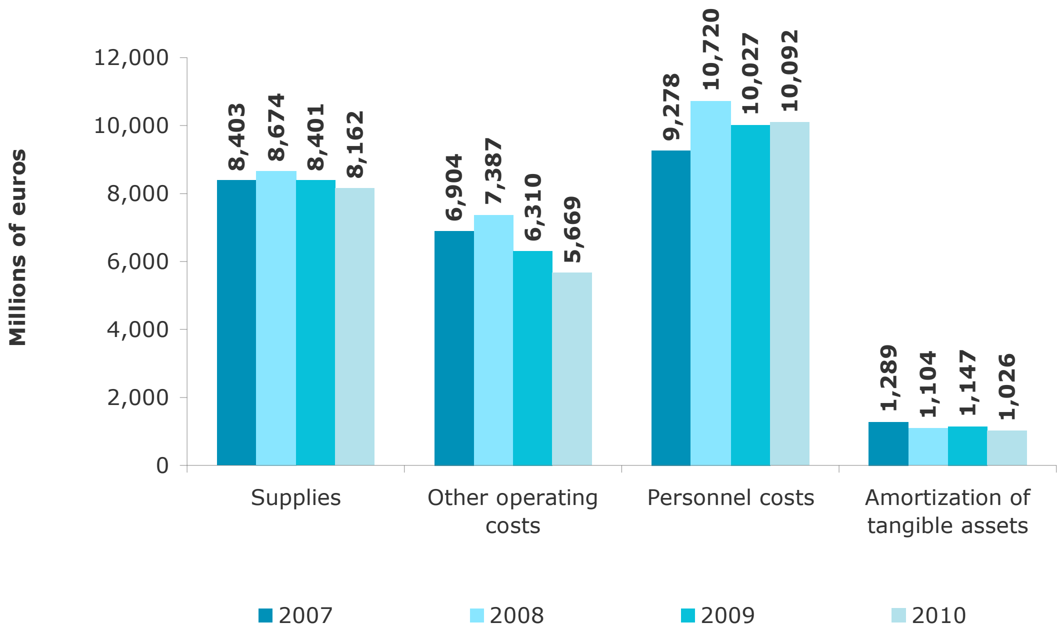
Source: ONTSI

The four main enterprises in the Computer and Related Activities division accounted for 22.95% of the total turnover, and the leading enterprise had a revenue-based market share of 9.44%

With regard to the cost structure, labour force cost accounted for 40.4% of total operating costs of these enterprises, followed by supplies, which accounted for 32.7% of the total. There is a downturn in outsourcing and external services[18] and tributes represented 22.7% of the total.

18 External services include all the costs corresponding to production factors acquired from other enterprises"

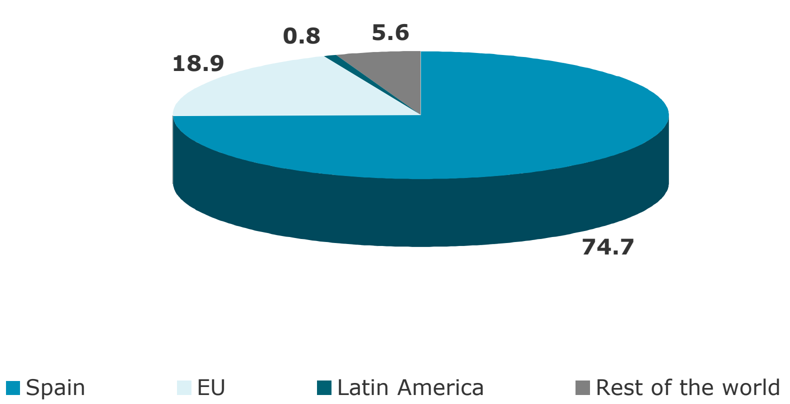
Figure 64. Structure of operating costs - Computer and Related Activities (Millions of euros)



Source: ONTSI

74.7% of the Computer and Related Activities suppliers are from the domestic market, 18.9% from the European market, 0.8% from Latin America and 5.6% from the rest of the world.

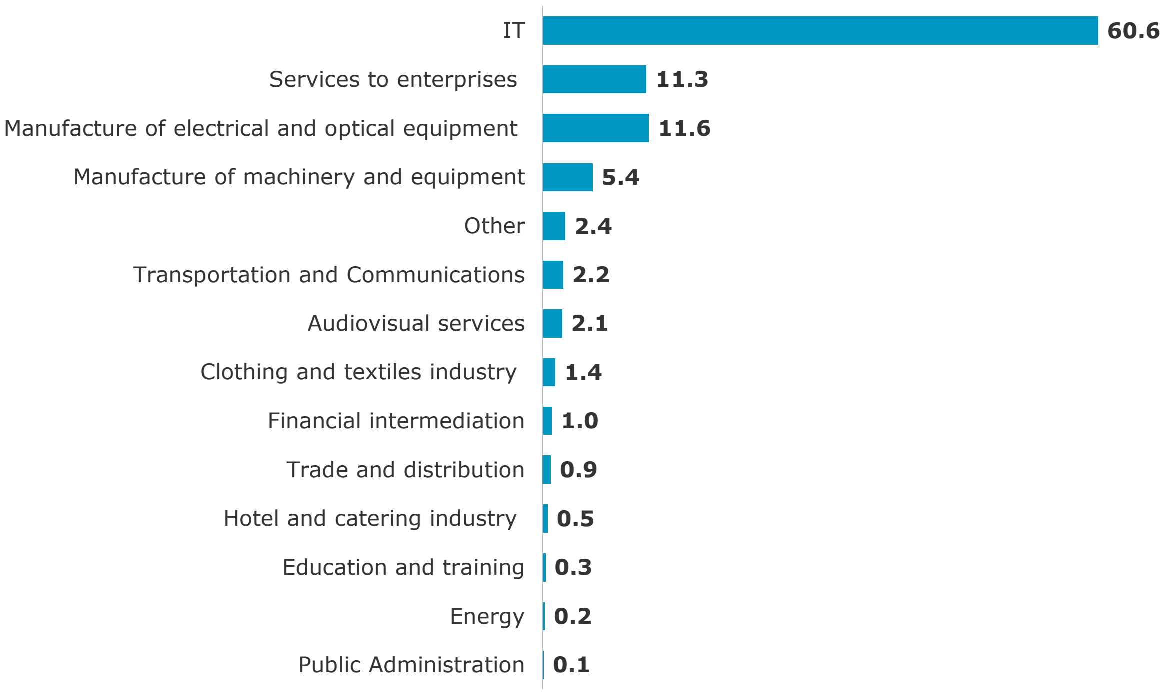
Figure 65. Geographical distribution of purchases - Computer and Related Activities. Year 2010 (% / total)



Source: ONTSI

The main suppliers of Computer and Related Activities enterprises come from sectors like Computing (with 60.6% of the total) and the electric, electronic and optical industry (with 11.6%).

Figure 66. Functional distribution of purchases - Computer and Related Activities. Year 2010 (% / total)

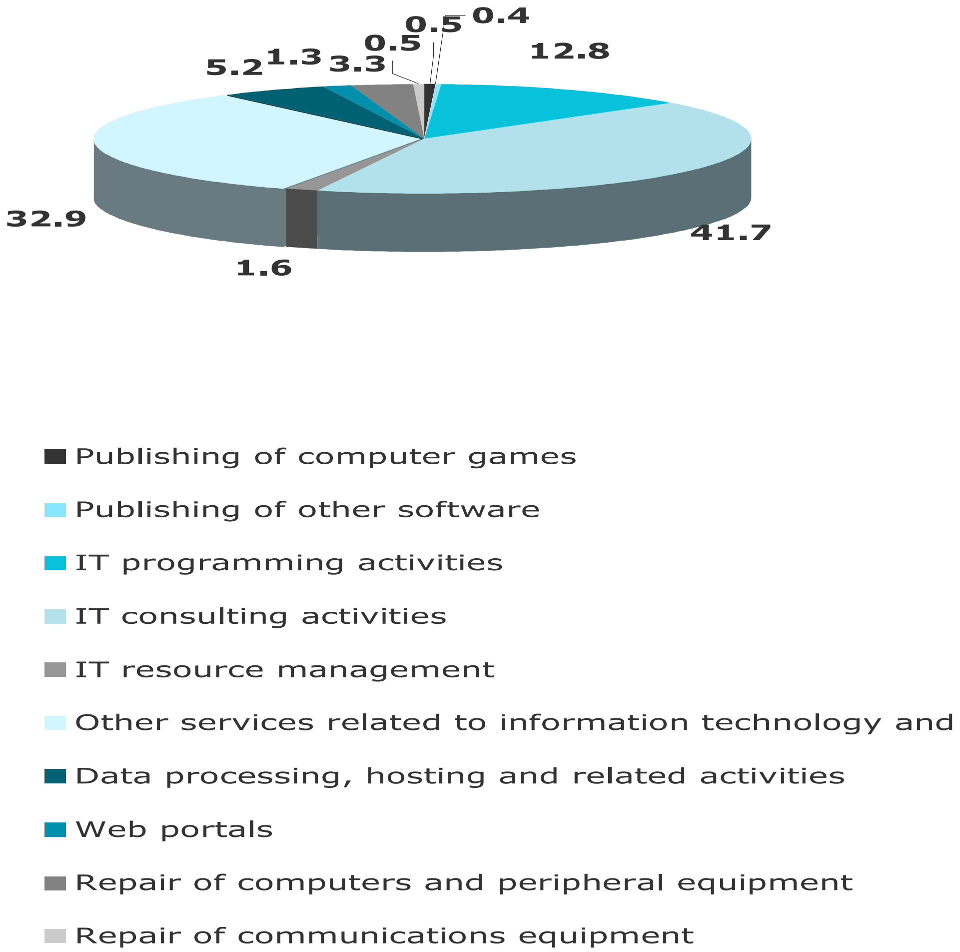


Source: ONTSI

The number of persons employed in the Computer and Related Activities division is 243,307 persons, 0.7% more than in 2009.

Once again, IT consulting creates 42 of 100 jobs in the Computer and Related Activities subgroup, followed by services related to information technology and computing with 32.9% of the total employment, IT programming activities with12.8% and, finally, data processes and hosting services and other IT-related activities with 5,2%. The remaining 7 percent is distributed as follows: repair of computers and peripheral equipment 3.3%, IT resource management 1.6%, web portals 1.3%, publishing of computer games 0.5%, repair of communication equipment 0.5% and publishing of other software 0.4%.

Figure 67. Employment - Computer and Related Activities. Year 2010 (% / total)



Source: ONTSI

Enterprises dedicated to Computer and Related Activities invested €6,861 million in 2010. Of these, enterprises engaging in IT programming activities accounted for 46% of the total investment, followed by IT consulting enterprises with 23.4%.

3.3.2. Computer and Related Activities statistics

3.3.2.1. Enterprise

3.3.2.1.1. ICT sector enterprises- Computer and Related Activities

Table 59. Enterprises - Computer and Related Activities. Year 2009 (Number of enterprises)

	2008	2009
Publishing of computer games	56	71
Publishing of other software	107	141
IT programming activities	1,240	1,666
IT consulting activities	3,911	3,579
IT resource management	1,123	1,105
Other services related to information technology and computing	5,325	5,604
Data processing, hosting and related activities	485	466
Web portals	83	97
Repair of computers and peripheral equipment	747	750
Repair of communications equipment	74	79
Total	**13,151**	**13,558**

Source: ONTSI

Table 60. Enterprises - Computer and Related Activities. Year 2009 (% / total)

	2008	2009
Publishing of computer games	0.4	0.5
Publishing of other software	0.8	1.0
IT programming activities	9.4	12.3
IT consulting activities	29.7	26.4
IT resource management	8.5	8.2
Other services related to information technology and computing	40.5	41.3
Data processing, hosting and related activities	3.7	3.4
Web portals	0.6	0.7
Repair of computers and peripheral equipment	5.7	5.5
Repair of communications equipment	0.6	0.6
Total	**100**	**100**

Source: ONTSI

3.3.2.2. Revenue

3.3.2.2.1. Structure of operating income

Table 61. Operating income - Computer and Related Activities (Millions of euros)

	2007	2008	2009	2010
Turnover	26,457	28,124	27,227	27,421
Work carried out by the enterprise in relation to assets	334	348	298	481
Other operating income	339	456	359	418
Changes in the stocks of finished goods and goods in process - IT	ND	ND	171	232
Total	**27,130**	**28,928**	**28,055**	**28,552**

Source: ONTSI

Table 62. Operating income - Computer and Related Activities (% / total)

	2007	2008	2009	2010
Turnover	97.5	97.2	97.0	96.0
Work carried out by the enterprise in relation to assets	1.2	1.2	1.1	1.7
Other operating income	1.3	1.6	1.3	1.5
Changes in the stocks of finished goods and goods in process - IT	ND	ND	0.6	0.8
Total	**100**	**100**	**100**	**100**

Source: ONTSI

3.3.2.2.2. Turnover

Table 63. Turnover - Computer and Related Activities. Year 2010 (Millions of euros)

	2009	2010
Publishing of computer games	317	127
Publishing of other software	58	53
IT programming activities	5,100	5,709
IT consulting activities	9,820	9,969
IT resource management	542	595
Other services related to information technology and computing	9,181	8,601
Data processing, hosting and related activities	917	966
Web portals	447	569
Repair of computers and peripheral equipment	783	777
Repair of communications equipment	62	55
Total	**27,227**	**27,421**

Source: ONTSI

Table 64. Turnover - Computer and Related Activities. Year 2010 (% / total)

	2009	2010
Publishing of computer games	1.2	0.5
Publishing of other software	0.2	0.2
IT programming activities	18.7	20.8
IT consulting activities	36.1	36.4
IT resource management	2.0	2.2
Other services related to information technology and computing	33.7	31.4
Data processing, hosting and related activities	3.4	3.5
Web portals	1.6	2.1
Repair of computers and peripheral equipment	2.9	2.8
Repair of communications equipment	0.2	0.2
Total	**100**	**100**

Source: ONTSI

3.3.2.2.3. IT sector sales structure

Table 65. Breakdown of turnover – Computer and Related Activities (Millions of euros)

	2007	2008	2009	2010
Product net sales	4,119	4,437	2,438	3,032
Merchandise net sales	3,971	3,742	4,731	3,508
Provision of services	18,367	19,945	20,057	20,881
Total	**26,457**	**28,124**	**27,227**	**27,421**

Source: ONTSI

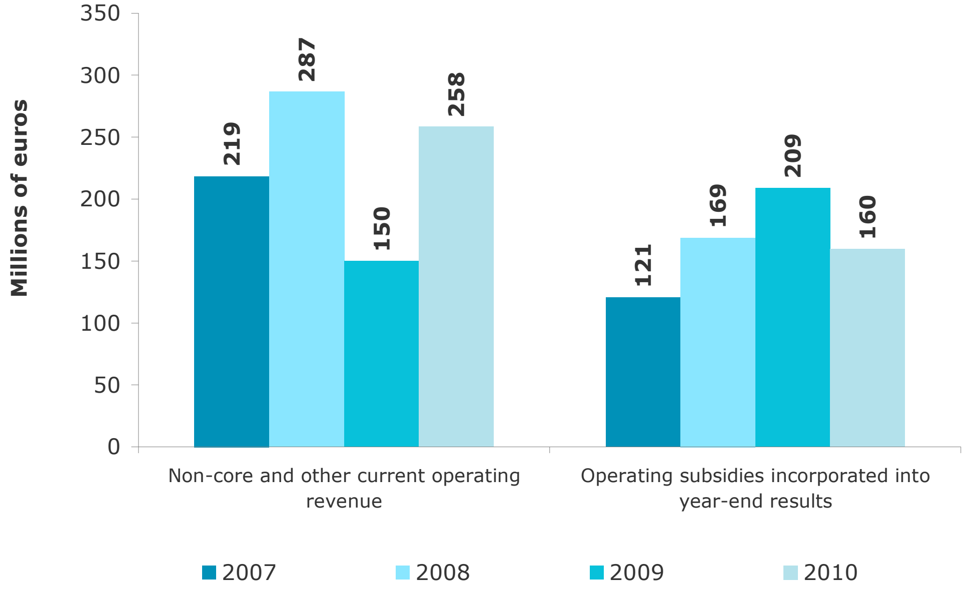
Table 66. Breakdown of sales - Computer and Related Activities (% / total)

	2007	2008	2009	2010
Product net sales	15.6	15.8	9.0	11.1
Merchandise net sales	15.0	13.3	17.4	12.8
Provision of services	69.4	70.9	73.7	76.2
Total	**100**	**100**	**100**	**100**

Source: ONTSI

3.3.2.2.4. Other operating income

Figure 68. Other operating income - Computer and Related Activities (Millions of euros)



Source: ONTSI

3.3.2.3. Costs

3.3.2.3.1. Structure of operating costs

Table 67. Distribution by purchase and cost categories - Computer and Related Activities (Millions of euros)

	2007	2008	2009	2010
Supplies	8,403	8,674	8,401	8,162
Merchandise consumption	4,758	4,827	3,883	4,230
Raw materials and other consumables consumption	994	986	1,302	741
Work carried out by other enterprises	2,651	2,861	3,202	3,183
Merchandise, raw materials and other supplies spoilage	ND	ND	14	9
Other operating costs	6,904	7,387	6,310	8,006
External services	6,883	7,365	6,269	5,594
Expenditure on R&D	136	165	151	82
Insurance premiums	40	44	41	45
Other	6,708	7,156	6,077	5,467
Taxes	21	22	42	76
Loss, impairment and variation in provisions for trade operations	ND	ND	0	80
Other current operating costs	ND	ND	0	2,257
Personnel costs	9,278	10,720	10,027	10,092
Wages, salaries and related compensation	7,363	8,153	7,893	7,971
Social security contributions	1,916	2,567	2,096	2,108
Provisions	ND	ND	38	13
Amortization of tangible assets	1,289	1,104	1,147	1,026
Total	**25,874**	**27,885**	**25,884**	**27,286**

Source: ONTSI

Table 68. Distribution by purchase and cost categories - Computer and Related Activities (% / total)

	2007	2008	2009	2010
Supplies	32.5	31.1	32.5	29.9
Merchandise consumption	56.6	55.7	46.2	51.8
Raw materials and other consumables consumption	11.8	11.4	15.5	9.1
Work carried out by other enterprises	31.5	33.0	38.1	39.0
Merchandise, raw materials and other supplies spoilage	ND	ND	0.2	0.1
Other operating costs	26.7	26.5	24.4	29.3
External services	99.7	99.7	99.3	69.9
Expenditure on R&D	2.0	2.2	2.4	1.5
Insurance premiums	0.6	0.6	0.7	0.8
Other	97.5	97.2	96.9	97.7
Taxes	0.3	0.3	0.7	0.9
Loss, impairment and variation in provisions for trade operations	ND	ND	0.0	1.0
Other current operating costs	ND	ND	0.0	28.2
Personnel costs	35.9	38.4	38.7	37.0
Wages, salaries and related compensation	79.4	76.1	78.7	79.0
Social security contributions	20.6	23.9	20.9	20.9
Provisions	ND	ND	0.4	0.1
Amortization of tangible assets	5.0	4.0	4.4	3.8
Total	**100**	**100**	**100**	**100**

Source: ONTSI

3.3.2.4. Employment

Table 69. Employment by activity classes - Computer and Related Activities. Year 2010 (Number of employees)

	2009	2010
Publishing of computer games	1,466	1,192
Publishing of other software	1,117	968
IT programming activities	27,926	31,094
IT consulting activities	98,878	101,438
IT resource management	3,774	3,788
Other services related to information technology and computing	82,126	80,013
Data processing, hosting and related activities	12,715	12,686
Web portals	3,231	3,072
Repair of computers and peripheral equipment	9,201	7,932
Repair of communications equipment	1,105	1,123
Total	**241,538**	**243,307**

Source: ONTSI

Table 70. Employment by activity classes - Computer and Related Activities. Year 2010 (% / total)

	2009	2010
Publishing of computer games	0.6	0.5
Publishing of other software	0.5	0.4
IT programming activities	11.6	12.8
IT consulting activities	40.9	41.7
IT resource management	1.6	1.6
Other services related to information technology and computing	34.0	32.9
Data processing, hosting and related activities	5.3	5.2
Web portals	1.3	1.3
Repair of computers and peripheral equipment	3.8	3.3
Repair of communications equipment	0.5	0.5
Total	**100**	**100**

Source: ONTSI

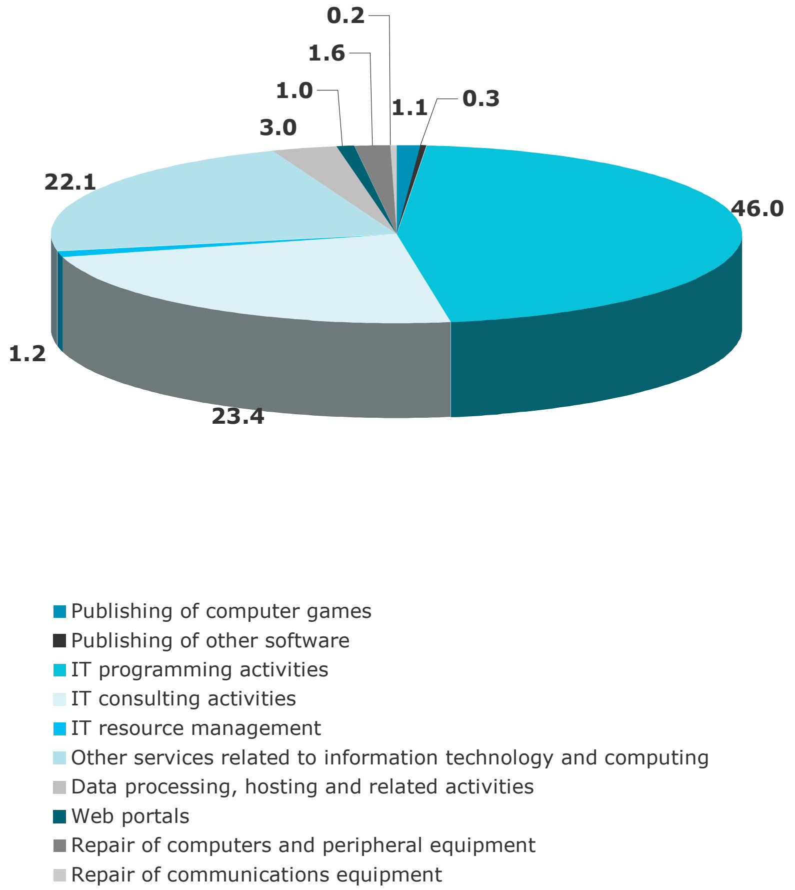
Table 71. Evolution of employment - Computer and Related Activities (Number of employees)

	2005	2006	2007	2008	2009	2010
Total	202,067	203,930	214,323	249,564	241,538	243,307
Variation		0.9%	5.1%	16.4%	-3.2%	0.7%

Source: ONTSI

3.3.2.5. Investment

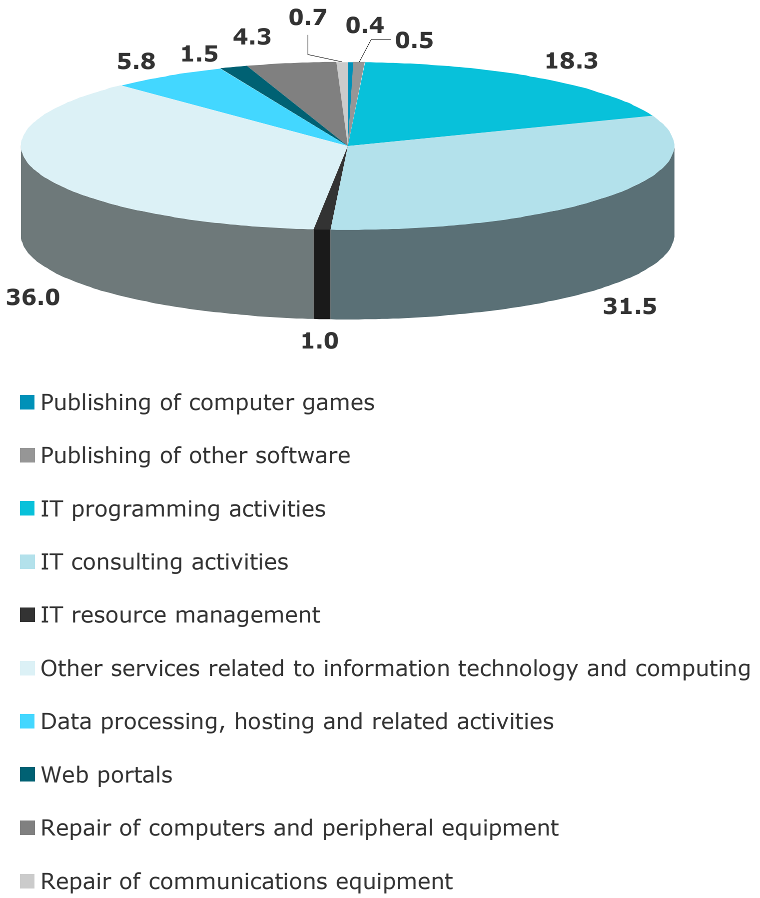
Figure 69. Investment - Computer and Related Activities. Year 2010 (% / total)



Source: ONTSI

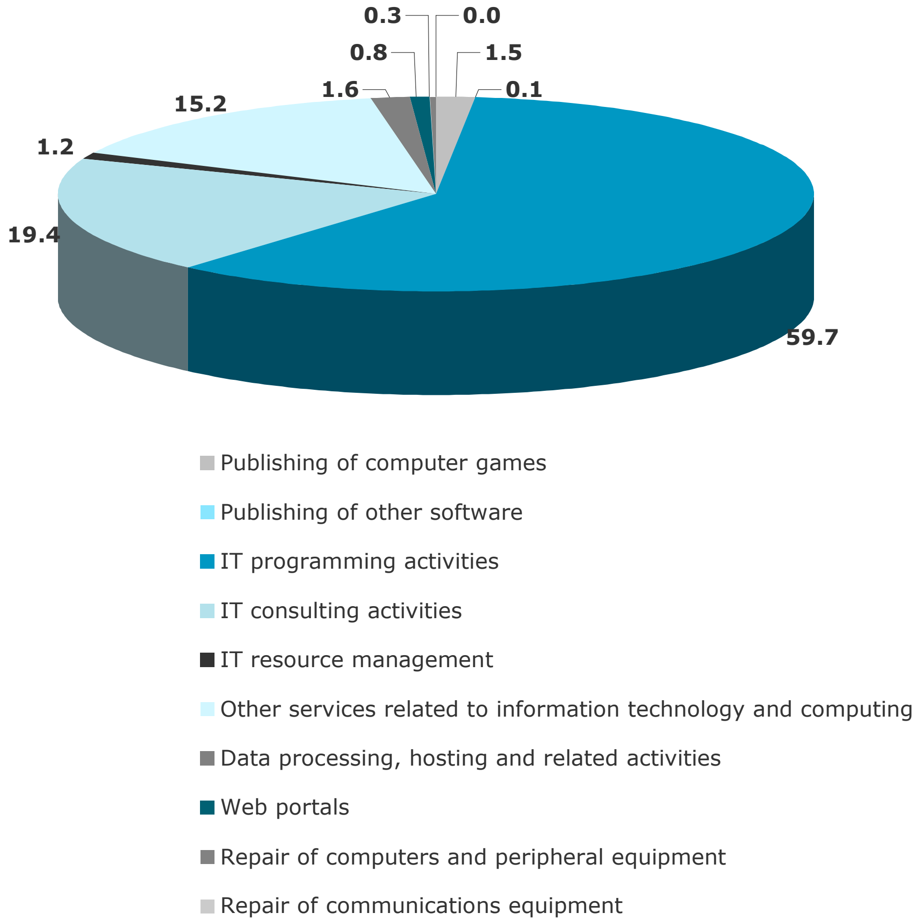
3.3.2.5.1. Structure of investment

Figure 70. Tangible fixed assets – Computer and Related Activities. Year 2010 (% / total)



Source: ONTSI

Figure 71. Intangible fixed assets – Computer and Related Activities. Year 2010 (% / total)



Source: ONTSI

3.3.2.6. Financial expenses and revenue

Table 72. Financial expenses and revenue - Computer and Related Activities. Year 2010 (Millions of euros)

Financial expenses-Computer and Related Activities
(Millions of euros)

	2009	2010
Publishing of computer games	13	6
Publishing of other software	1	0
IT programming activities	246	277
IT consulting activities	101	202
IT resource management	3	2
Other services related to information technology and computing	92	99
Data processing, hosting and related activities	7	15
Web portals	26	2
Repair of computers and peripheral equipment	4	4
Repair of communications equipment	1	1
Total	**493**	**609**

Financial revenue-Computer and Related Activities
(Millions of euros)

	2009	2010
Publishing of computer games	6	2
Publishing of other software	0	1
IT programming activities	342	171
IT consulting activities	93	225
IT resource management	0	2
Other services related to information technology and computing	47	85
Data processing, hosting and related activities	11	23
Web portals	5	2
Repair of computers and peripheral equipment	2	3
Repair of communications equipment	1	1
Total	**507**	**515**

Source: ONTSI

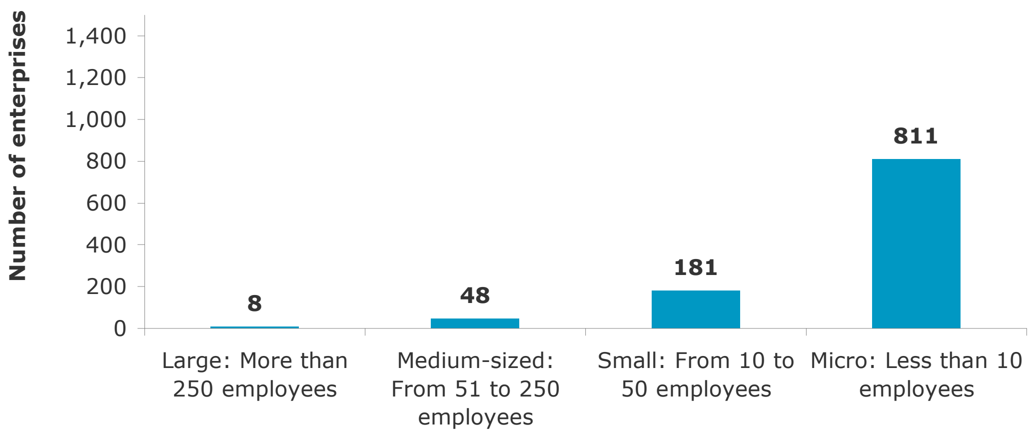
3.4. Other telecommunication activities

3.4.1. General figures

The number of active enterprises in 2009 was 1,485, 1.6% less than in 2008. This piece of data has been extracted from the Directory of Enterprises of the ONTSI, based on the data from the Companies Register and other ONTSI directories.

The subgroup 'Other telecommunication activities' is supported by a corporate fabric composed of enterprises with less than ten employees, which account for 77.4% of the total. Large enterprises only represent 0.8% of this corporate fabric.
29% of the enterprises have not indicated the number of employees in their account at the Companies Register, so they could not be classified under any category.

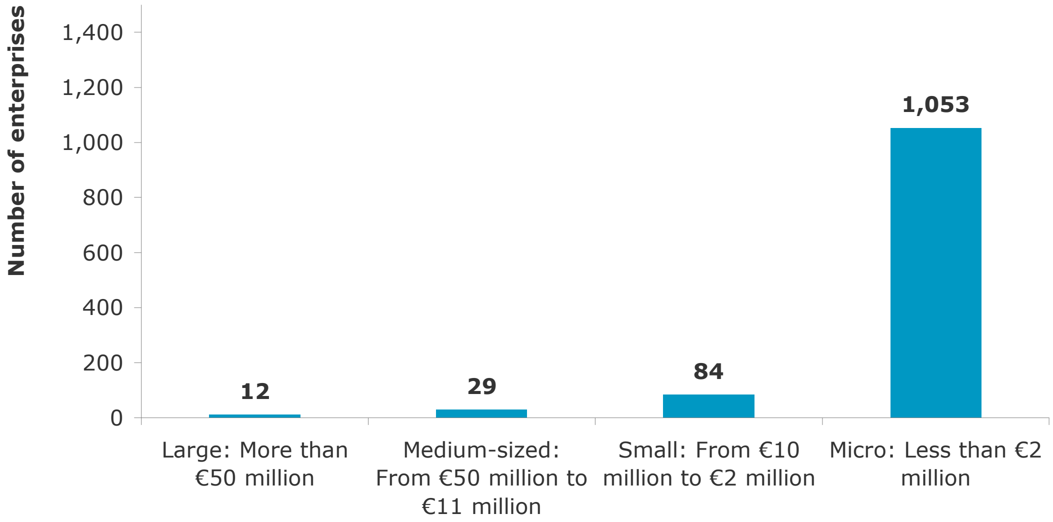
Figure 72. Distribution of enterprises by number of employees - Other telecommunication activities. Year 2009 (Number of enterprises)



Source: ONTSI

As for turnover, only 1% of the enterprises have a turnover of over €50 million, while 89.4% have a sales generation capacity of less than €2 million.
21% of the enterprises have not indicated their turnover in their account at the Companies Register, so they could not be classified under any category.

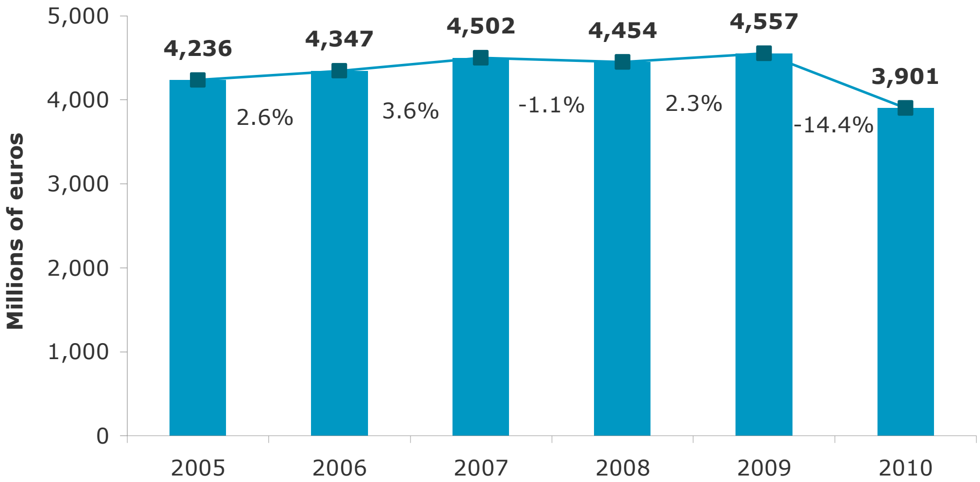
Figure 73. Distribution of enterprises by sales - Other telecommunication activities. Year 2009 (Number of enterprises)



Source: ONTSI

During the period 2005-2010, the subsector turnover decreased by 8%, mainly due to the bad results of the last year.

Figure 74. Evolution of sales - Other telecommunication activities (Millions of euros)



Source: ONTSI

Revenue from enterprises in the subgroup of Other telecommunication activities reached €3,901 million in 2010, which represents a decrease of 14.4% with respect to 2009.

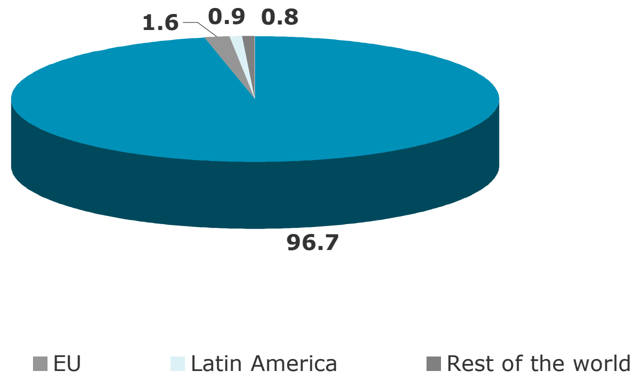
The subgroup Other telecommunication activities is comprised of enterprises dedicated to the provision of services and specialised telecommunication applications, which are different from those involved in network exploitation or electronic communication services for third parties, according to the Telecommunications Market Commission's Register of Operators. They also include enterprises dedicated to installation, resale of network capacity, telecom system integration consulting, and provision of telephone/Internet services in public facilities.

With regard to the operating income structure, it should be noted that it was almost entirely linked to the turnover, which accounted for 96.9% of the total. And most of the turnover (40%) came from service provision.

Additionally, 0.9% of the income came from non-core and other current operating revenue from activities other than the enterprises' principal activity. Operating subsidies incorporated into year-end results are also included in this category.

In 2010, products and services from Other telecommunication activities were mainly absorbed by the domestic demand (96.7%), followed by exports to the EU (1.6%), Latin America (0.9%) and the rest of the world (0.8%).

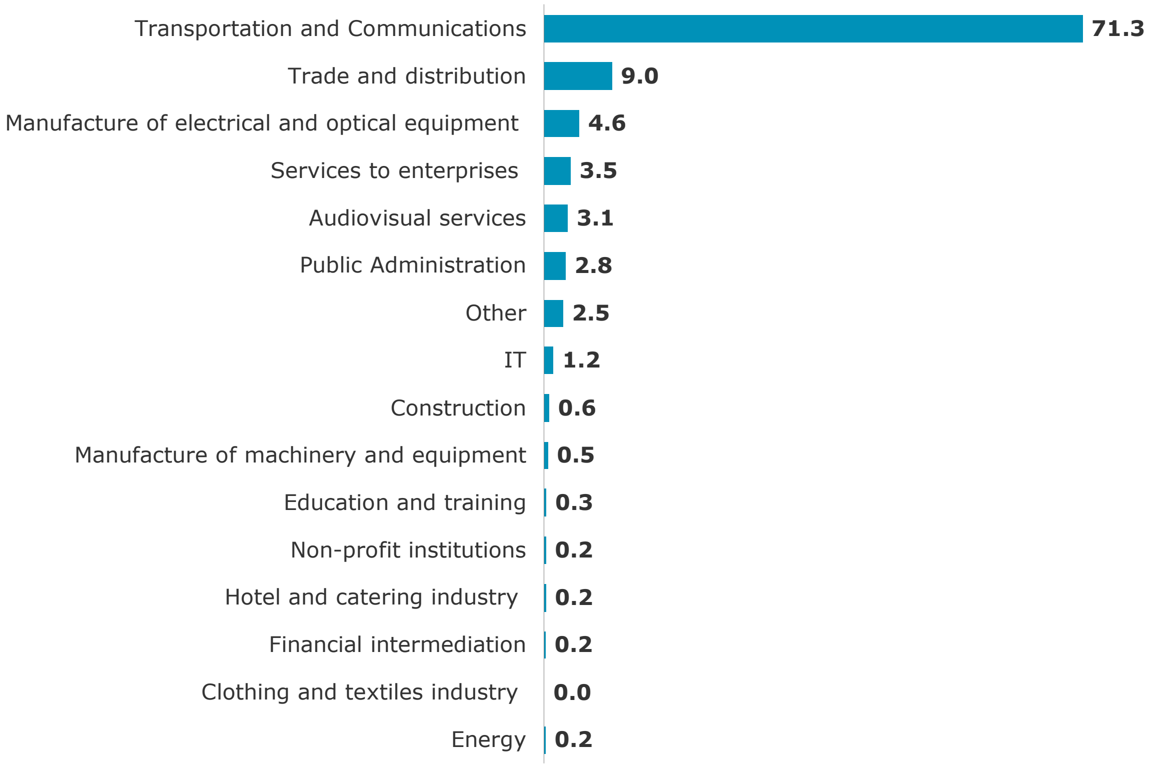
Figure 75. Geographical distribution of sales - Other telecommunication activities. Year 2010 (% / total)



Source: ONTSI

71.3% of the customers of enterprises in the subgroup Other telecommunication activities come from the transport and communication sector, 9% from trade and distribution, 4.6% from the electric, electronic and optical industry, 3.5% from services to enterprises and 3.1% from audiovisual services.

Figure 76. Functional distribution of sales - Other telecommunication activities. Year 2010 (% / total)



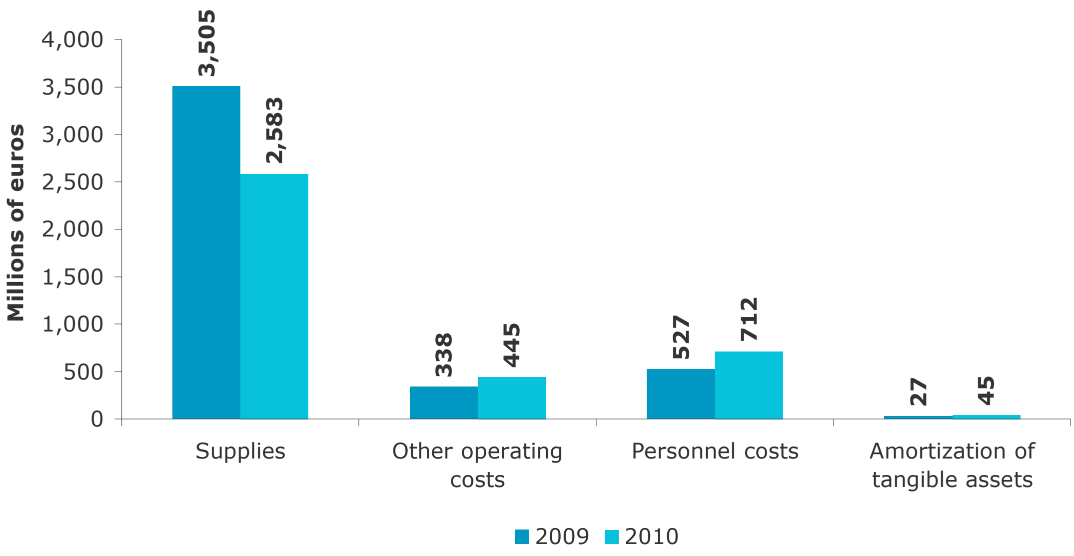
Source: ONTSI

The four main enterprises in the subgroup called Other telecommunication activities accounted for 44.93% of the total turnover, and the leading enterprise had a revenue-based market share of 23.78%

With regard to cost structure, supplies, including consumption and work carried out by other enterprises, accounted for 68.2% of the total operating costs of these IT enterprises, followed by personnel costs, which accounted for 18.8% of the total, and external services [19] and tributes, which represented 11.8% of the total.

19 External services include all the costs corresponding to production factors acquired from other enterprises”

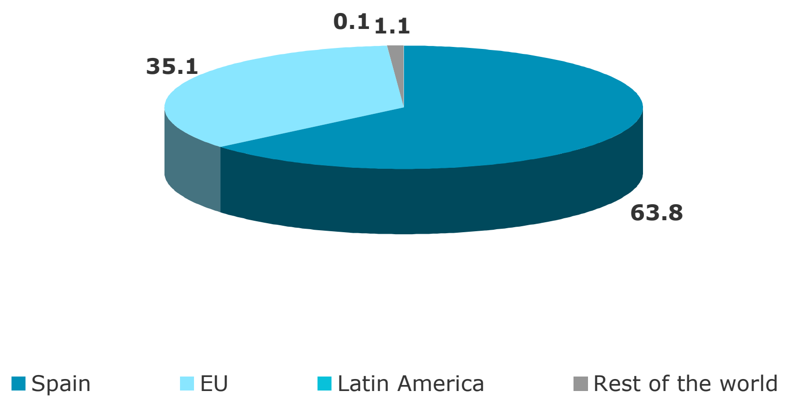
Figure 77. Structure of operating costs - Other telecommunication activities employment. Year 2010 (Millions of euros)



Source: ONTSI

63.8% of the Other telecommunication activities suppliers are from the domestic market, 35.1% from the European market, 0.1% from Latin America and 1.1% from the rest of the world.

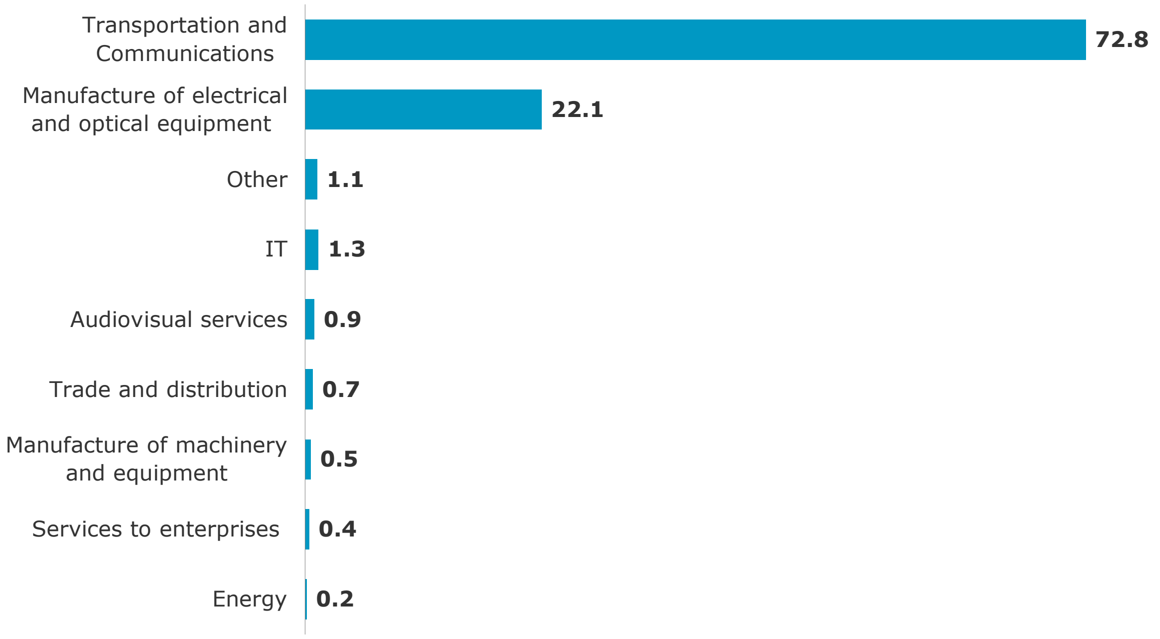
Figure 78. Geographical distribution of purchases - Other telecommunication activities. Year 2010 (% / total)



Source: ONTSI

The main suppliers of enterprises in the subgroup Other telecommunication activities come mainly from areas like transport and communications (72.8%) and the electric, electronic and optical industry (22.1%).

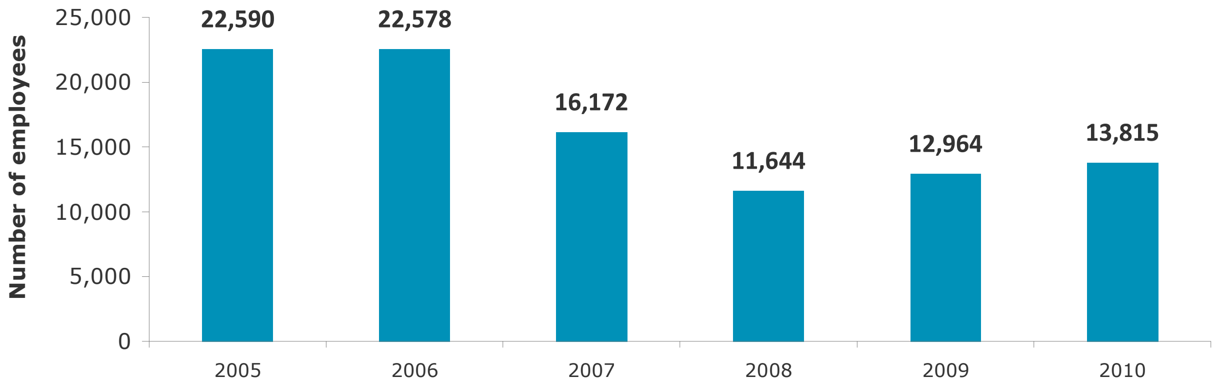
Figure 79. Functional distribution of purchases - Other telecommunication activities. Year 2010 (% / total)



Source: ONTSI

The number of persons employed in Other telecommunication activities was 13,815, 6.6% more than in 2009.

Figure 80. Evolution of employment - Other telecommunication activities (Number of employees)



Source: ONTSI

Enterprises dedicated to Other telecommunication activities invested €308 million in 2010.

3.4.2. Other telecommunications activities statistics

3.4.2.1. Enterprises

3.4.2.1.1. IT sector enterprises– Other telecommunications activities

Table 73. Enterprises - Other telecommunication activities. Year 2009 (Number of enterprises)

	2008	2009
Other telecommunication activities	1,509	1,485
Total	**1,509**	**1,485**

Source: ONTSI

3.4.2.2. Revenue

3.4.2.2.1. Structure of operating income

Table 74. Revenue - Other telecommunication activities. Year 2010 (Millions of euros)

	2009	2010
Turnover	4,557	3,901
Work carried out by the enterprise in relation to assets	11	9
Other operating income	77	37
Changes in the stocks of finished goods and goods in process	16	79
Total	**4,661**	**4,026**

Source: ONTSI

Table 75. Revenue - Other telecommunication activities. Year 2010 (% / total)

	2009	2010
Turnover	97.78	96.90
Work carried out by the enterprise in relation to assets	0.23	0.22
Other operating income	1.64	0.92
Changes in the stocks of finished goods and goods in process	0.35	1.96
Total	**100**	**100**

Source: ONTSI

3.4.2.2.2. Turnover

Table 76. Turnover - Other telecommunication activities (Millions of euros)

	2005	2006	2007	2008	2009	2010
Other telecommunication activities	4,236	4,347	4,502	4,454	4,557	3,901
Total	**4,236**	**4,347**	**4,502**	**4,454**	**4,557**	**3,901**

Source: ONTSI

3.4.2.2.3. IT sector turnover strucutre

Table 77. Breakdown of sales - Other telecommunication activities. Year 2010 (Millions of euros)

	2009	2010
Product net sales	1,853	1,256
Merchandise net sales	634	1,090
Provision of services	2,070	1,556
Total	**4,557**	**3,901**

Source: ONTSI

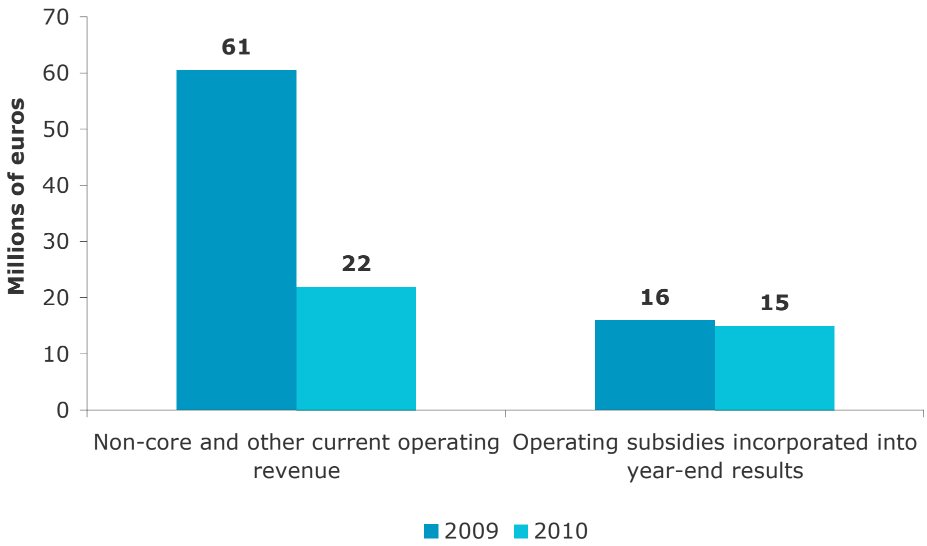
Table 78. Breakdown of sales - Other telecommunication activities. Year 2010 (% / total)

	2009	2010
Product net sales	41%	32%
Merchandise net sales	14%	28%
Provision of services	45%	40%
Total	**100%**	**100%**

Source: ONTSI

3.4.2.2.4. Other operating income

Figure 81. Other operating income - Other telecommunication activities. Year 2010
(Millions of euros)



Source: ONTSI

3.4.2.3. Costs

3.4.2.3.1. Structure of operating costs

Table 79. Distribution by purchase and cost categories - Other telecommunication activities. Year 2010 (Millions of euros)

	2009	**2010**
Supplies	3,505	2,583
Merchandise consumption	2,030	1,610
Raw materials and other consumables consumption	1,190	724
Work carried out by other enterprises	284	248
Merchandise, raw materials and other supplies spoilage	1	1
Other operating costs	338	455
External services	335	436
Expenditure on R&D	18	6
Insurance premiums	5	12
Other	312	417
Taxes	3	10
Loss, impairment and variation in provisions for trade operations	0	7
Other current operating costs	0	2
Personnel costs	527	712
Wages, salaries and related compensation	419	548
Social security contributions	107	154
Provisions	1	10
Amortization of tangible assets	27	45
Total	**4,396**	**3,795**

Source: ONTSI

Table 80. Distribution by purchase and cost categories - Other telecommunication activities. Year 2010 (% / total)

	2009	2010
Supplies	79.7	68.1
Merchandise consumption	57.9	62.3
Raw materials and other consumables consumption	34.0	28.0
Work carried out by other enterprises	8.1	9.6
Merchandise, raw materials and other supplies spoilage	0.0	0.0
Other operating costs	7.7	12.0
External services	99.1	95.8
Expenditure on R&D	5.4	1.4
Insurance premiums	1.4	2.8
Other	93.2	95.8
Taxes	0.9	2.2
Loss, impairment and variation in provisions for trade operations	0.0	1.7
Other current operating costs	0.0	0.4
Personnel costs	12.0	18.8
Wages, salaries and related compensation	79.6	76.9
Social security contributions	20.3	21.7
Provisions	0.1	1.4
Amortization of tangible assets	0.6	1.2
Total	**100**	**100**

Source: ONTSI

3.4.2.4. Employment

Table 81. Employment - Other telecommunication activities (Number of employees)

	2005	2006	2007	2008	2009	2010
Other telecommunication activities	22,590	22,578	16,172	11,644	12,964	13,815
Total	**22,590**	**22,578**	**16,172**	**11,644**	**12,964**	**13,815**

Source: ONTSI

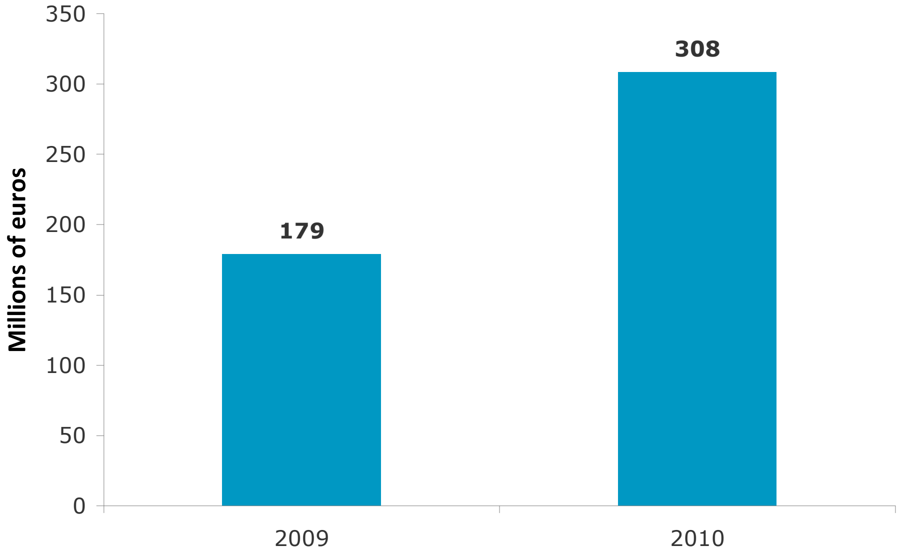
Table 82. Annual variation in employment - Other telecommunication activities (% Variation)

	2005 / 2006	2006 / 2007	2007 / 2008	2008 / 2009	2009 / 2010
Other telecommunication activities	-0.1%	-28.4%	-28.0%	11.3%	6.6%

Source: ONTSI

3.4.2.5. Inversión

Figure 82. Investment - Other telecommunication activities. Year 2010 (Millions of euros)



Source: ONTSI

3.4.2.5.1. Structure of investment

Table 83. Tangible fixed assets - Other telecommunication activities. Year 2010 (Millions of euros)

	2009	2010
Other telecommunication activities	112	245
Total	**112**	**245**

Source: ONTSI

Table 84. Intangible fixed assets - Other telecommunication activities. Year 2010 (Millions of euros)

	2009	2010
Other telecommunication activities	66	64
Total	**66**	**64**

Source: ONTSI

3.4.2.6. Financial expenses and revenue

Table 85. Financial expenses and revenue - Other telecommunication activities. Year 2010 (Millions of euros)

Financial expenses-Other telecommunication activities
(Millions of euros)

	2009	2010
Other telecommunication activities	17	29
Total	**17**	**29**

Financial revenue-Other Telecommunication Activities
(Millions of euros)

	2009	2010
Other telecommunication activities	6	11
Total	**6**	**11**

Source: ONTSI

3.5. Content

3.5.1. General figures

In line with ONTSI's objective to create the most comprehensive and homogeneous methodological frameworks possible, for the purposes of this study, Content activities are analysed as another division of the ICT sector, due to their close relation with ICT.

The activities included in the Content group have a great impact on the development of the economy and that is why they are analysed in depth in the present chapter. Activity classes pertaining to the Content group include Book and newspaper publishing and other publishing activities; Cinema, video and TV programme activities; Recording and music edition activities; and Other information services.

TV and radio programming and broadcasting activities, videogames, and online advertising are not included here.

The number of active enterprises in 2009 was 7,996, 1.4% more than in 2008. This piece of data has been extracted from the Directory of Enterprises of the ONTSI, based on the data from the Companies Register and other ONTSI directories.

Over 47.8% of the enterprises engage in book and newspaper publishing and other publishing activities, followed by dose dedicated to cinema, video and TV programme activities.

Geographically, 3 autonomous regions account for 69% of all Content enterprises. Madrid is the most notable region, with 36% of the enterprises, followed by Catalonia and Andalusia with 24% and 9%, respectively.

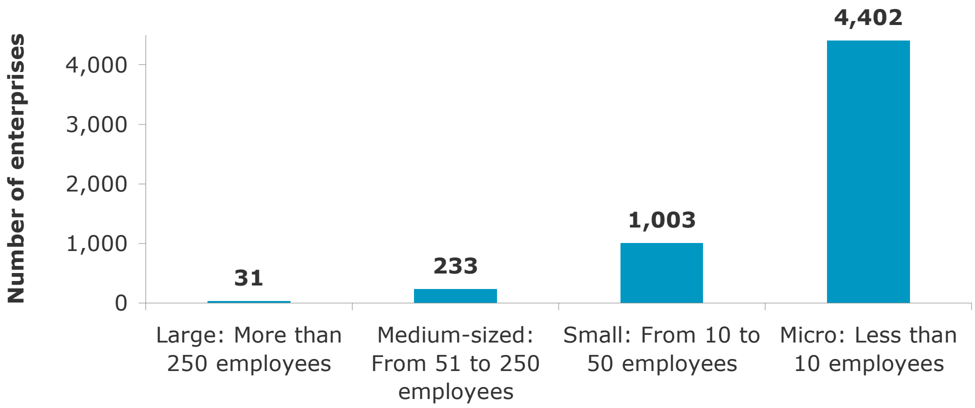
Table 86. Number of enterprises - Content. Year 2009 (Number of enterprises)

	2008	**2009**
Book and Newspaper Publishing and Other Publishing Activities	**3,883**	**3,819**
Publishing of books	1,347	1,371
Publishing of directories and postal address guides	19	24
Publishing of newspapers	950	838
Publishing of magazines	615	716
Other publishing activities	952	870
Cinema, Video and TV Programme Activities	**3,096**	**3,192**
Cinematographic, video and television post-production activities	1,522	1,070
Motion picture projection	335	353
Film and video production activities	773	1,209
Television programme production activities	96	170
Film and video distribution activities	359	372
Television programme distribution activities	11	18
Sound Recording and Music Edition Activities	**520**	**576**
Sound Recording and Music Edition Activities	520	576
Other Information Services	**385**	**409**
News agency activities	101	99
Other Information Services	284	310
Total	**7,884**	**7,996**

Source: ONTSI's own elaboration based on data from the Companies Register

The Content sector is supported by a corporate fabric composed of enterprises with less than ten employees, which account for 77.7% of the total. Large enterprises only represent 0.5% of this corporate fabric.
29% of the enterprises have not indicated the number of employees in their account at the Companies Register, so they could not be classified under any category.

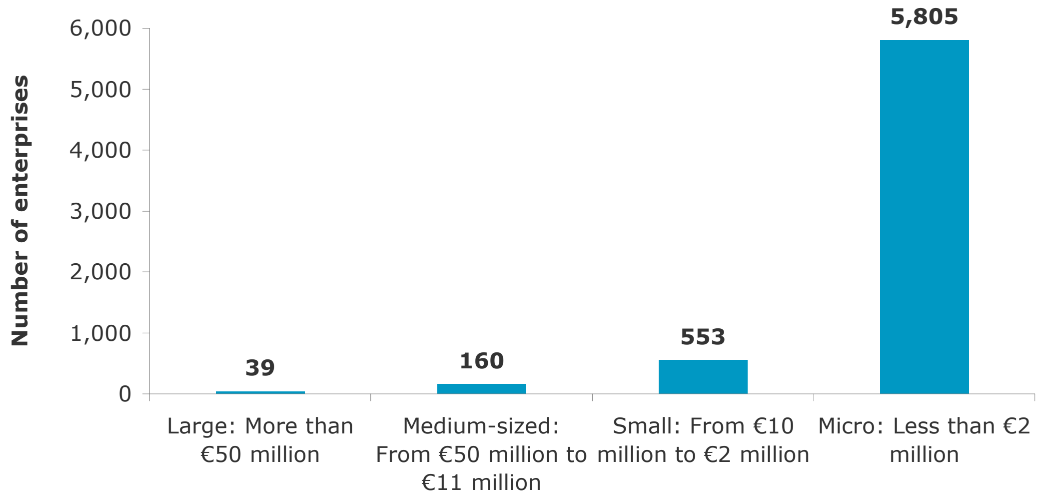
Figure 83. Distribution of enterprises by number of employees – Content. Year 2009
(Number of enterprises)



Source: ONTSI

As for turnover, only 0.6% of the enterprises have a turnover of over €50 million. And 88.5% have a sales generation capacity of less than €2 million.
18% of the enterprises have not indicated their turnover in their account at the Companies Register, so they could not be classified under any category.

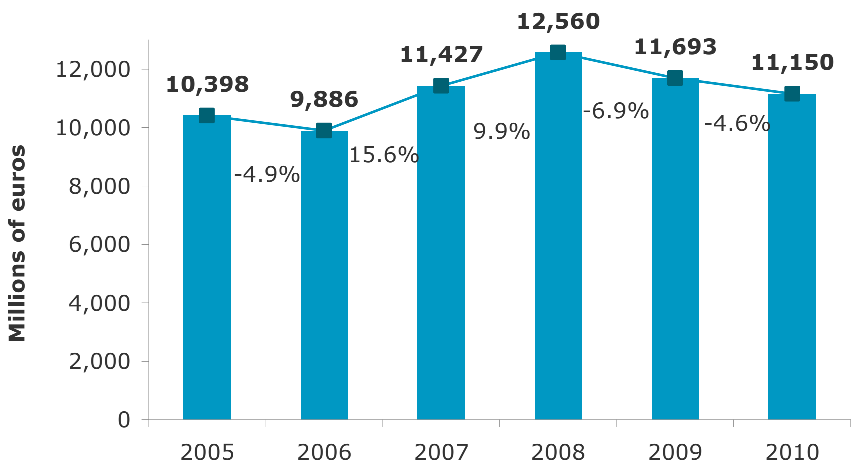
Figure 84. Distribution of enterprises by sales - Content. Year 2009 (Number of enterprises)



Source: ONTSI

During the period 2005-2010, the Content sector turnover rose by 7.2%. 2008 was a milestone year for the Content sector, which reached its highest turnover ever, €12,560 million. During 2009 and 2010 the sector turnover fell, down to €11,150 million in 2010.

Figure 85. Evolution of turnover - Content (Millions of euros)



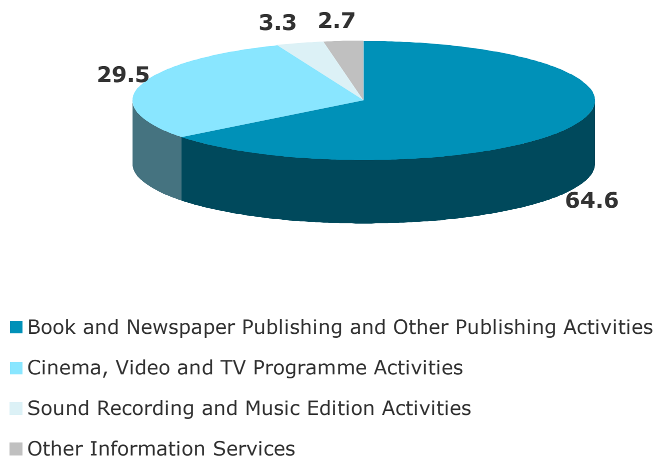
Source: ONTSI

Revenue from Content enterprises reached €11,150 million in 2010, representing a 4.6% drop with respect to 2009.

By activity classes, book and newspaper publishing and other publishing activities leaded the field accounting for €7,128 million, followed by cinema, video and TV programme activities with €3,286 million. These activities together accounted for 94% of the total turnover from the Content sector in 2010. Additionally, recording and music edition activities generate €370 million, which represents a percentage of 3.3% of the total.

The Content division is comprised of enterprises dedicated to book, newspaper, magazine and directory publishing, both in paper and digital format, video and TV programme activities and sound and music recording. It also includes production, post-production, distribution, film screening, advertisements, TV programmes and original sound or music recording, as well as purchase/sale of distribution and property rights.

Figure 86. Turnover - Content. Year 2010 (% / total)



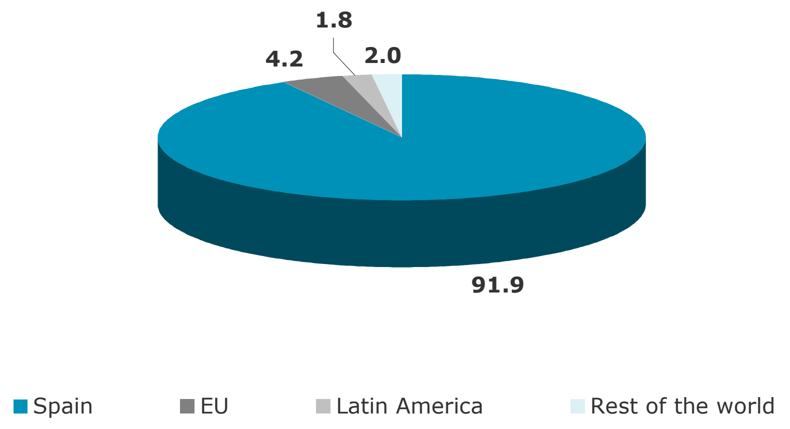
Source: ONTSI

With regard to the operating income structure, it should be noted that it was almost entirely linked to the turnover, which accounted for 91% of the total. Of it, the larger part was concentrated in industrial product sales, which accounted for more than 38.6% of the turnover, followed by service provision, with 31.8%, and merchandise sales, with 29.7%.

Additionally, 6.5% of the income came from other operating income, which includes non-core and other current operating revenue and operating subsidies incorporated into year-end results.

The destination of the Content generated was basically the Spanish market (91.9% of the total), followed by exports to the European Union (4.2%), the rest of the world (2%), and Latin America (1.8%).

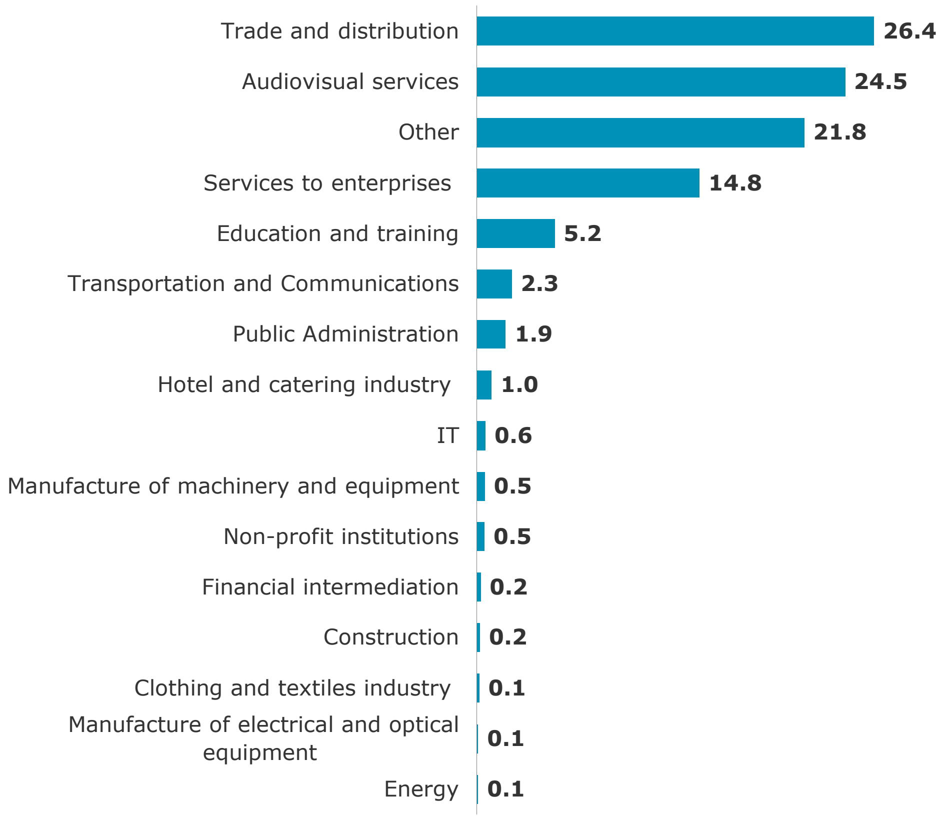
Figure 87. Geographical distribution of sales - Content. Year 2010 (% / total)



Source: ONTSI

26.4% of the customers of Content enterprises come from trade distribution enterprises, 24.5% from audiovisual services enterprises and 3.5% from enterprise services enterprises.

Figure 88. Functional distribution of sales – Content. Year 2010 (% / total)



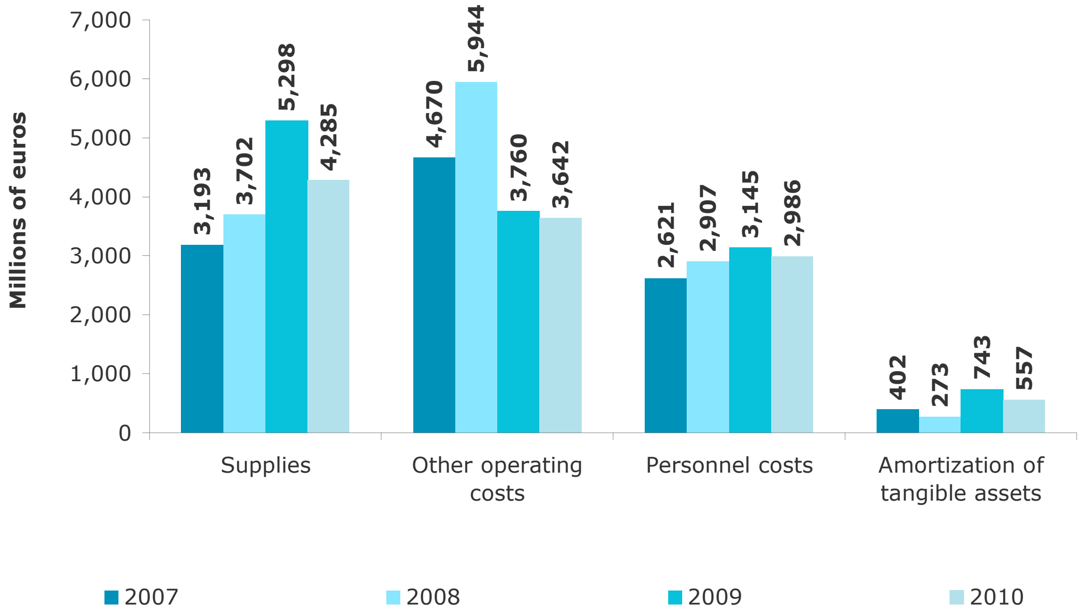
Source: ONTSI

The four main enterprises in the Content division accounted for 7.18% of the total turnover, and the leading enterprise had a revenue-based market share of 2.34%

With regard to cost structure, supplies represent over 37.4% of it, partly due to the increase in outsourcing, followed by external services[20] and tributes, which represent 31.8% of the total, and personnel costs, which account for 26% of the total.

20 External services include all the costs corresponding to production factors acquired from other enterprises"

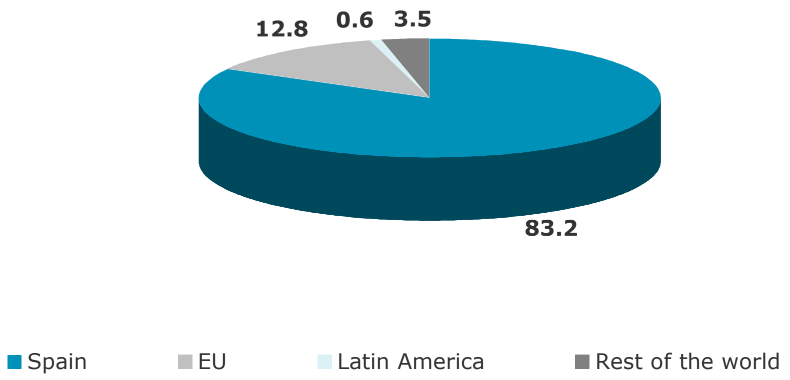
Figure 89. Structure of operating costs - Content (Millions of euros)



Source: ONTSI

The Content industry obtains 83.2% of its supplies from the domestic market, 12.8% from the European market, 0.6% form Latin America and 3.5% from the rest of the world.

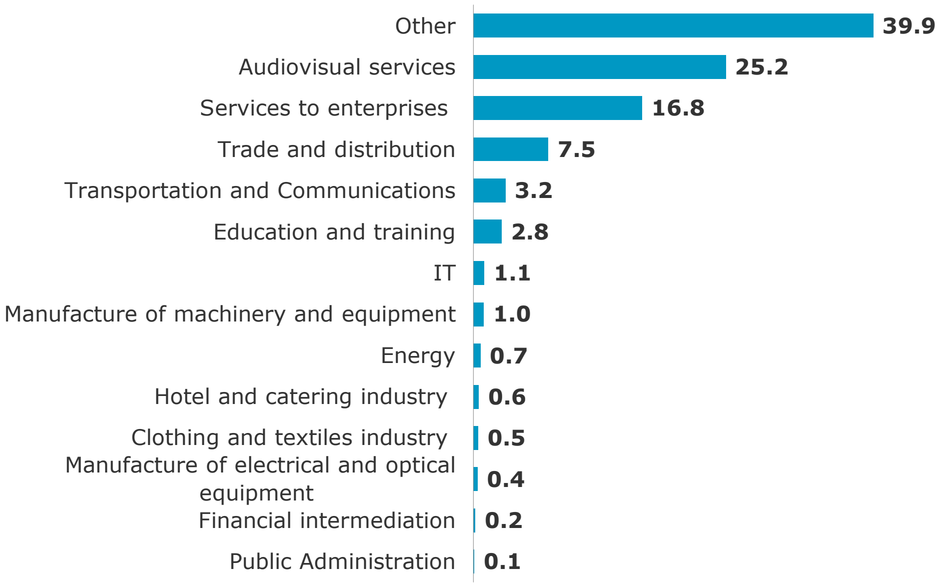
Figure 90. Geographical distribution of purchases - Content. Year 2010 (% / total)



Source: ONTSI

The main suppliers of Content enterprises are: audiovisual services enterprises with 25.2% of total and enterprise service enterprises with 16.8%.

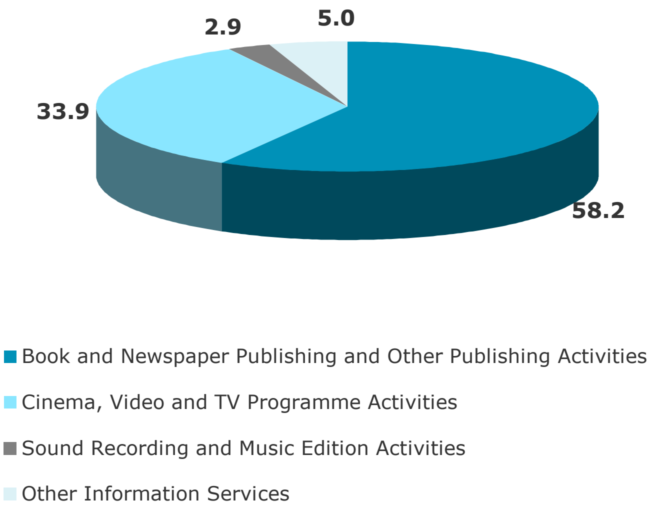
Figure 91. Functional distribution of purchases – Content. Year 2010 (% / total)



Source: ONTSI

The number employed persons in 2010 was 69,896 persons, 9.9% less than in 2009. The enterprises that provided the most employment were those engaging in book and newspaper publishing and other publishing activities with 58.2% of total employment, followed by cinema, video and TV programme activities with 33.9% of the total, other information services with 5% and recording and music edition activities that accounted for 2.9% of the employment in the Content division.

Figure 92. Employment – Content. Year 2010 (% / total)



Source: ONTSI

Content enterprises invested around €3,700 million in 2010. Of these, enterprises engaging in book and newspaper publishing and other publishing activities with 54.6% of total investment, followed by those dedicated to cinema, video and TV programme activities with 41.2%.

3.5.2. Content statictics

3.5.2.1. Enterprises

3.5.2.1.1. ICT sector enterprises - Content

Table 87. Enterprises – Content. Year 2009 (Number of enterprises)

	2008	2009
Book and Newspaper Publishing and Other Publishing Activities	**3,883**	**3,819**
Publishing of books	1,347	1,371
Publishing of directories and postal address guides	19	24
Publishing of newspapers	950	838
Publishing of magazines	615	716
Other publishing activities	952	870
Cinema, Video and TV Programme Activities	**3,096**	**3,192**
Cinematographic, video and television post-production activities	1,522	1,070
Motion picture projection	335	353
Film and video production activities	773	1,209
Television programme production activities	96	170
Film and video distribution activities	359	372
Television programme distribution activities	11	18
Sound Recording and Music Edition Activities	**520**	**576**
Sound Recording and Music Edition Activities	520	576
Other Information Services	**385**	**409**
News agency activities	101	99
Other Information Services	284	310
Total	**7,884**	**7,996**

Source: ONTSI

Table 88. Enterprises – Content. Year 2009 (% / total)

	2008	2009
Book and Newspaper Publishing and Other Publishing Activities	49.3	47.8
Publishing of books	34.7	35.9
Publishing of directories and postal address guides	0.5	0.6
Publishing of newspapers	24.5	21.9
Publishing of magazines	15.8	18.7
Other publishing activities	24.5	22.8
Cinema, Video and TV Programme Activities	39.3	39.9
Cinematographic, video and television post-production activities	49.2	33.5
Motion picture projection	10.8	11.1
Film and video production activities	25.0	37.9
Television programme production activities	3.1	5.3
Film and video distribution activities	11.6	11.7
Television programme distribution activities	0.4	0.6
Sound Recording and Music Edition Activities	6.6	7.2
Sound Recording and Music Edition Activities	100.0	100.0
Other Information Services	4.9	5.1
News agency activities	26.2	24.2
Other Information Services	73.8	75.8
Total	**100**	**100**

Source: ONTSI

3.5.2.2. Revenue

3.5.2.2.1. Structure of operating income

Table 89. Operating income - Content (Millions of euros)

	2007	2008	2009	2010
Turnover	11,427	12,560	12,343	11,151
Work carried out by the enterprise in relation to assets	4	5	156	136
Other operating income	66	36	542	802
Changes in the stocks of finished goods and goods in process - IT	ND	ND	182	166
Total	**11,497**	**12,601**	**13,222**	**12,254**

Source: ONTSI

Table 90. Operating income – Content (% / total)

	2007	2008	2009	2010
Turnover	99.4	99.7	93.3	91.0
Work carried out by the enterprise in relation to assets	0.0	0.0	1.2	1.1
Other operating income	0.6	0.3	4.1	6.5
Changes in the stocks of finished goods and goods in process - IT	0.0	0.0	1.4	1.4
Total	**100**	**100**	**100**	**100**

Source: ONTSI

3.5.2.2.2. Turnover

Table 91. Content sales. Year 2010 (Millions of euros)

	2009	2010
Book and Newspaper Publishing and Other Publishing Activities	**7,528**	**7,198**
Publishing of books	3,080	2,735
Publishing of directories and postal address guides	10	13
Publishing of newspapers	2,677	2,639
Publishing of magazines	954	1,076
Other publishing activities	807	735
Cinema, Video and TV Programme Activities	**3,513**	**3,286**
Cinematographic, video and television post-production activities	1,190	1,045
Motion picture projection	706	639
Film and video production activities	599	581
Television programme production activities	282	422
Film and video distribution activities	728	591
Television programme distribution activities	9	8
Sound Recording and Music Edition Activities	**402**	**370**
Sound Recording and Music Edition Activities	402	370
Other Information Services	**250**	**296**
News agency activities	177	180
Other Information Services	74	116
Total	**11,693**	**11,150**

Source: ONTSI

Table 92. Content sales. Year 2010 (% / total)

	2009	2010
Book and Newspaper Publishing and Other Publishing Activities	64.4	64.6
Publishing of books	40.9	38.0
Publishing of directories and postal address guides	0.1	0.2
Publishing of newspapers	35.6	36.7
Publishing of magazines	12.7	14.9
Other publishing activities	10.7	10.2
Cinema, Video and TV Programme Activities	30.0	29.5
Cinematographic, video and television post-production activities	33.9	31.8
Motion picture projection	20.1	19.4
Film and video production activities	17.1	17.7
Television programme production activities	8.0	12.9
Film and video distribution activities	20.7	18.0
Television programme distribution activities	0.2	0.3
Sound Recording and Music Edition Activities	3.4	3.3
Sound Recording and Music Edition Activities	100.0	100.0
Other Information Services	2.1	2.7
News agency activities	70.6	60.8
Other Information Services	29.4	39.2
Total	**100**	**100**

Source: ONTSI

3.5.2.2.3. Structure of operating income

Table 93. Breakdown of turnover - Content (Millions of euros)

	2007	2008	2009	2010
Product net sales	3,766	4,617	4,885	4,302
Merchandise net sales	5,939	6,943	3,512	3,308
Provision of services	1,722	999	3,945	3,541
Total	**11,427**	**12,560**	**12,343**	**11,151**

Source: ONTSI

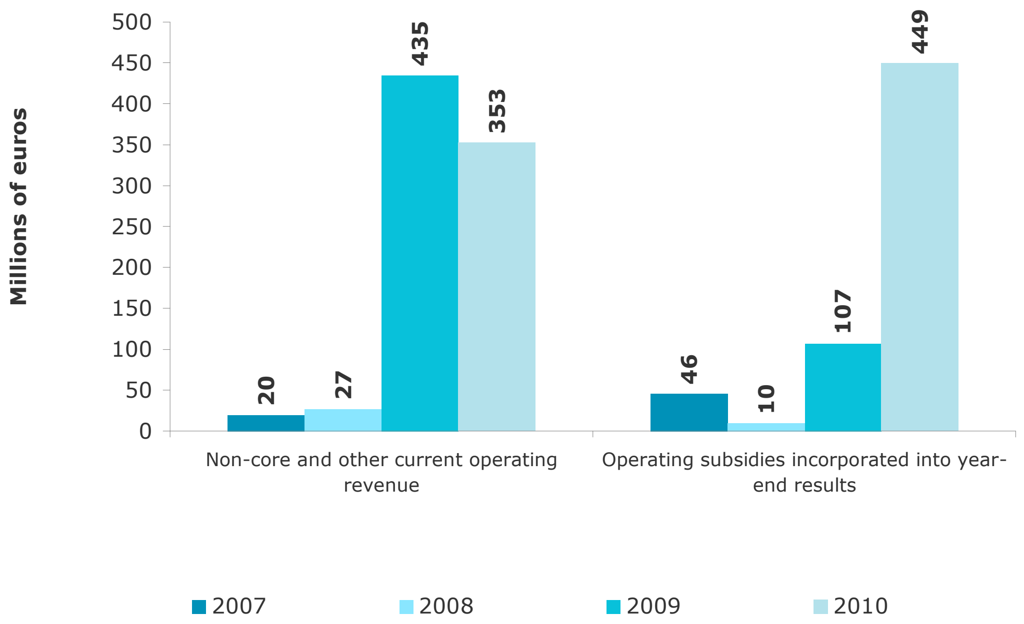
Table 94. Breakdown of turnover - Content (% / total)

	2007	2008	2009	2010
Product net sales	33.0	36.8	39.6	38.6
Merchandise net sales	52.0	55.3	28.5	29.7
Provision of services	15.1	8.0	32.0	31.8
Total	**100**	**100**	**100**	**100**

Source: ONTSI

3.5.2.2.4. Other operating income

Figure 93. Other operating income - Content (Millions of euros)



Source: ONTSI

3.5.2.3. Operating costs

3.5.2.3.1. Structure of operating costs

Table 95. Distribution by purchase and cost categories – Content (Millions of euros)

	2007	2008	2009	2010
Supplies	3,193	3,702	5,298	4,285
Merchandise consumption	1,601	1,765	2,767	1,982
Raw materials and other consumables consumption	592	655	926	724
Work carried out by other enterprises	1,001	1,282	1,544	1,471
Merchandise, raw materials and other supplies spoilage	ND	ND	61	108
Other operating costs	4,670	5,944	3,760	3,830
External services	4,666	5,940	3,710	3,601
Expenditure on R&D	0	0	45	30
Insurance premiums	5	5	51	51
Other	4,660	5,935	3,614	3,520
Taxes	4	4	51	41
Loss, impairment and variation in provisions for trade operations	ND	ND	0	122
Other current operating costs	ND	ND	0	65
Personnel costs	2,621	2,907	3,145	2,986
Wages, salaries and related compens	2,118	2,340	2,516	2,401
Social security contributions	503	567	581	570
Provisions	ND	ND	49	15
Amortization of tangible assets	402	273	743	557
Total	**10,887**	**12,826**	**12,947**	**11,658**

Source: ONTSI

Table 96. Percentages by purchase and cost categories – Content (% / total)

	2007	2008	2009	2010
Supplies	29.3	28.9	40.9	36.8
Merchandise consumption	50.1	47.7	52.2	46.3
Raw materials and other consumables consumption	18.5	17.7	17.5	16.9
Work carried out by other enterprises	31.3	34.6	29.1	34.3
Merchandise, raw materials and other supplies spoilage	ND	ND	1.2	2.5
Other operating costs	42.9	46.3	29.0	32.9
External services	99.9	99.9	98.7	94.0
Expenditure on R&D	0.0	0.0	1.2	0.8
Insurance premiums	0.1	0.1	1.4	1.4
Other	99.9	99.9	97.4	97.7
Taxes	0.1	0.1	1.3	1.1
Loss, impairment and variation in provisions for trade operations	ND	ND	0.0	3.2
Other current operating costs	ND	ND	0.0	1.7
Personnel costs	24.1	22.7	24.3	25.6
Wages, salaries and related compens	80.8	80.5	80.0	80.4
Social security contributions	19.2	19.5	18.5	19.1
Provisions	ND	ND	1.5	0.5
Amortization of tangible assets	3.7	2.1	5.7	4.8
Total	**100**	**100**	**100**	**100**

Source: ONTSI

3.5.2.4. Employment

Table 97. Employment by activity classes – Content. Year 2010 (Number of employees)

	2009	2010
Book and Newspaper Publishing and Other Publishing Activities	**45,722**	**40,699**
Publishing of books	17,907	16,147
Publishing of directories and postal address guides	167	209
Publishing of newspapers	19,448	15,186
Publishing of magazines	4,269	5,418
Other publishing activities	3,932	3,739
Cinema, Video and TV Programme Activities	**27,155**	**23,706**
Cinematographic, video and television post-production activities	9,892	7,724
Motion picture projection	7,400	7,447
Film and video production activities	3,245	3,982
Television programme production activities	2,907	2,636
Film and video distribution activities	3,648	1,882
Television programme distribution activities	63	35
Sound Recording and Music Edition Activities	**1,670**	**2,024**
Sound Recording and Music Edition Activities	1,670	2,024
Other Information Services	**3,003**	**3,466**
News agency activities	2,406	2,583
Other Information Services	597	884
Total	**77,550**	**69,896**

Source: ONTSI

Table 98. Employment by activity classes – Content. Year 2010 (% / total)

	2009	2010
Book and Newspaper Publishing and Other Publishing Activities	**59.0**	**58.2**
Publishing of books	39.2	39.7
Publishing of directories and postal address guides	0.4	0.5
Publishing of newspapers	42.5	37.3
Publishing of magazines	9.3	13.3
Other publishing activities	8.6	9.2
Cinema, Video and TV Programme Activities	**35.0**	**33.9**
Cinematographic, video and television post-production activities	36.4	32.6
Motion picture projection	27.3	31.4
Film and video production activities	12.0	16.8
Television programme production activities	10.7	11.1
Film and video distribution activities	13.4	7.9
Television programme distribution activities	0.2	0.1
Sound Recording and Music Edition Activities	**2.2**	**2.9**
Sound Recording and Music Edition Activities	100.0	100.0
Other Information Services	**3.9**	**5.0**
News agency activities	80.1	74.5
Other Information Services	19.9	25.5
Total	**100**	**100**

Source: ONTSI

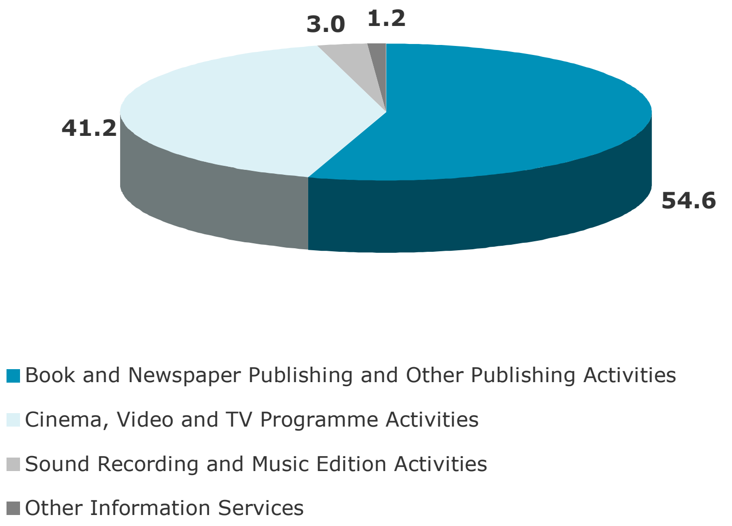
Table 99. Evolution of employment – Content (% / total)

	2005	2006	2007	2008	2009	2010
Total	76,967	76,525	84,053	82,327	77,550	69,896
Variation		-0.6%	9.8%	-2.1%	-5.8%	-9.9%

Source: ONTSI

3.5.2.5. Investment

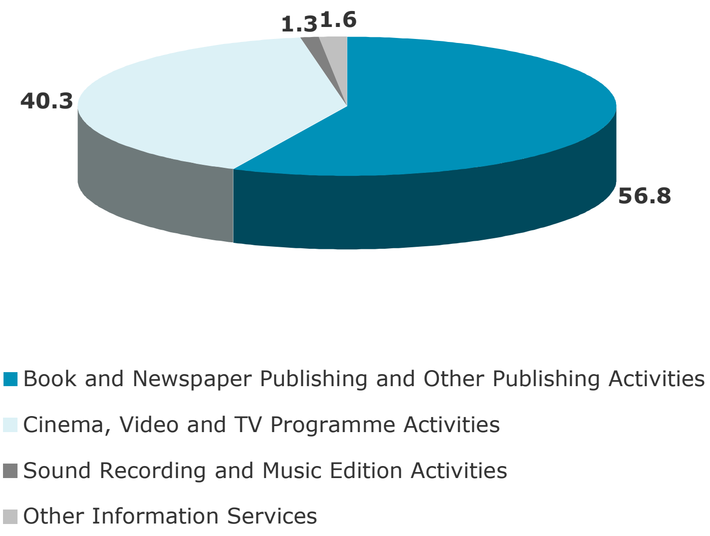
Figure 94. Content investment. Year 2010 (% / total)



Source: ONTSI

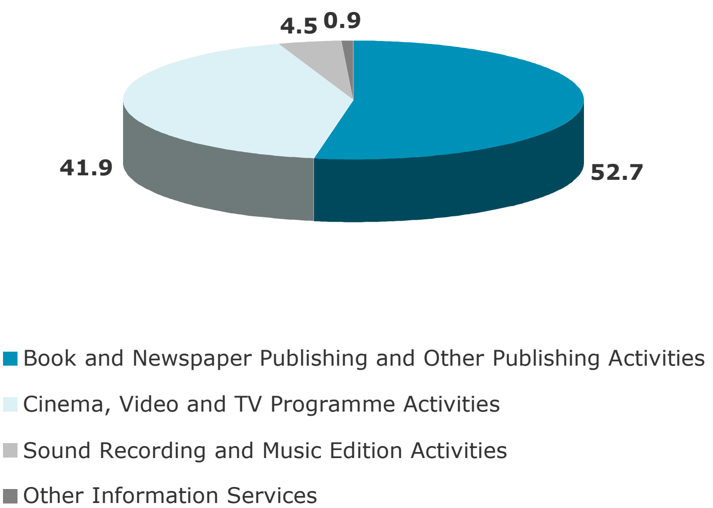
3.5.2.5.1. Structure of investment

Figure 95. Tangible fixed assets – Content. Year 2010 (% / total)



Source: ONTSI

Figure 96. Tangible fixed assets – Content. Year 2010 (% / total)



Source: ONTSI

3.5.2.6. Financial expenses and revenue

Table 100. Financial expenses and revenue – Content. Year 2010 (Millions of euros)

Financial expenses-Content
(Millions of euros)

	2009	2010
Book and Newspaper Publishing and Other Publishing Activities	**215**	**154**
Publishing of books	180	96
Publishing of directories and postal address guides	0	0
Publishing of newspapers	18	27
Publishing of magazines	5	10
Other publishing activities	12	21
Cinema, Video and TV Programme Activities	**91**	**77**
Cinematographic, video and television post-production activities	23	19
Motion picture projection	21	19
Film and video production activities	11	19
Television programme production activities	3	5
Film and video distribution activities	33	16
Television programme distribution activities	0	0
Sound Recording and Music Edition Activities	**8**	**8**
Sound Recording and Music Edition Activities	8	8
Other Information Services	**3**	**3**
News agency activities	1	1
Other Information Services	2	2
Total	**317**	**241**

Financial revenue-Content
(Millions of euros)

	2009	2010
Book and Newspaper Publishing and Other Publishing Activities	**253**	**251**
Publishing of books	186	205
Publishing of directories and postal address guides	0	0
Publishing of newspapers	18	20
Publishing of magazines	47	10
Other publishing activities	2	16
Cinema, Video and TV Programme Activities	**35**	**36**
Cinematographic, video and television post-production activities	16	12
Motion picture projection	8	14
Film and video production activities	3	6
Television programme production activities	0	0
Film and video distribution activities	8	2
Television programme distribution activities	0	0
Sound Recording and Music Edition Activities	**5**	**23**
Sound Recording and Music Edition Activities	5	23
Other Information Services	**34**	**1**
News agency activities	0	0
Other Information Services	33	0
Total	**326**	**310**

Source: ONTSI

4. ICT AND CONTENT PRODUCTS

4. ICT AND CONTENT PRODUCTS

4.1. Introduction

With the aim of studying the ICT and Content sector in depth, we include here an analysis of the main products resulting from the economic activities studied in the previous chapters, understanding as 'products' both goods and services.

The distribution of Information Technology and Content products is based on the survey conducted by the ONTSI among sector enterprises. In that survey, enterprises have been asked to provide a breakdown of their turnover by products. As for the distribution of Telecommunication products (services), it has been extracted from the CMT's Annual Report for 2010.

Regarding the selection of products, Regulation (EC) No 451/2008 of the European Parliament and of the Council, of 23 April 2008, has been taken as a reference, which establishes the Classification of products by Activity (CPA). This new regulation has, among others, the aim of updating Council Regulation (EEC) No 3696/93 establishing a new statistical classification of products by activity (CPA), in order to reflect the technological development and structural changes of the economy. It also highlights that the structuring of a product classification in accordance with the production activity involved avoids proliferation of unrelated coding schemes, and facilitates the identification by producers of relevant markets.

The CPA is a macroclassification of products, which comprises the European version of the Central Product Classification (CPC) prepared and recommended by the UN. The CPA follows a production origin criterion, in other words, products are grouped in compliance with their economic activity of origin. Thus, the structure of CPA-2008 fits the one set in the European classification of economic activities NACE Rev.2. and CNAE_09.

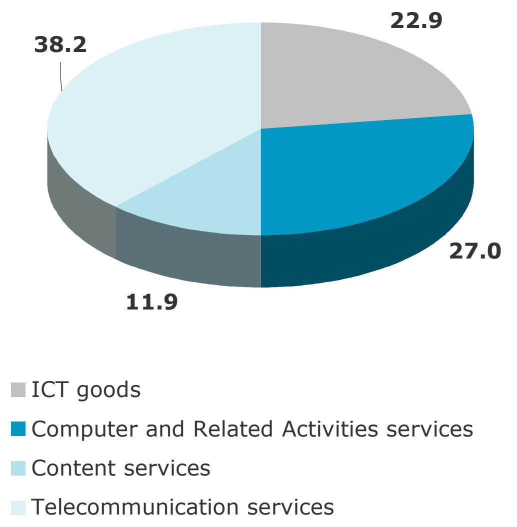
Additionally, the ONTSI's classification includes new products that have been recently introduced in the market and are especially interesting for the report, and other products from the ISIC Rev.4 classification.

4.2. ICT and Content sector turnover by products

The value of Information Technology, Telecommunication and Content product sales analysed herein was €104,373 million. They include both ICT goods and services of Telecommunications, Computer and Related Activities and Content.

38.2% of the turnover comes from Telecommunication services and 27% from enterprises engaging in Computer and Related Activities. ICT goods from the ICT industry generated 22.9% of the total turnover. The remaining 11.9% corresponds to services provided by Content enterprises.

Figure 97. Turnover by groups of ICT goods and services. Year 2010 (% / total)



Source: ONTSI

Next we will detail the turnover generated from the manufacture and distribution of ICT goods, and services provided by Computer and Related Activities, Content and Telecommunication enterprises.

4.3. ICT goods

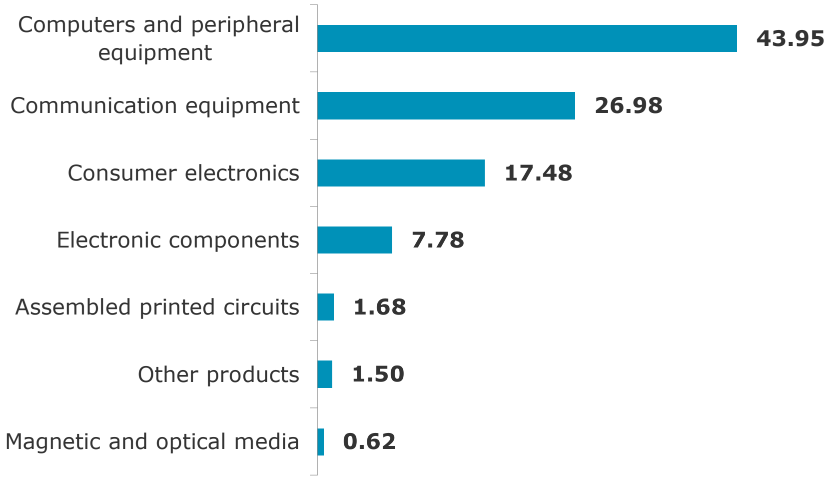
The turnover from ICT goods comes from the manufacture and wholesale distribution of manufactured products, which can be classified into the following main groups:

- Computers and peripheral equipment
- Telecommunication equipment
- Consumer electronics
- Electronic components
- Assembled printed circuits
- Magnetic and optical media
- Other products

The revenue generated from the production and sale of those goods represented in 2010 22.9% of the total turnover.

88% of it came from the manufacture and sale of the following 3 groups of products: computer and peripheral equipment, telecommunication equipment, and consumer electronics.

Figure 98. Turnover by groups of ICT goods. Year 2010 (% / total)



Source: ONTSI

Most of the revenue came from wholesale distribution, which accounted for 59% of the total turnover, while only 18% of it came from national enterprises whose main activity was manufacturing.

Table 101. Breakdown of turnover by groups of ICT goods and depending on the activity. Year 2010 (% / total)

	Activity sectors			
	Manufacturing	**Trade**	**Other Activities**	**Total**
Computers and peripheral equipment	8	71	20	100
Telecommunication equipment	19	37	44	100
Consumer electronics	27	66	7	100
Electronic components	39	57	4	100
Assembled printed circuits	49	46	5	100
Other products	1	74	25	100
Magnetic and optical media	40	54	6	100
Total	**18**	**59**	**23**	**100**

Source: ONTSI

Upon analysis by groups, 44% of the revenue from ICT goods corresponds to the manufacture and wholesale distribution of computers and peripheral equipment.
Out of these, 71% are linked to trade activities, 20% to other activities and only 8% to enterprises engaging in manufacturing.

The most important products were computers with at least a central processing unit and laptops, which jointly generated 47% of the revenue.

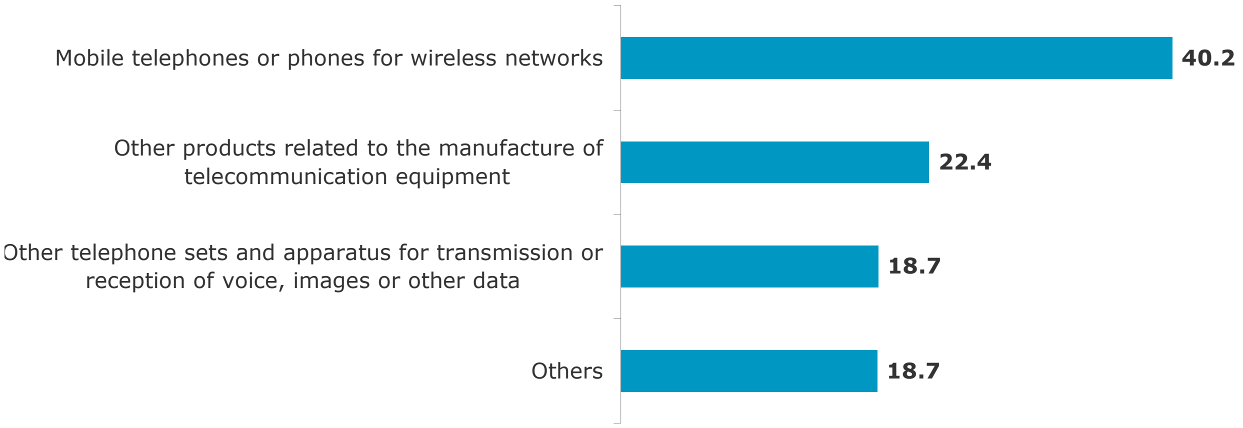
Table 102. Detailed turnover from computers and peripheral equipment – ICT goods. Year 2010 (% / total)

	% of the total
Computers with at least a central processing unit and an input and output unit, whether or not combined	24%
Laptops weighing not more than 10 kg; PDAs and similar devices	24%
Parts and accessories of computers	13%
Units performing two or more of the following functions: printing, scanning, copying, fax	12%
Others	27%
Total	**100%**

Source: ONTSI

Telecommunication equipment contributed to 27% of the total revenue. Of it, 37% came from the commercialisation and 19% from the manufacture of telecom equipment.
Mobile phones are the goods contributing the most to the generation of revenue, with 38% of the total, followed by the sale and manufacture of other telephone sets, apparatus for transmission or reception of voice and similar goods that account for 19% of the total turnover.

Figure 99. Detailed turnover from telecommunication equipment – ICT goods. Year 2010 (% / total)



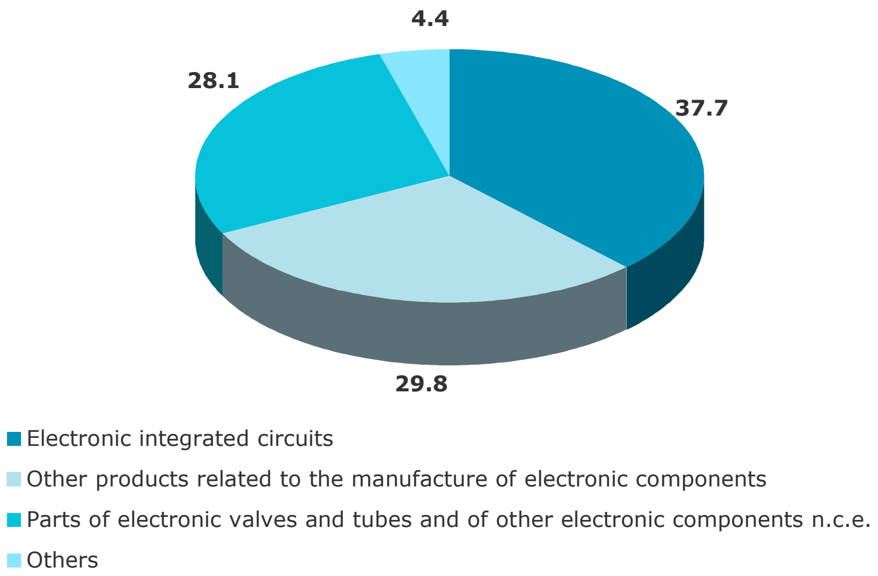
Source: ONTSI

The group of consumer electronics accounted for 17% of the total turnover of ICT goods. Of it, 66% came from the commercialisation and 27% from the manufacture of consumer electronics.
In this group the most important product were television receivers, whether or not combined with radio-broadcast receivers or sound or video recording or reproducing apparatus. These accounted for 69% of the sales of ICT goods, while the remaining 31%

came from the manufacture and sale of digital cameras, music reproducing apparatus, video camera recorders and accessories of sound and video equipment, among others.

Electronic components generated 8% of the total turnover of ICT goods. Of it, 57% came from the commercialisation and 39% from the manufacture of electronic components.
Integrated circuits are the component contributing the most to the total turnover, with 38% of the total, followed by secondary products with 30% and parts of electronic valves and tubes with 28%.

Figure 100. Detailed turnover from electronic components – ICT goods. Year 2010
(% / total)



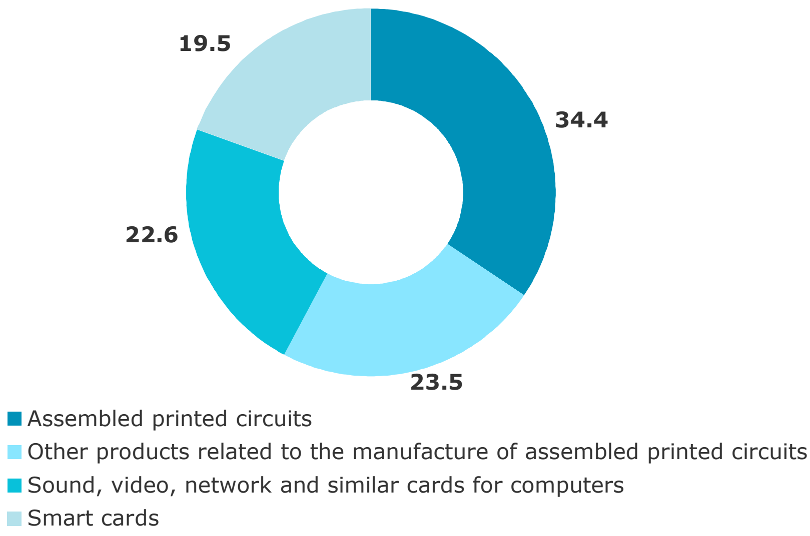
Source: ONTSI

Finally, assembled printed circuits together with magnetic and optical products accounted for 3% of the turnover, mainly generated by the sale and distribution of the same.
As for magnetic media, 88% of their turnover corresponds to the sum of the sales of other products related to the manufacture of magnetic media, matrices and masters, and not recorded optical media, accounting respectively for 54%, 20% and 14%.

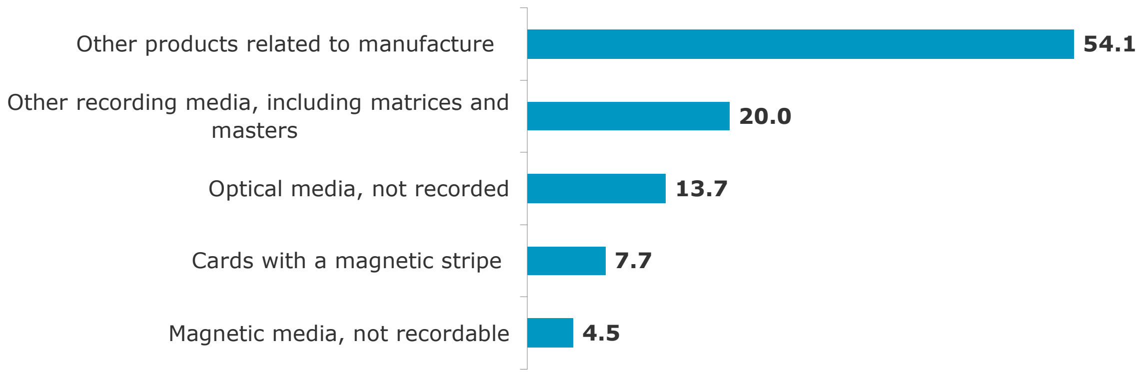
And as for printed circuits, the most popular types of products are assembled printed circuits that account for 34% of the turnover of this group, followed by secondary products, sound cards and smart cards accounting together and equitably for 2/3 of the turnover of the group.

Figure 101. Detailed turnover from assembled printed circuits and magnetic and optical media – ICT goods. Year 2010 (% / total)

Assembled printed circuits



Magnetic and consumer media



Source: ONTSI

4.4. Computer and Related Activities services

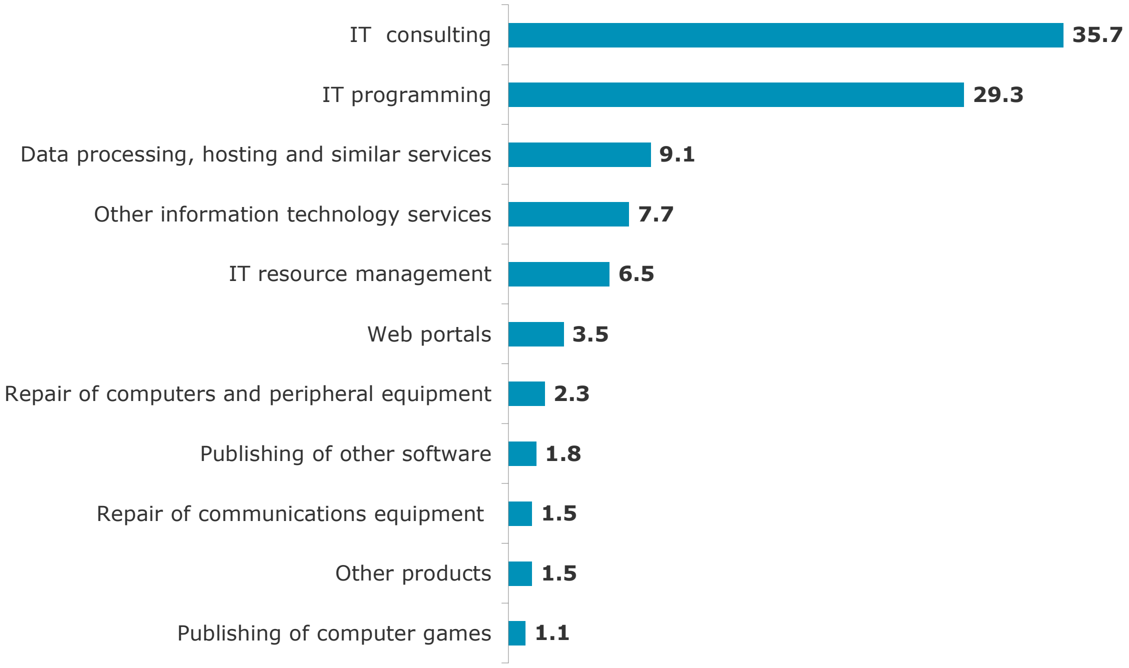
Computer and Related Activities services include the following groups:

- IT consulting
- IT programming
- Data processing, hosting and similar services
- Other information technology services
- IT resource management
- Web portals
- Repair of computers and peripheral equipment
- Publishing of other software
- Repair of communications equipment
- Publishing of computer games
- Other products

Services provided by enterprises dedicated to Computer and Related Activities strongly contributed to the generation of revenue, accounting for 3 out of 10 euros of the total of the sector.

The ICT services contributing the most to the total turnover of the Computer and Related Activities subsector were IT consulting with 36% of it and IT programming with 29%. These were followed by data processes and hosting services and other IT-related activities with 9% of the total and other information technology and computer services with 8%. The last four activities account together for 82% of the total services sales of the Computer and Related Activities subsector.

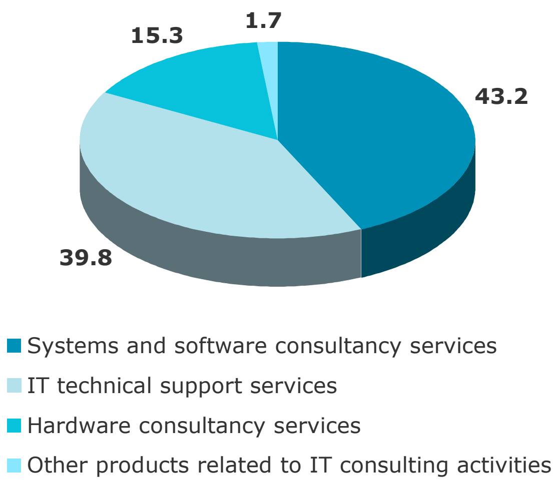
Figure 102. Turnover by groups - Computer and Related Activities services. Year 2010 (% / total)



Source: ONTSI

Analysing in detail the activities included in the group IT consulting, IT program and system consulting services accounted for 43% of the turnover, followed by IT technical support services with 40%. These two services together accounted for 83% of the total turnover of IT consulting services.

Figure 103. Detailed turnover from IT consulting - Computer and Related Activities services. Year 2010 (% / total)



Source: ONTSI

The group IT programming services is second in the ranking within the subgroup Computer and Related Activities. 85% of the sales of the group come from the provision of services of design and development of ICTs for applications and from other software originals, accounting respectively for 46% and 39% of the total.

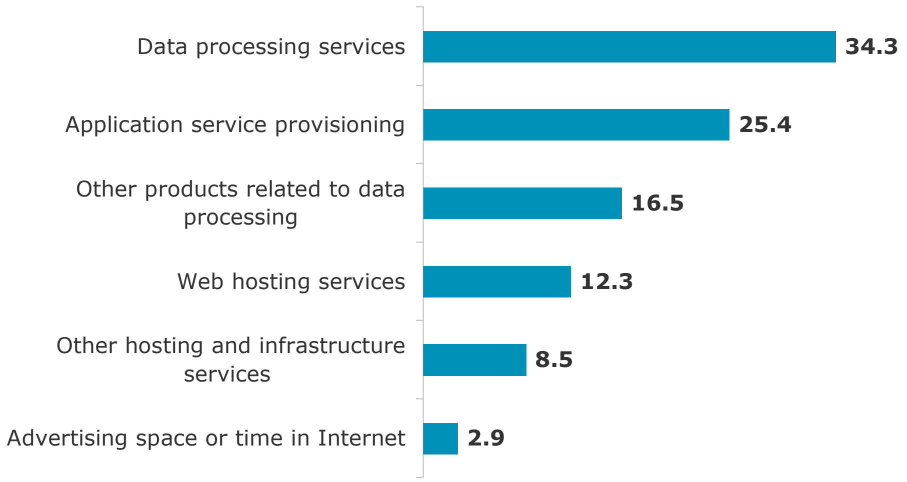
Table 103. Detailed turnover from IT programming - Computer and Related Activities services (% / total)

	% of the total
IT design and development services for applications	46%
Other software originals	39%
IT design and development services for networks and systems	13%
Other products related to IT programming activities	3%
Total	**100%**

Source: ONTSI

The third in the ranking is the group hosting, data processing and related services. In this group, the activities data processing and application service provisioning stand out, accounting for 34% and 25% of the total turnover, respectively**.**

Figure 104. Detailed turnover from data processing - Computer and Related Activities services. Year 2010 (% / total)



Source: ONTSI

In fourth place we find other services related to information technology and computing. This group comprises other activities not elsewhere classified, which account for 57% of the total turnover of the group, and installation services of computers and peripheral equipment that account for 47%.

Within IT resource management services, computer system management services stand out with a share of 63% of the total turnover, followed by network management services with 27%.

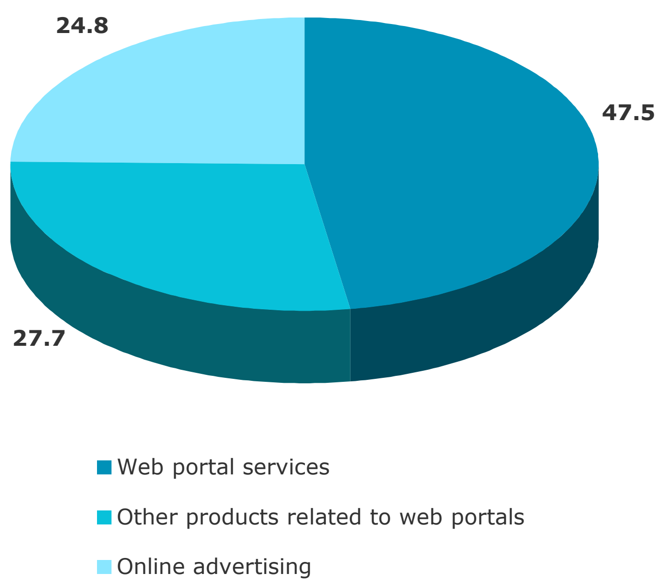
Table 104. Detailed turnover from IT resource management - Computer and Related Activities services (% / total)

	% of the total
Computer system management services	63%
Network management services	27%
Other products related to IT resource management	10%
Total	**100%**

Source: ONTSI

Web portal services turnover represented 4% of the total turnover of the Computer and Related Activities subgroup. Its main activity represented 47% of the turnover and the rest came from other non classified activities of this group (28%) and online advertising (25%).

Figure 105. Detailed turnover from web portals - Computer and Related Activities services. Year 2010 (% / total)

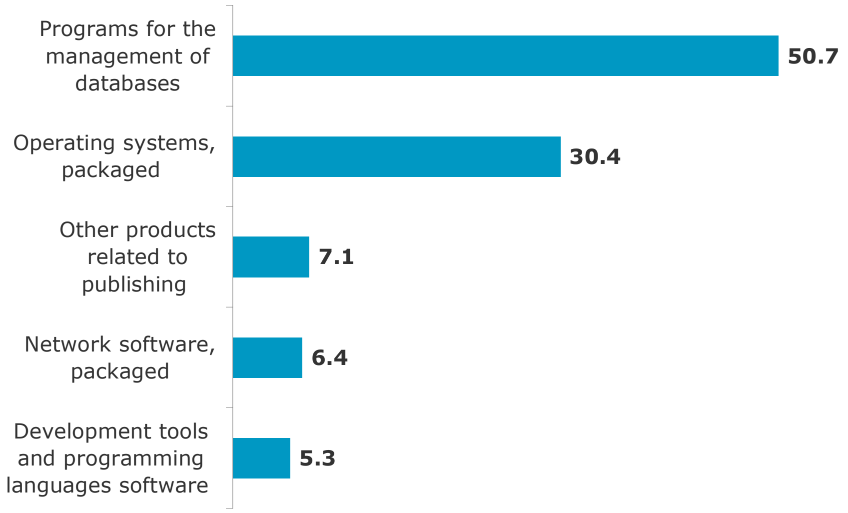


Source: ONTSI

97% of the turnover from repair services of computers and peripheral equipment came from the main activity of the group. The remaining 3% came from other products related to the repair of computer and peripheral equipment. The main activity of the group 'repair services of communication equipment' accounted for 90% of its turnover.

Half of the turnover from other computer software publishing services came from programs for the management of databases in physical format. The remaining 50% came from other services in its portfolio, highlighting packaged operating systems services that accounted for 30% of the turnover.

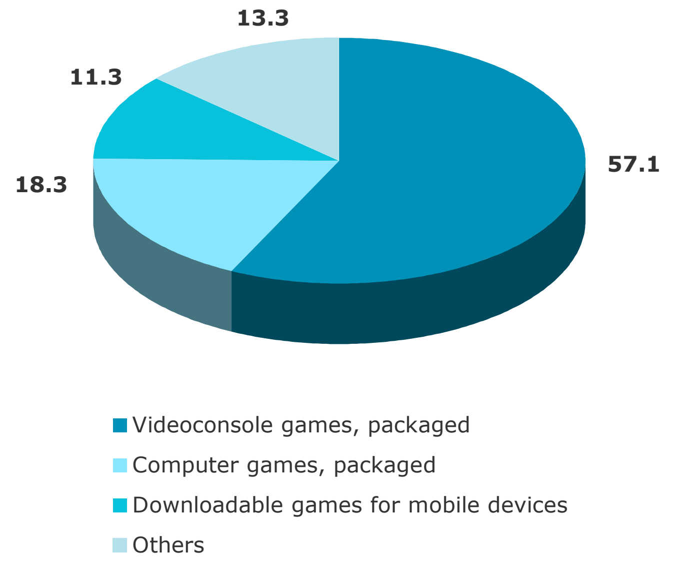
Figure 106. Detailed turnover from other computer software publishing services - Computer and Related Activities services. Year 2010 (% / total)



Source: ONTSI

Over half of the turnover from the publishing of computer games corresponded to videoconsole games in physical format. The remaining percentage (approx. 40%) is distributed among the other services included in this group.

Figure 107. Detailed turnover from publishing of computer games - Computer and Related Activities services. Year 2010 (% / total)



Source: ONTSI

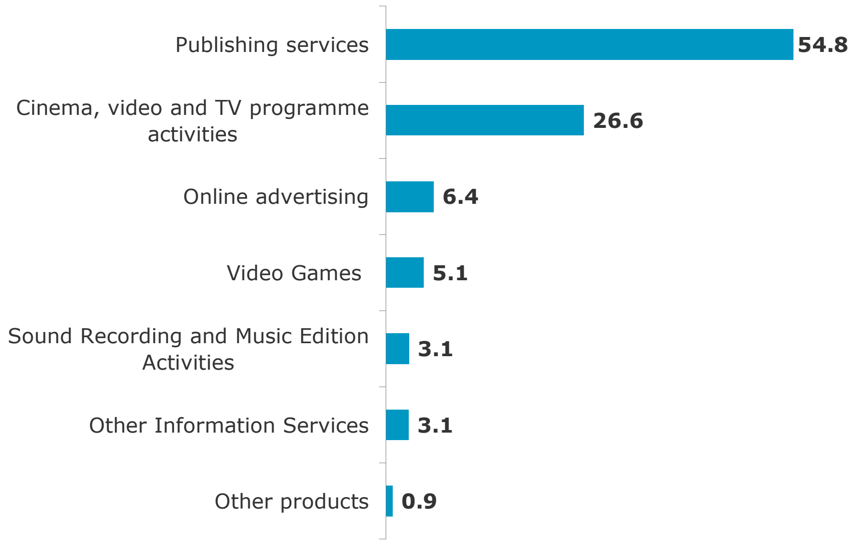
4.5. Content services

The services provided within the Content subgroup include the following:

- Publishing services
- Cinema, video and TV programme activities
- Online advertising
- Video Games
- Sound Recording and Music Edition Activities
- Other Information Services
- Other products

In 2010, the provision of Content-related ICT services generated 11.9% of the total turnover of the sector. Here, publishing activities stand out accounting for over 50% of the total turnover of Content enterprises. These were followed by cinema activities that accounted for 26.6% of the turnover of the group in 2010. The remaining 18.6% was distributed among the other four big categories.

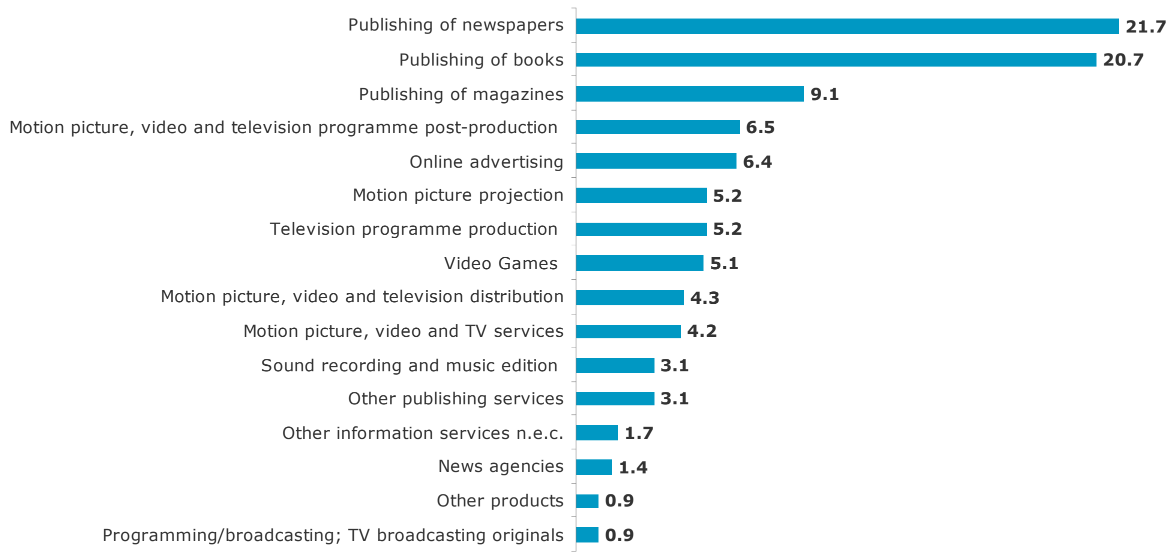
Figure 108. Turnover by categories of Content services. Year 2010 (% / total)



Source: ONTSI

Upon making an analysis by groups of services, regardless of the category, we observe that the publishing of books, newspapers and magazines is the main generator of revenue. These three items contribute respectively to 24%, 23% and 10% of the total turnover from Content services, adding up to 58% of it in 2010. The other 14 services of the portfolio account for the remaining 42%.

Figure 109. Turnover by groups of Content services. Year 2010 (% / total)



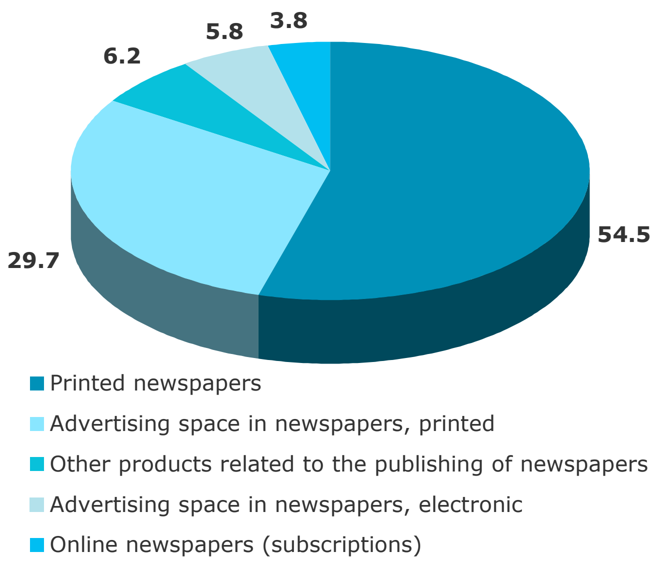
Source: ONTSI

The following is a detailed analysis of the main services for each of the categories of the Content sector, as listed previously.

Publishing activities are a very important source of revenue, since they generate 54% of the total revenue of the Content sector:

Among them, the publishing of newspapers leads the ranking: the publishing of printed newspapers accounts for 55% and the sale of advertising space in them for 30% of the turnover.

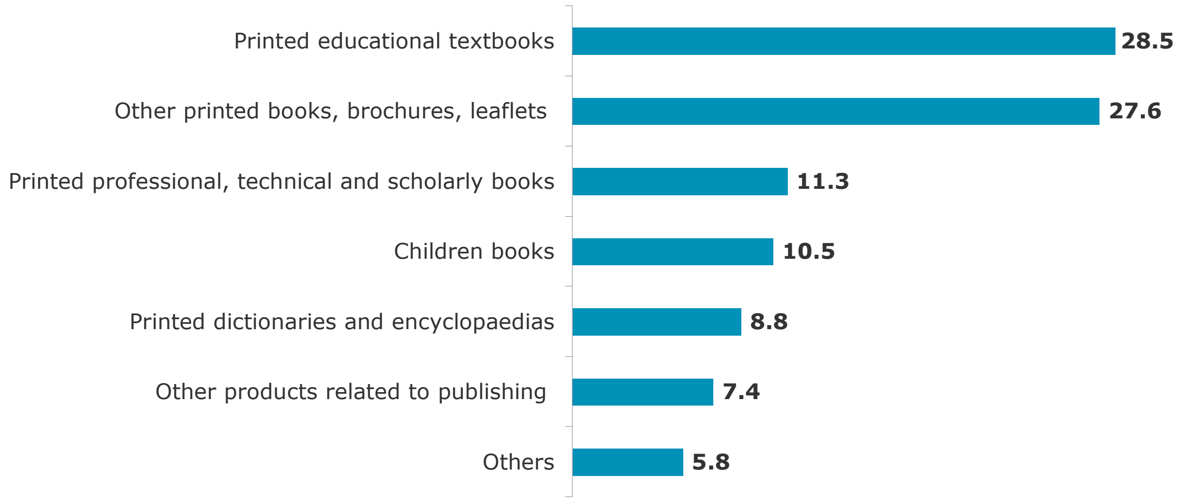
Figure 110. Detailed turnover from publishing of newspapers – Content services. Year 2010 (% / total)



Source: ONTSI

As for the publishing of books, 29% of the turnover comes from the publishing of school books and 28% from the publishing of brochures and leaflets.

Figure 111. Detailed turnover from publishing of books – Content services. Year 2010
(% / total)



Source: ONTSI

Regarding the publishing of magazines, publishing of printed general interest journals and periodicals accounted for 64 out of 100 euros. It was followed by the sale of advertising space in them, accounting for 18% of the turnover.

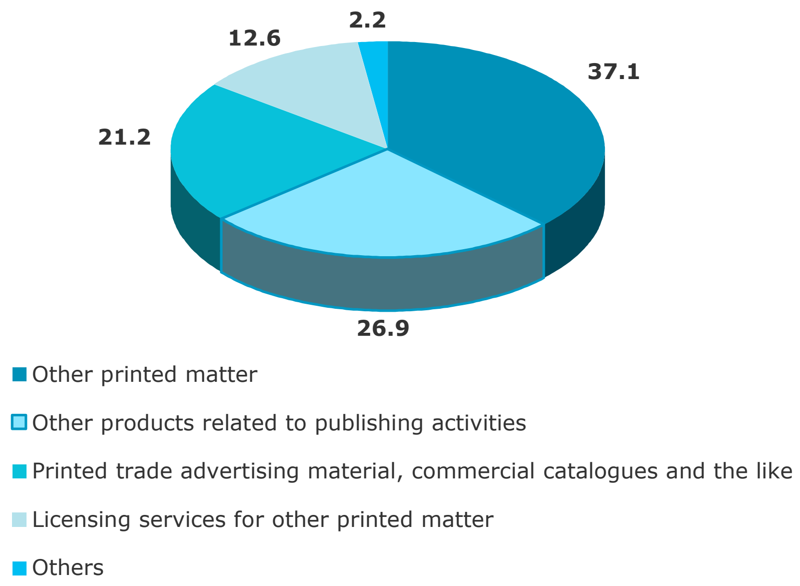
Table 105. Detailed turnover from publishing of magazines – Content services (% / total)

	% of the total
Printed general interest journals and periodicals	64%
Advertising space in journals and periodicals, printed	18%
Other printed journals and periodicals	9%
Printed business, professional and academic journals and periodicals	5%
Online journals and periodicals (subscriptions)	1%
Other products related to the publishing of journals and periodicals	1%
Total	**100%**

Source: ONTSI

Within publishing services, there are some that are not classified by enterprises and account for 37% of the total.

Figure 112. Detailed turnover from other publishing services – Content services. Year 2010 (% / total)



Source: ONTSI

Other products related to the publishing of directories and postal address guides generated 2/3 of the revenue, while the remaining 33% came from the publishing of directories and postal address guides.

Services related to cinema, video and TV programme activities generated almost a third of the total turnover of the Content sector.
Within them, other motion picture, video and television programme post-production services accounted for 42% of the turnover and other related products for 25% of it. Finally, audio-visual editing services accounted for one out of five euros of the turnover.

Table 106. Detailed turnover from motion picture, video and television programme post-production – Content services (% / total)

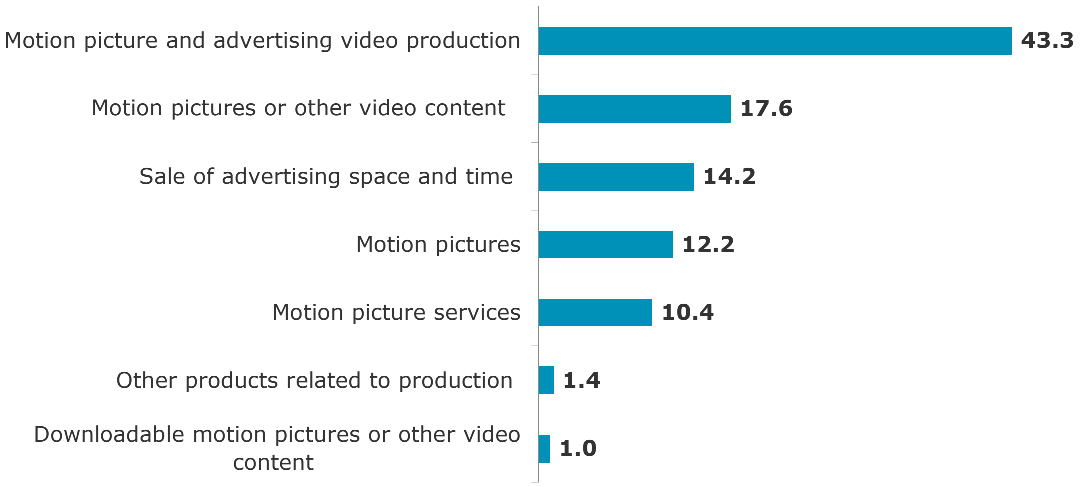
	% of the total
Other motion picture, video and television programme post-production services	42%
Other products related to motion picture, video and television programme post-production	25%
Audio-visual editing services	20%
Visual effects services	4%
Transfers and duplication of masters services	3%
Animartion services	2%
Sound editing and design services	2%
Colour correction and digital restoration services	1%
Captioning, titling and subtitling services	1%
Total	**100%**

Source: ONTSI

95% of the total turnover of film screening came from the main activity, while the remaining 5% came from the sale of other products related to motion picture projection.

Among cinema, video and TV programme services, Motion picture and advertising video production stood out, accounting for 43% of the turnover in 2010.

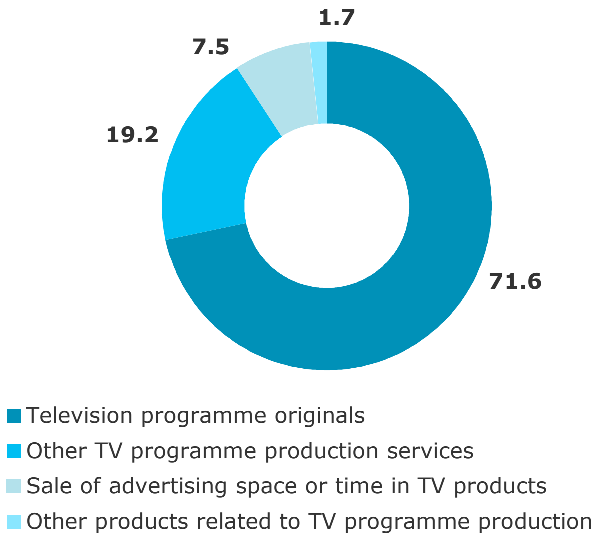
Figure 113. Detailed turnover from motion picture, video and television services – Content services. Year 2010 (% / total)



Source: ONTSI

72% of the turnover from TV programme production services came from television programme originals and 19% from other TV programme production services.

Figure 114. Detailed turnover from TV programme production services – Content services. Year 2010 (% / total)



Source: ONTSI

80% of the turnover from motion picture, video and television programme distribution came from unclassified motion picture and video distribution services (with 42%) and licensing services for film rights and their revenues (with 38%).

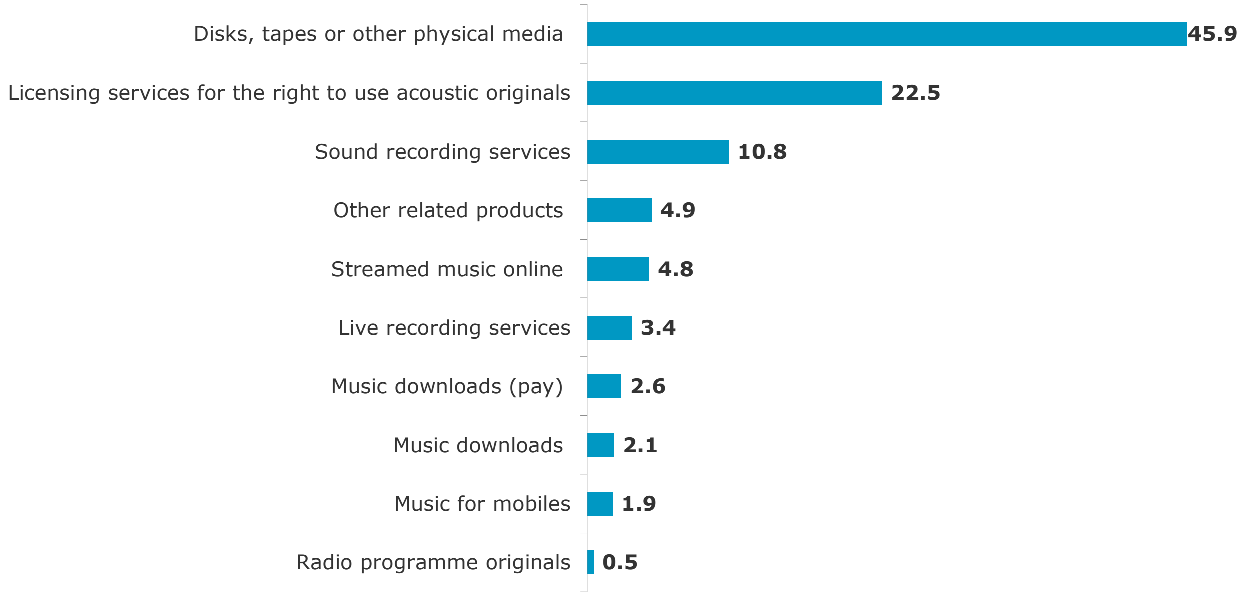
Table 107. Detailed turnover from motion picture, video and television programme distribution – Content services (% / total)

	% of the total
Other cinema programme/video distribution services	42%
Licensing services for film rights and their revenues	38%
Distribution of videos on demand	11%
Distribution of videos	4%
Other products related to motion picture and video distribution	2%
Motion pictures shown on pay-per-view	2%
Distribution of streamed videos	1%
Total	**100%**

Source: ONTSI

4% of Content turnover derived from the provisioning of services related to recording and music edition activities and, out of it, 46% corresponded to sales of musical audio disks, tapes or other physical media and 23% to licensing services for the right to use acoustic originals.

Figure 115. Detailed turnover from sound and music recording – Content services. Year 2010
(% / total)

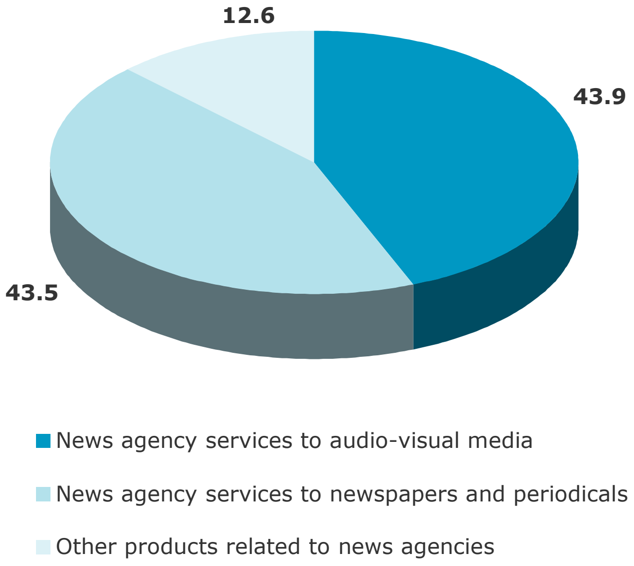


Source: ONTSI

Information Services generated 2% of the total content turnover in 2010:

News agency services to audio-visual media and to newspapers contributed equitably to turnover with 44% each.

Figure 116. Detailed turnover from news agency services – Content services. Year 2010 (% / total)



Source: ONTSI

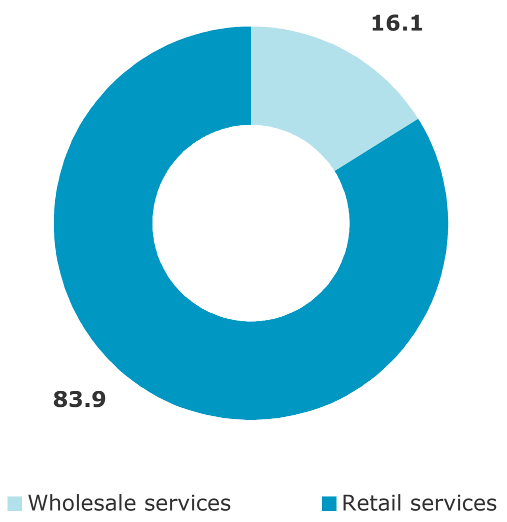
Lastly, 96% of the revenue from the provision of information services came from the main activity while the remaining 4% came from the sale of other related products.

4.6. Telecommunication services

Services provided by enterprises dedicated to Telecommunications strongly contributed to the generation of revenue, accounting for 3.8 out of 10 euros of the total of the sector in 2010.

The subgroup of Telecommunication services is formed by two main groups: wholesale and retail services.
Retail services accounted for 84% of the turnover generated by telecommunication services enterprises, while wholesale services represented only 16% of it.

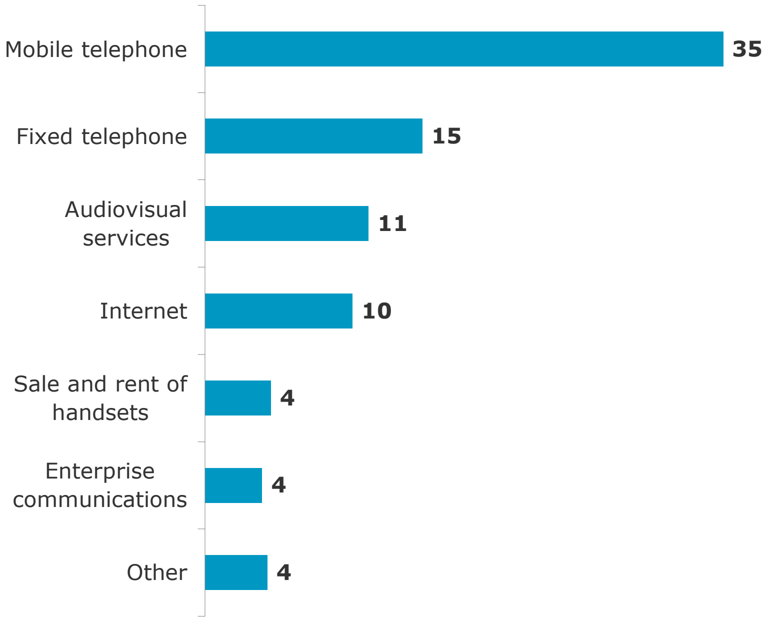
Figure 117. Turnover by groups of ICT services – Telecommunication services. Year 2010 (% / total)



Source: CMT

Within retail telecom services, mobile telephony was the service that contributed the most to the total turnover of telecommunication services, with a share of 36%. It was followed by activities related to fixed telephony services that accounted for 15% of the total. Finally, audiovisual services and Internet services contributed together to 21% of the total sales of telecom enterprises.

Figure 118. Turnover from retail services – Telecommunication services. Year 2010
(% / total)



Source: CMT

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5. Conclusions

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5. CONCLUSIONS

The turnover of the ICT and Content sector amounted in 2010 to over €104 billion, 2.8% less than in 2009. This reflects a slight improvement, since the fall in 2009 with respect to the previous year was of 7.3%.

Of that, €64 billion were generated by Information Technology and Content enterprises and €39 billion by Telecommunication enterprises. The sector continued to be affected by the economic crisis in 2010, though to a lesser extent than in 2009. Turnover fell by 3.5% in the case of Telecommunications and by 2.3% in the case of IT and Content.

The sector is comprised of more than 30.000 enterprises. 89 out of 100 of these enterprises are devoted to IT and Content activities, and are located in city centres of large cities such as Madrid and Barcelona. The corporate fabric of this sector is composed of micro-enterprises with less than ten employees and a sales generation capacity of less than €2 million. However, in the Information Technology and Content sector, large enterprises (with more than 250 employees) amounted to 173, representing 1% of the total and accounting for 34% of the turnover. In the Telecommunication sector, 14 enterprises had a turnover of more than €36 billion, which represents more than 90% of the total, and the 'historic' operator contributed with over €19 billion, which means almost 49% of the total.

All these enterprises employed 459,000 people, 1.5% less than in 2009. Broadly speaking, ICT enterprises have maintained their employment levels despite falls in turnover. We can conclude, then, that drops in sales have not resulted in direct cuts of production costs. The Telecommunication and Content sectors have experienced the sharpest employment reductions, with falls in 2010 of 2.8% and 9.9% respectively.

In spite of financing difficulties, the sector revived its investment expectations in 2010, with figures near €16 billion, 0.6% more than in 2009. Evolution of investment in the telecommunications sector was notable, with an increase of 4.6% that was the first in the last two years, amounting to €4,480 million. This increase was mainly due to the extension of mobile network coverage.

Gross added value at market prices exceeded €62 million, which represents 5.85% of the GDP in 2010, as compared to 6.04% in 2009.

Lastly, it's worth highlighting that between 2005 and 2010, the sector as a whole grew by 7% with respect to 2005. Computer and Related Activities showed the best management capacity, recording a growth of more than 40% compared to 2005. The employment-generating capacity of this sector in this period was above 3%.

These data evidence the capacity of the sector to adapt to new scenarios, both in economic terms and in terms of adaptation to new technology needs, which force it to be in continuous evolution and innovation.

6. Annex 1: Methodology notes

6. ANNEX 1: METHODOLOGY NOTES

6.1. Objective

To carry out the analysis contained in this report, we have used two main information sources. For the Information Technology, Content and Digital Content sectors, the ONTSI conducted a survey among a statistically representative sample of sector enterprises. For Telecommunications and Audiovisual Services activities, the Annual Report 2010 of the Telecommunications Market Commission (CMT) has been used.

The following is a description of the survey methodology used for the analysis of the Information Technology and Content sector.
The main objective of the survey is to provide precise, reliable and timely information on the main structural and activity-related characteristics of the different activity divisions that comprise the Information Technology and Content sector, in such a manner as to cover the demand for information.

This operation seeks to determine the production structure of the different activity classes of the main processed products, intermediate consumption in the production process and end-consumption, in addition to measuring the contribution of each of these classes to the added value of the Telecommunications and Information Technology sector.

On the other hand, dynamic analysis of the sector is provided through the generation of a temporal series, taking 2005 as a base and using as a starting point information drawn from the a preliminary study carried out on the sector in 2008.

For this purpose, information relative to the enterprise's main activity, its legal status and expense and cost accounting structure was collected, in addition to capital and tax operations.

6.2. Scope

The scope of the study is defined with respect to the population surveyed, time and space.

6.2.1. Demographic scope

The population surveyed comprises a group of enterprises with one or more paid employees and with a principal activity that is included in Sections C, G, and J of the Spanish National Classification of Economic Activities (CNAE 2009).

The principal activity of an enterprise is understood as that which generates the greatest added value. When this information is not available, the principal activity is deemed as that which provides the greatest production value or, failing that, the one that employs the greatest number of people.

6.2.2. Territorial scope

From a geographical point of view, the survey covers Spain in its entirety.

6.2.3. Temporal scope

The survey is carried out on an annual basis. With regard to the reference period of the information, the requested data refers to the calendar year that is the object of the survey. Exceptionally, those enterprises that have accounting periods that do not coincide with the calendar year have referenced the tax period information corresponding to that year.

6.3. Survey units

By way of statistical unit, we have used those enterprises that carry out, as their principal activity, any manufacturing or provision of the services included in the demographic scope.
This statistical unit is also the reporting unit as, given that it is perfectly defined and located and has the accounting and employment data, it facilitates the answers. Consolidated accounting data encompassing all the juridical units that comprise the enterprise or institution were used.
The economic activity carried out by a reporting unit is defined as the creation of added value through the production of goods and services. Each of the statistical units studied (enterprises) frequently carry out diverse activities that need to be classified into separate categories according to the CNAE (Spanish National Classification of Economic Activities). In general, the activities carried out by an economic unit may be of three types: principal, secondary and auxiliary activities.
The principal activity differs from the secondary activities in that it generates the greatest added value, while auxiliary activities are those that generate services that are not sold to the market and only serve the unit on which they depend (administration departments, transport services or storage).
In view of the difficulty of calculating the added value for reporting units that carry out several activities, the principal activity is deemed as that which generates the greatest sales or, failing that, the one that employs the highest number of persons.
The reporting units were invited to provide information not only on the activity considered their principal activity, but also on all the secondary and auxiliary activities they carry out.

6.4. Variables

6.4.1. Classification variables

The tabulation is presented based on four classification criteria:

- Principal economic activity, according to CNAE2009 codes
- Size of the enterprise, by number of employees
- Size of the enterprise based on turnover
- Legal status

6.4.2. Variables that are the object of study

The variables that are the object of study in this survey can be classified into three types:

- Variables stemming directly from the questionnaire.

These are of two types:

1. Those that directly correspond to the General Accounting Plan: turnover, supplies, employment, investment, etc.
2. Those that come from the Annual Reports or financial knowledge of the enterprises: percentage of total turnover, employment, digital investment, product structure, etc.

   - Economic aggregates: variables derived from the foregoing, included under Regulation No. 58/97 on Structural Statistics:

a. Production value

b. Intermediate consumption

c. Gross added value at market prices

d. Gross Added Value at factor cost

e. Remuneration of employees

f. Gross operating surplus

g. Productivity

h. Revenue-generating capacity

- Indicators: For the purpose of facilitating a rapid visual analysis of the specific characteristics of each sector investigated and, within these, evidencing the differences or similarities between the enterprises that comprise it, indicators in the form of ratios were created based on the previously described variables.

6.5. Design and sampling

6.5.1. Survey Framework

The annual accounts (income statement and balance sheet) deposited at the Companies Register have been used as the survey framework for all the activities.
This directory contains information on the principal economic activity and the number of employees of the enterprises, which allows stratification based on these concepts. This directory also includes data relative to the identification and localisation of statistical units necessary to gather information correctly.

6.5.2. Sample size

The size of the selected sample is approximately 2,531 statistical units and the size of the final effective sample is 2,172 statistical units.

6.5.3. Sample design

Stratified random sampling with proportional allocation is the procedure used for this study. Stratification was made based on sales and number of employees, obtaining a proportional sample size for each stratum once a minimum number of units had been established for each of the activity subsectors that comprised the sector.

6.5.4. Information Collection technique and Fieldwork

Data is collected trough a telematic survey (CATI system) by means of an Internet application, which has a maximum duration of 25 minutes. The fieldwork is carried out by a working group at Red.es headquarters in Madrid, which was in charge of providing technical support to the data collection system. The data collection process takes three months, from March to June.

6.5.5. Elevation coefficients

Elevation coefficients are factors that, based on the data obtained from the sample, provide total demographic results.
Sample data were converted into demographic data through a matrix of elevation factors for each group of activity and occupational stratum. The variable used for obtaining the elevation factors was the number of enterprises registered in the Companies Register and their sales.

6.5.6. Exchange coefficients

Exchange coefficients are used to make a so-called base-year change, a process that entails a continuity break in series. Exchange coefficients are values that make it possible to estimate data from previous years, and are calculated as the annual average ratio with the aim of collecting as much information as possible.

6.5.7. Sampling error

The margin of error for the total sample under conventional statistical conditions (p=q=50%) and a confidence interval of 95%, is ±0.02 with a response rate of 86%. Under the same conditions, the margin of error for Manufacturing oscillates at ±0.10, with a response rate of 83%. For Trade, the margin of error oscillates at ±0.05, with a response rate of 87%; for Computer and Related Activities, the margin of error oscillates at ±0.03, with a response rate of 88%; and for Other Telecommunication Activities, the margin of error oscillates at ±0.11, with a response rate of 84%. Lastly, for Content the margin of error oscillates at ±0.04, with a response rate of 82%.

7. Annex 2: Sampling

7. ANNEX 2: SAMPLING

7.1. Sampling figures

The following table shows the sampling figures[21]:

Table 108. IT and Content sector survey sampling figures

	Population	% Population	Effective Sample	% Effective Sample	Sampling Fraction
Manufacturing	919	3.4%	90	4.1%	9.79%
Trade	3,032	11.2%	322	14.8%	10.62%
Computer and Related Activities	13,558	50.2%	1180	54.3%	8.70%
Other Telecommunication Activities	1,485	5.5%	81	3.7%	5.45%
Content	7,996	29.6%	499	23.0%	6.24%
Total	**26,990**	**100%**	**2,172**	**100%**	**8.05%**

Sample Manufacturing

	Population	% Population	Effective Sample	% Effective Sample	Sampling Fraction
Manufacture of electronic components	337	36.7%	24	26.7%	7.12%
Manufacture of assembled printed circuits	13	1.4%	5	5.6%	38.46%
Manufacture of computers and peripheral equipment	296	32.2%	30	33.3%	10.14%
Manufacture of telecommunications equipment	176	19.2%	17	18.9%	9.66%
Manufacture of consumer electronics	88	9.6%	13	14.4%	14.77%
Manufacture of magnetic and optical media	9	1.0%	1	1.1%	11.11%
Total	**919**	**100%**	**90**	**100%**	**9.79%**

Sample Trade

	Population	% Population	Effective Sample	% Effective Sample	Sampling Fraction
Wholesale trade of computers, computer peripheral equipment and software	1,960	64.6%	207	64.3%	10.56%
Wholesale trade of electronic and telecommunications equipment and their components	1,072	35.4%	115	35.7%	10.73%
Total	**3,032**	**100%**	**322**	**100%**	**10.62%**

21 Population: the set of individuals or elements with characteristics in common.
% of Population: population of each branch in respect of the total.
Effective sample: all real subsets that are representative of the population.
% Effective sample: effective sample of each branch in respect of the total sample.
Sampling fraction: % represented by the sample in respect of the total population.

Sample Computer and Related Activities

	Population	% Population	Effective Sample	% Effective Sample	Sampling Fraction
Publishing of computer games	71	0.5%	20	1.7%	28.17%
Publishing of other software	141	1.0%	22	1.9%	15.60%
IT programming activities	1,666	12.3%	160	13.6%	9.60%
IT consulting activities	3,579	26.4%	342	29.0%	9.56%
IT resource management	1,105	8.2%	47	4.0%	4.25%
Other services related to information technology and computing	5,604	41.3%	397	33.6%	7.08%
Data processing, hosting and related activities	466	3.4%	77	6.5%	16.52%
Web portals	97	0.7%	25	2.1%	25.77%
Repair of computers and peripheral equipment	750	5.5%	76	6.4%	10.13%
Repair of communications equipment	79	0.6%	14	1.2%	17.72%
Total	**13,558**	**100%**	**1,180**	**100%**	**8.70%**

Sample Other telecommunication activities

	Population	% Population	Effective Sample	% Effective Sample	Sampling Fraction
Other telecommunication activities	1485	100.0%	81	100.0%	5.45%
Total	**1485**	**100.0%**	**81**	**100.0%**	**5.45%**

Source: ONTSI

7.2. Sample errors

Sample errors are shown in the following table[22]:

Table 109. Sample errors

Group	Subgroup	Population	Sample	Effective Sample	Response rate %	Error for 95% of NA	Error for 97% of NA
Manufacturing		919	109	90	83%	0.10	0.11
Services		16,590	1,715	1,502	88%	0.02	0.03
	Trade	3,032	371	322	87%	0.05	0.06
	Computer and Related Activities	13,558	1,344	1,180	88%	0.03	0.03
	Other Telecommunication Activities	1,485	97	81	84%	0.11	0.12
Content		7,996	610	499	82%	0.04	0.05

Source: ONTSI

22 Population: the set of individuals or elements with characteristics in common.
Sample: all subsets that are representative of the population.
Effective sample: all real subsets that are representative of the population.
% Reply rate: effective sample in respect of the sample
Error for 95% of reliability: the reliability interval, where is the sample average,
z^* is the statistical interval that has standard normal distribution ,
and is the population.

$$\hat{x} \pm z^* \frac{\sigma}{\sqrt{\eta}}$$

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8. Annex 3: Characterisation of the sector by activity classes

8. ANNEX 3: CHARACTERISATION OF THE SECTOR BY ACTIVITY CLASSES

8.1. Characterisation by activity classes

Table 110. Specifications - Manufacture of electronic components

CNAE 2009: 2611
Manufacture of electronic components

OBJECT

Enterprises dedicated to the manufacture of semiconductor devices and other components for electronic applications.

DESCRIPTION OF ACTIVITIES

Products

261111- Cathode-ray television picture tubes; television camera tubes; other cathode-ray tubes
261112-Magnetrons, klystrons, microwave tubes, and other valve tubes
261121-Diodes; transistors; thyristors, diacs and triacs
261122-Semiconductor devices; light-emitting diodes; mounted piezo-electric crystals and parts thereof
261130-Electronic integrated circuits
261140-Parts of electronic valves and tubes and of other electronic components n.c.e.
261100-Other products related to the manufacture of electronic components

Activities

- Manufacture of electronic components and integrated circuits
- Manufacture and commercialisation of printed circuits
- Development and manufacture of electronic technology products
  - ✓ Photovoltaic modules
  - ✓ Automatisms
  - ✓ Manufacture and installation of structured wiring
  - ✓ Hardware, software and electronic plate design

MAIN FIGURES

	2009	2010	%
Enterprises	337	-	-
Turnover (Million €)	626	759	21.4%
Employment (Employees)	4,782	4,896	2.4%
Investment (Million €)	125	106	-15.3%

Source: ONTSI

Table 111. Specifications - Manufacture of assembled printed circuits

CNAE 2009: 2612
Manufacture of assembled printed circuits

OBJECT

Manufacture of assembled printed circuits and sound, video, control, network or modem interface cards. Also enterprises engaging in the assembly of components in printed circuits.

DESCRIPTION OF ACTIVITIES

Products

261210-Assembled printed circuits
261220-Sound, video, network and similar cards for computers
261230-Smart cards
261200-Other products related to the manufacture of assembled printed circuits

Activities

- Manufacture and commercialisation of electronic circuits
- Manufacture and commercialisation of printed circuits

MAIN FIGURES

	2009	2010	%
Enterprises	13	-	-
Turnover (Million €)	37	53	42.8%
Employment (Employees)	203	213	5.0%
Investment (Million €)	8	10	23.8%

Source : ONTSI

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Table 112. Specifications - Manufacture of computers and peripheral equipment

CNAE 2009: 2620
Manufacture of computers and peripheral equipment

OBJECT

This subgroup comprises enterprises dedicated to the manufacture and assembly of computers -from CPUs to laptops- as well as IT servers and input and output peripheral devices. Additionally, it includes manufacturers of IT terminals like ATMs or non-mechanically operated point-of-sale terminals.

DESCRIPTION OF ACTIVITIES

Products

262011- Laptops weighing not more than 10 kg; PDAs and similar devices
262012- Point-of-sale terminals, ATMs and similar machines capable of being connected to computers or networks
262013- Computers with at least a central processing unit and an input and output unit, whether or not combined
262014- Computers presented in the form of systems
262015- Other types of computers, whether or not containing in the same housing one or two of the following types of units: storage units, input units, output units
262016- Input or output units, whether or not containing storage units in the same housing
262017- Monitors and projectors used in IT
262018- Units performing two or more of the following functions: printing, scanning, copying, fax
262021- Storage units
262022- Permanent storage devices through semiconductors
262030- Other computer units
262040-Parts and accessories of computers
262000-Other products related to the manufacture of computer and peripheral equipment

Activities

- Computer components
- Electronic subsets
- Industrial automation
- Security devices for the banking sector
- Access and presence control systems

MAIN FIGURES

	2009	2010	%
Enterprises	296	-	-
Turnover (Million €)	1,281	882	-31.2%
Employment (Employees)	4,240	3,788	-10.7%
Investment (Million €)	76	45	-40.5%

Source : ONTSI

Table 113. Specifications - Manufacture of telecommunications equipment

CNAE 2009: 2630
Manufacture of telecommunications equipment

OBJECT

Manufacturers of telephone and data transmission equipment, used to transmit signals electronically through wires or through the air, like in the case of radio and TV broadcasting or wireless communication equipment.

DESCRIPTION OF ACTIVITIES

Products

263011-Transmission apparatus for radio-broadcasting or television, incorporating reception apparatus
263012-Transmission apparatus for radio-broadcasting or television, not incorporating reception apparatus
263013-Television cameras
263021-Line telephone sets with cordless handsets
263022-Mobile telephones or phones for wireless networks
263023- Other telephone sets and apparatus for transmission or reception of voice, images or other data, including apparatus for communication in a wired or wireless network, such as a local or wide area network
263030-Parts for other electrical apparatus for line telephony or line telegraphy
263040-Aerials and aerial reflectors of all kinds; parts suitable for use therewith; parts for radio and TV broadcasting devices and television cameras
263000-Other products related to the manufacture of telecommunication equipment

Activities

- Design and manufacture of telephones and multimedia sets
- Design and manufacture of telecommunications equipment and optic fibre cable
- Design, manufacture, installation and maintenance of rail security and signalling systems
- Design and manufacture of professional radio communication equipment
- Manufacture of TV and radio reception systems
- Design and manufacturing of data transmission equipment
- Manufacture of networking (switching L2-L3 and WIFI)

MAIN FIGURES

	2009	2010	%
Enterprises	176	-	-
Turnover (Million €)	3,278	2,510	-23.4%
Employment (Employees)	7,631	8,524	11.7%
Investment (Million €)	288	286	-0.8%

Source :ONTSI

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Table 114. Specifications - Manufacture of consumer electronics

CNAE 2009: 2640
Manufacture of consumer electronics

OBJECT

This subgroup comprises enterprises engaging in the manufacture of electronic audio and video home entertainment equipment, motor vehicles, PA systems and musical instrument amplifiers.

DESCRIPTION OF ACTIVITIES

Products

264011-Radio-broadcast receivers (except of a kind used in motor vehicles) capable of operating without an external source of power
264012-Radio-broadcast receivers only capable of being operated with an external source of power
264020-Television receivers, whether or not combined with radio-broadcast receivers or sound or video recording or reproducing apparatus
264031-Sound recording or reproducing apparatus (mp3, mp4 ...)
264032-Magnetic tape recorders and other sound recording apparatus
264033-Video camera recorders and other video recording or reproducing apparatus
267013-Digital cameras
264034-Monitors and projectors, not incorporating television reception apparatus and not principally used in IT
264041-Microphones and stands thereof
264042-Loudspeakers; headphones, earphones and combined microphone/speaker sets
264043-Audio-frequency electric amplifiers; electric sound amplifier sets
264044-Reception apparatus for radio-telephony or radio-telegraphy n.e.c.
264051-Parts and accessories of sound and video equipment
264052-Parts of radio receivers and transmitters
264060-Video game consoles (used with a television receiver or having a self-contained screen) and other games of skill or chance with an electronic display
264000-Other products related to the manufacture of consumer electronics

Activities

- Manufacture of radio apparatus
- Development, manufacture and commercialisation of audio equipment
- Design and manufacture of PA equipment and background sound products
- Manufacture of electric equipment and commercialisation of professional sound
- Manufacture of speakers
- Manufacture of recorded CDs and DVDs
- Development and innovative design and production of image and sound recording and transmission equipment

MAIN FIGURES

	2009	2010	%
Enterprises	88	-	-
Turnover (Million €)	200	205	2.8%
Employment (Employees)	1,305	1,329	1.8%
Investment (Million €)	66	87	31.2%

Source : ONTSI

Table 115. Specifications - Manufacture of magnetic and optical media

CNAE 2009: 2680
Manufacture of magnetic and optical media

OBJECT

This subsector comprises enterprises engaging in the manufacture of magnetic and optical recording media, unrecorded optical discs and hard drive media.

DESCRIPTION OF ACTIVITIES

Products

268011-Magnetic media, not recordable, except cards with a magnetic stripe
268012-Optical media, not recorded
268013-Other recording media, including matrices and masters for the production of disks
268014-Cards with a magnetic stripe
268000-Other products related to the manufacture of magnetic and optical media

Activities

- Manufacturing of discs

MAIN FIGURES

	2009	2010	%
Enterprises	9	-	-
Turnover (Million €)	20	19	-8.9%
Employment (Employees)	362	124	-65.8%
Investment (Million €)	10	26	160.1%

Source : ONTSI

Table 116. Specifications - Wholesale trade of computers, computer peripheral equipment and software

CNAE 2009: 4651
Wholesale trade of computers, computer peripheral equipment and software

OBJECT

It includes enterprises engaging in the wholesale trade of computers, peripheral equipment and computer software.

DESCRIPTION OF ACTIVITIES

Products

4651- Laptops weighing not more than 10 kg; PDAs and similar devices
4651- Point-of-sale terminals, ATMs and similar machines capable of being connected to computers or networks
4651- Computers with at least a central processing unit and an input and output unit, whether or not combined
4651- Computers presented in the form of systems
4651- Other types of computers, whether or not containing in the same housing one or two of the following types of units: storage units, input units, output units
4651- Input or output units, whether or not containing storage units in the same housing
4651- Monitors and projectors used in IT
4651- Units performing two or more of the following functions: printing, scanning, copying, fax
4651- Storage units
4651- Permanent storage devices through semiconductors
4651- Other computer units
4651-Parts and accessories of computers
4651-Other products related to the manufacture of computer and peripheral equipment

Activities

- IT wholesaler
- Sale, installation, repair and maintenance of IT equipment
- Commercialization of IT applications
- Distribution of IT security products
- Wholesale trade of machinery, equipment and office consumables
- Printing and copying equipment: sale, maintenance and repair
- Distribution of peripheral equipment
- Installation of networks
- Importation of digital boards, response and sound systems for education
- Wholesale trade of back-up and data recording machines
- Wholesale trade of office material
- Sale of IT material and consumables via the Internet

MAIN FIGURES

	2,009	2,010	%
Enterprises	1,960	-	-
Turnover (Million €)	10,026	9,858	-1.67%
Employment (Employees)	23,970	23,736	-0.98%
Investment (Million €)	520	501	-3.82%

Source : ONTSI

Table 117. Specifications - Wholesale trade of electronic and telecommunications equipment and their components

CNAE 2009: 4652
Wholesale trade of electronic and telecommunications equipment and their components

OBJECT

This subgroup comprises enterprises engaging in the wholesale trade of valve and electronic tubes, semiconductor devices, microchips, integrated circuits and printed circuits. It also includes wholesale traders of audio and video tapes, unrecorded magnetic and optical discs, telephone and communication equipment.

DESCRIPTION OF ACTIVITIES

Products

4652-Transmission apparatus for radio-broadcasting or television, incorporating reception apparatus
4652-Transmission apparatus for radio-broadcasting or television, not incorporating reception apparatus
4652-Television cameras
4652-Line telephone sets with cordless handsets
4652-Mobile telephones or phones for wireless networks
4652- Other telephone sets and apparatus for transmission or reception of voice, images or other data, including apparatus for communication in a wired or wireless network, such as a local or wide area network
4652-Parts for other electrical apparatus for line telephony or line telegraphy
4652-Aerials and aerial reflectors of all kinds; parts suitable for use therewith; parts for radio and TV broadcasting devices and television cameras
4652-Other products related to the manufacture of telecommunication equipment

Activities

- Wholesale trade of electronic and telecommunications equipment and their components
- Telecommunication Infrastructure
- Consumer electronics
- Wholesale trade of data network components
- Wholesale trade of network equipment and wiring
- Wholesale trade and technical support of switchboards
- Installation and maintenance of security and fire systems
- Purchase, sale, repair and maintenance of regulating and measuring instruments and installations
- Wholesale trade of electronic and measuring apparatus
- Commercialisation of control and signalling electronic equipment
- Wholesale trade of point of sale terminals
- Trade of photovoltaic plates
- Domotic installations
- Wholesale trade of electronic and mechanical apparatus, material and equipment
- Sale, distribution and repair of measuring and topographical equipment
- Distribution of industrial automation material

MAIN FIGURES

	2,009	2,010	%
Enterprises	1,072	-	-
Turnover (Million €)	5,887	6,398	8.68%
Employment (Employees)	11,418	11,698	2.45%
Investment (Million €)	271	315	16.36%

Source: ONTSI

Table 118. Specifications - Publishing of computer games

CNAE 2009: 5821
Publishing of computer games

OBJECT

Creation, production and publishing of videogames.

DESCRIPTION OF ACTIVITIES

Products

582110-Computer games, packaged
582120-Downloadable computer games
582130-Online games in social networks
582101-Online games accessible through a videoconsole
582102-Online games accessible through a PC
582103-Downloadable videoconsole games
582104-Videoconsole games, packaged
582105-Downloadable games for mobile devices
582106-Games for mobile devices in applications
582140-Licensing services for the right to use videogames
582100-Other products related to the publishing of videogames

Activities

- Creation, production and publishing of videogames
- Development of videogames for mobile devices
- Development of online games
- Distribution of entertainment software
- Development and distribution of videogames of educational nature

MAIN FIGURES

	2009	2010	%
Enterprises	71	-	-
Turnover (Million €)	317	127	-59.9%
Employment (Employees)	1,466	1,192	-18.7%
Investment (Million €)	123	79	-35.8%

Source: ONTSI

Table 119. Specifications - Publishing of other software

CNAE 2009: 5829
Publishing of other software

OBJECT

Publishing of standard software, including translation and adaptation to the target market. Publishing of customised software is not included.

DESCRIPTION OF ACTIVITIES

Products

582911-Operating systems, packaged
582912-Network software, packaged
582913-Database management software, packaged
582914-Development tools and programming languages software, packaged
582900-Other products related to the publishing of other software

Activities

- Publishing and commercialisation of standard software
- Creation and commercialisation of databases for data mining
- Development of tourism services based on new technologies

MAIN FIGURES

	2009	2010	%
Enterprises	141	-	-
Turnover (Million €)	58	53	-8.7%
Employment (Employees)	1,117	968	-13.3%
Investment (Million €)	21	18	-11.6%

Source: ONTSI

Table 120. Specifications - IT programming activities

CNAE 2009: 6201
IT programming activities

OBJECT

Personalisation of IT software and applications, databases and websites, writing of computer code and design of structure and content. It also includes activities like development of updates and patches for IT software and applications.

DESCRIPTION OF ACTIVITIES

Products

620111-IT design and development services for applications
620112-IT design and development services for networks and systems
620121-Computer games software originals
620129-Other software originals
620100-Other products related to IT programming activities

Activities

- IT programming activities
- Creation of web pages and portals
- Development of enterprise management software
- Development of IT software for the healthcare sector
- Development of IT software for clinical labs
- Development, sale and maintenance of management software for lawyer's and procurator's offices
- Development of labour, fiscal and accounting software
- Generation of databases
- Development of 3D viewing systems
- Development of ERP systems

MAIN FIGURES

	2009	2010	%
Enterprises	1,666	-	-
Turnover (Million €)	5,100	5,709	11.9%
Employment (Employees)	27,926	31,094	11.3%
Investment (Million €)	3,480	3,156	-9.3%

Source: ONTSI

Table 121. Specifications - IT consulting activities

CNAE 2009: 6202
IT consulting activities

OBJECT

Planning and design of computer systems, including IT equipment, software and ICTs. User training activities.

DESCRIPTION OF ACTIVITIES

Products

620210-Hardware consultancy services
620220-Systems and software consultancy services
620230-IT technical support services
620200-Other products related to IT consulting activities

Activities

- Consulting, planning and implementation of IT systems (IT equipment and programs)
- Design of global IT and communication solutions
- Development of IT, communication and networking solutions and projects.
- Consulting and auditing on data protection
- Telecommunications consulting and engineering services
- Counselling and implementation of technological solutions
- IT security consulting
- SAP and ERP based IT consulting

MAIN FIGURES

	2009	2010	%
Enterprises	3,579	-	-
Turnover (Million €)	9,820	9,969	1.5%
Employment (Employees)	98,878	101,438	2.6%
Investment (Million €)	1,572	1,607	2.2%

Source: ONTSI

Table 122. Specifications - IT resource management

CNAE 2009: 6203
IT resource management

OBJECT

IT system management and running, data processing, and other related support services.

DESCRIPTION OF ACTIVITIES

Products

620311-Network management services
620312-Computer system management services
620300-Other products related to IT resource management

Activities

- IT system management
- IT resource management
- IT server management

MAIN FIGURES

	2009	2010	%
Enterprises	1,105	-	-
Turnover (Million €)	542	595	9.8%
Employment (Employees)	3,774	3,788	0.4%
Investment (Million €)	30	80	166.6%

Source: ONTSI

Table 123. Specifications - Other services related to information technology and computing

CNAE 2009: 6209
Other services related to information technology and computing

OBJECT

It comprises other activities related to information technology and computing, not elsewhere classified.

DESCRIPTION OF ACTIVITIES

Products

620910-Installation services of computers and peripheral equipment
620920-Other information technology and computer services n.e.c.

Activities

- Microelectronics
- Counselling and provision of IT services to public bodies
- Telematic security
- Promotion of the Information Society
- Telematic engineering and consulting
- Software testing and checking
- Technology renting services
- Innovative solutions, provider-customer relations via the Internet.
- Distribution of geographic software and support
- Sale of IT material and IT services to enterprises
- IT and outsourcing services
- Industrial automation through programmable automata
- Online media monitoring
- Data teletransmission
- Telematic system administration
- Industrial IT and electronics
- Intermediation services for commerce, hotel and catering
- Document management and B.P.O
- Sale of projectors, digital boards, screens, (audiovisual installations)
- Trade of training manuals and electronic operation
- Public projects, educational material

MAIN FIGURES

	2009	2010	%
Enterprises	5,604	-	-
Turnover (Million €)	9,181	8,601	-6.3%
Employment (Employees)	82,126	80,013	-2.6%
Investment (Million €)	1,500	1,518	1.2%

Source : ONTSI

Table 124. Specifications - Data processing, hosting and related activities

CNAE 2009: 6311
Data processing, hosting and related activities

OBJECT

Provision of infrastructure for hosting and data processing services and related activities.

DESCRIPTION OF ACTIVITIES

Products

631111-Data processing services
631112-Web hosting services
631113-Application service provisioning
631119-Other hosting and IT infrastructure provisioning services
631121-Streamed video content
631122-Streamed audio content
631130-Advertising space or time in Internet
631100-Other products related to data processing, hosting and related activities

Activities

- Mortgage management, bank card printing and customisation
- Sale of online enterprises information
- Bank statement processing
- IT data recording and processing
- Technology Operation Centres management services
- Development of electronic databases
- Telecommunication services
- Data recording, digitisation and custody
- Internet domains register, hosting
- Documentation and library services
- Development of sectoral software and content
- Software analysis and programming (help desk assistance)
- Development and implementation of advanced solutions to send SMS
- Digitisation of historical documentation, creation of virtual libraries, development and maintenance of software, generation of metadata
- IT and telematic services
- Financial institutions data recording
- Analysis and study of data processes for third parties
- IT systems to assess damages in motor vehicles

MAIN FIGURES

	2009	2010	%
Enterprises	466	-	-
Turnover (Million €)	917	966	5.3%
Employment (Employees)	12,715	12,686	-0.2%
Investment (Million €)	205	205	0.2%

Source: ONTSI

Table 125. Specifications – Web portals

CNAE 2009: 6312
Web portals

OBJECT

Operation of websites using search engines, database maintenance and Internet portals.

DESCRIPTION OF ACTIVITIES

Products

631210-Web portal services
631201-Online advertising
631200-Other products related to web portals

Activities

- Banking information dissemination online
- Travel agencies online
- University web portals
- Real estate portals
- Sale of content for mobile devices from a webpage
- Sale of leisure and entertainment activities on the Internet
- Vacation rental web portals
- Online loan platforms
- Employment portals
- Leisure and entertainment deals online
- Publishing of classified advertisements online
- Online advertising

MAIN FIGURES

	2009	2010	%
Enterprises	97	-	-
Turnover (Million €)	447	569	27.3%
Employment (Employees)	3,231	3,072	-4.9%
Investment (Million €)	112	70	-37.7%

Source: ONTSI

Table 126. Specifications - Repair of computers and peripheral equipment

CNAE 2009: 9511
Repair of computers and peripheral equipment

OBJECT

Repair and maintenance of electronic and IT equipment.

DESCRIPTION OF ACTIVITIES

Products

951110-Repair services of computers and peripheral equipment
951100-Other products related to the repair of computer and peripheral equipment

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Activities

- Trade and repair of office machines
- Repair of IT and TV equipment
- Sale and repair of graphic peripheral equipment and sale of consumables
- Study, development and start-up of IT and telecommunication projects Maintenance of equipment and installations
- IT maintenance for enterprises
- Maintenance and sale of IT material
- Repair and installation of computers and peripheral equipment
- Repair of laptop computers
- IT services (IT material supply, installation and maintenance/repair)
- Hardware manufacture and repair
- Sale of IT installations
- IT technical support services
- IT services – Hardware
- Trade and installation of computers and network systems
- Computer data recovery
- Projects and maintenance
- Maintenance of IT systems

MAIN FIGURES

	2009	2010	%
Enterprises	750	-	-
Turnover (Million €)	783	777	-0.8%
Employment (Employees)	9,201	7,932	-13.8%
Investment (Million €)	84	111	33.1%

Source: ONTSI

Table 127. Specifications - Repair of communication equipment

CNAE 2009: 9512
Repair of communications equipment

OBJECT

Repair and maintenance of communication equipment.

DESCRIPTION OF ACTIVITIES

Products

951210-Repair services of communication equipment
951200-Other products related to the repair of communication equipment

Activities

- Sale and repair of Ricoh copiers
- Installation and maintenance of telecommunication equipment
- ICT services
- Naval electronics
- Air conditioning technical services
- Telecommunications
- Repair of communications equipment
- Sale and repair of telephones
- Repair of home electronics
- Repair of mobiles

MAIN FIGURES

	2009	2010	%
Enterprises	79	-	-
Turnover (Million €)	62	55	-10.7%
Employment (Employees)	1,105	1,123	1.7%
Investment (Million €)	7	17	132.9%

Source: ONTSI

Table 128. Specifications - Publishing of books

CNAE 2009: 5811
Publishing of books

OBJECT

Enterprises dedicated to book publishing, in paper, digital or audio format.

DESCRIPTION OF ACTIVITIES

Products

581111-Printed educational textbooks
581112-Printed professional, technical and scholarly books
581113-Printed children books
581114-Printed dictionaries and encyclopaedias
581115-Printed atlases and other books with maps
581116-Printed maps and hydrographic or similar charts, other than in book form
581119-Other printed books, brochures, leaflets and the like
581120-Books on disk, tape or other physical media
581130-Digital books
581141-Advertising space in books, printed
581142-Advertising space in books, electronic
581150-Publishing of books on a fee or contract basis
581160-Licensing services for books
581100-Other products related to the publishing of books

Activities

- Publishing of books
- Publishing services
- Wholesale and retail commercialisation and distribution of books
- Book binding, graphic arts and book printing
- Multimedia editions
- Interactive books in CD and DVD
- Digital books
- Publishing of medicine, architecture, science and children books, as well as atlas, maps, plans, dictionaries, and textbooks
- Fascicles and collectibles

MAIN FIGURES

	2009	2010	%
Enterprises	1,371	-	-
Turnover (Million €)	3,080	2,735	-11.2%
Employment (Employees)	17,907	16,147	-9.8%
Investment (Million €)	730	629	-13.9%

Source : ONTSI

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Table 129. Specifications - Publishing of directories and postal address guides

CNAE 2009: 5812
Publishing of directories and postal address guides

OBJECT

Publishing of directories and postal address guides, with protected format but unprotected content. It includes both paper and digital publishing.

DESCRIPTION OF ACTIVITIES

Products

581220-Books on disk, tape or other physical media
581201-Directories and guides on the Internet
581200-Other products related to the publishing of directories and postal address guides

Activities

- Publishing of postal address guides
- Publishing of telephone guides
- Publishing of other types of directories and compilations on jurisprudence, pharmacy, etc. or vademecum.
- Directories and guides on the Internet
- Technical manuals and other services related to technical documentation

MAIN FIGURES

	2009	2010	%
Enterprises	24	-	-
Turnover (Million €)	10	13	28.5%
Employment (Employees)	167	209	25.4%
Investment (Million €)	3	4	42.6%

Source: ONTSI

Table 130. Specifications - Publishing of newspapers

GOBIERNO DE ESPAÑA | MINISTERIO DE INDUSTRIA, TURISMO Y COMERCIO

CNAE 2009: 5813
Publishing of newspapers

OBJECT

Enterprises dedicated to newspaper publishing, both in paper and digital format, with a minimum frequency of 4 times per week.

DESCRIPTION OF ACTIVITIES

Products

581310-Printed newspapers
581320-Online newspapers (subscriptions)
581331-Advertising space in newspapers, printed
581332-Advertising space in newspapers, electronic
581300-Other products related to the publishing of newspapers

Activities

- Newspaper publishing, both in paper and digital format
- Wholesale and retail commercialisation and distribution of newspapers
- Publishing of daily press
- Publishing of economic journals
- Publishing of non-daily press (free press)
- Online newspapers (subscriptions)
- Advertising space in newspapers, both printed and electronic
- Publishing, printing, distribution and sale of publications of all kinds

MAIN FIGURES

	2009	2010	%
Enterprises	838	-	-
Turnover (Million €)	2,677	2,639	-1.4%
Employment (Employees)	19,448	15,186	-21.9%
Investment (Million €)	442	879	98.6%

Source: ONTSI

Table 131. Specifications - Publishing of magazines

CNAE 2009: 5814
Publishing of magazines

OBJECT

Enterprises dedicated to publishing of newspapers and other periodical publications, both in paper and digital format, with a minimum frequency of 4 times per week. It includes radio and TV programme publishing activities.

DESCRIPTION OF ACTIVITIES

Products

581411-Printed general interest journals and periodicals
581412-Printed business, professional and academic journals and periodicals
581419-Other printed journals and periodicals
581420-Online journals and periodicals (subscriptions)
581431-Advertising space in journals and periodicals, printed
581432-Advertising space in journals and periodicals, electronic
581440-Licensing services for journals and periodicals
581400-Other products related to the publishing of journals and periodicals

Activities

- Publishing of magazines
- Publishing and distribution of magazines
- Publishing of own and others' products (magazines, bulletins, etc.)
- Publishing of sectoral journals and periodicals: architecture, fashion, home, cars, etc.
- Publishing of printed or electronic magazines with advertisements
- Publishing of newspaper supplements
- Licensing services for magazines, journals and periodicals

MAIN FIGURES

	2009	2010	%
Enterprises	716	-	-
Turnover (Million €)	954	1,076	12.8%
Employment (Employees)	4,269	5,418	26.9%
Investment (Million €)	124	128	3.5%

Source: ONTSI

Table 132. Specifications - Other publishing activities

CNAE 2009: 5819
Other publishing activities

OBJECT

It comprises enterprises engaging in publishing activities that are not classified elsewhere.

DESCRIPTION OF ACTIVITIES

Products

581911-Printed postcards, cards bearing greetings and the like
581912-Printed pictures, designs and photographs
581913-Printed transfers (decalcomanias), calendars
581914-Printed unused postage, revenue or similar stamps; stamp-impressed paper; cheque forms; banknotes, stock, share or bond certificates and similar documents of title
581915-Printed trade advertising material, commercial catalogues and the like
581919-Other printed matter
581921-Online adult content
581929-Other on-line content n.e.c.
581930-Licensing services for other printed matter
581901-Online publishing of advertising matter
581900-Other products related to publishing activities

Activities

- Creation of advertising leaflets
- Other products related to publishing activities
- Outsourcing of letter, envelope, poster printing
- R&D services
- Medical and pharmaceutical publications
- Digital information on bullfighting
- Book distribution platform in the cloud
- Licensing services for books
- Translation services

MAIN FIGURES

	2009	2010	%
Enterprises	870	-	-
Turnover (Million €)	807	735	-8.9%
Employment (Employees)	3,932	3,739	-4.9%
Investment (Million €)	219	358	63.2%

Source: ONTSI

Table 133. Specifications - Cinematographic, video and television post-production activities

CNAE 2009: 5912
Cinematographic, video and television post-production activities

OBJECT

It comprises all the activities related to motion picture post-production, like edition of texts, subtitles and credits, computer-generated graphics, special effect animations, developing and lab activities.

DESCRIPTION OF ACTIVITIES

Products

591211-Audio-visual editing services
591212-Transfers and duplication of masters services
591213-Colour correction and digital restoration services
591214-Visual effects services
591215-Animartion services
591216-Captioning, titling and subtitling services
591217-Sound editing and design services
591219-Other motion picture, video and television programme post-production services
591200-Other products related to motion picture, video and television programme post-production

Activities

- Video lab
- Dubbing and addition of soundtracks for TV and cinema
- Motion picture, video and television post-production
- Show activities
- Editing, mounting, composition, effects, design and gathering of audiovisual material
- Wholesale or retail trade of DVDs
- Development of real-time IT applications for cinema and TV
- Creation of TV advertisements (spots)
- Distribution of motion pictures in CD, DVD or any other media
- Broadcast of pay-TV channels

MAIN FIGURES

	2009	2010	%
Enterprises	1,070	-	-
Turnover (Million €)	1,190	1,045	-12.2%
Employment (Employees)	9,892	7,724	-21.9%
Investment (Million €)	469	577	23.1%

Source: ONTSI

Table 134. Specifications - Motion picture projection

GOBIERNO DE ESPAÑA | MINISTERIO DE INDUSTRIA, TURISMO Y COMERCIO

CNAE 2009: 5914
Motion picture projection

OBJECT

Projection of motion pictures or videos in cinemas, the outdoor or other projection rooms.

DESCRIPTION OF ACTIVITIES

Products

591410-Motion picture projection services
591400-Other products related to motion picture projection

Activities

- Projection of motion pictures or videos in projection rooms or the outdoor.

MAIN FIGURES

	2009	2010	%
Enterprises	353	-	-
Turnover (Million €)	706	639	-9.5%
Employment (Employees)	7,400	7,447	0.6%
Investment (Million €)	583	382	-34.4%

Source: ONTSI

Table 135. Specifications - Film and video production activities

GOBIERNO DE ESPAÑA | MINISTERIO DE INDUSTRIA, TURISMO Y COMERCIO

CNAE 2009: 5915
Film and video production activities

OBJECT

This subgroup comprises enterprises engaging in the production of motion pictures and videos, as well as TV films.

DESCRIPTION OF ACTIVITIES

Products

591511-Motion picture services
591512-Motion picture and advertising video production services
591521-Cinema and video originals
591522-Motion pictures for cinema
591523-Motion pictures or other video content on disk, tape or other physical media
591524-Downloadable motion pictures or other video content
591530-Sale of cinema, video and TV advertising space and time
591500-Other products related to motion picture and video production

Activities

- Motion picture and video production
- TV film production
- Digital video and photo production
- Production of audiovisual TV programmes on the Internet
- Production of publicity spots
- Cinema and animation series production

MAIN FIGURES

	2009	2010	%
Enterprises	1,209	-	-
Turnover (Million €)	599	581	-3.1%
Employment (Employees)	3,245	3,982	22.7%
Investment (Million €)	327	187	-43.0%

Source: ONTSI

Table 136. Specifications – TV programme production activities

CNAE 2009: 5916 Television programme production activities
OBJECT

This subgroup comprises enterprises engaging in the production of TV programmes (documentaries, series, etc.) and publicity spots for TV.

DESCRIPTION OF ACTIVITIES

Products

591601-Television programme originals
591613-Other TV programme production services
591630-Sale of cinema, video and TV advertising space and time
591600-Other products related to TV programme production

Activities

- Production of TV programmes (documentaries, series, etc.)
- Sale of advertising space or time in TV products
- Production of audiovisual content and license management

MAIN FIGURES

	2009	2010	%
Enterprises	170	-	-
Turnover (Million €)	282	422	50.1%
Employment (Employees)	2,907	2,636	-9.3%
Investment (Million €)	61	60	-1.6%

Source: ONTSI

Table 137. Specifications - Film and video distribution activities

CNAE 2009: 5917
Film and video distribution activities

OBJECT

This subgroup comprises enterprises engaging in the distribution of motion pictures to projection rooms, TV channels and networks, and exhibition enterprises. It also includes activities like the purchase of distribution rights.

DESCRIPTION OF ACTIVITIES

Products

591711-Licensing services for film rights and their revenues
591701-Motion pictures shown on pay-per-view
591702-Distribution of videos on demand (VoD)
591703-Distribution of streamed videos
591704-Distribution of videos (streaming)
591712-Other cinema programme/video distribution services
591700-Other products related to motion picture and video distribution

Activities

- Motion picture and video distribution
- Distribution of audiovisual rights
- Wholesale or retail trade of audiovisual material (DVDs)
- Development of applications for digital distribution of audiovisual content
- Distribution and replication of recorded media
- Digital video platform

MAIN FIGURES

	2009	2010	%
Enterprises	372	-	-
Turnover (Million €)	728	591	-18.8%
Employment (Employees)	3,648	1,882	-48.4%
Investment (Million €)	454	299	-34.0%

Source: ONTSI

Table 138. Specifications – TV programme distribution activities

CNAE 2009: 5918
Television programme distribution activities

OBJECT

It comprises enterprises focused on the distribution of TV programmes to TV channels and networks.

DESCRIPTION OF ACTIVITIES

Products

591801-Other TV programme distribution services
591800-Other products related to TV programme distribution

Activities

- Distribution of TV programmes to TV channels and networks
- Commercialisation of DTT channels and channel operation

MAIN FIGURES

	2009	2010	%
Enterprises	18	-	-
Turnover (Million €)	9	8	-5.9%
Employment (Employees)	63	35	-44.4%
Investment (Million €)	3	1	-72.8%

Source: ONTSI

Table 139. Specifications – Sound Recording and Music Edition Activities

CNAE 2009: 5920
Sound Recording and Music Edition Activities

OBJECT

It comprises enterprises engaging in original sound or music recording, and publishing, promotion and distribution of recordings to wholesalers, retailers or the final audience. Additionally, it includes studio or other location recording, and production of recorded radio programmes.
And also, purchase and registration of property rights, and promotion, authorisation and use of the products on TV, radio, cinema, live shows, etc.

DESCRIPTION OF ACTIVITIES

Products

592011-Sound recording services
592012-Live recording services
592013-Sound recording originals
592021-Radio programme production services
592022-Radio programme originals
592031-Printed scores
592032-Electronic scores
592033-Musical audio disks, tapes or other physical media
592034-Other audio disks and tapes
592035-Music downloads (pay)
592001-Music downloads (subscriptions)
592002-Music for mobiles
592003-Streamed music online
592040-Licensing services for the right to use acoustic originals
592000-Other products related to sound recording and music edition activities

Activities

- Music publishing
- Sound Recording and Music Edition Activities
- Management of property rights of music composers.
- Commercialisation of sound recordings
- Production and sale of phonograms
- Music broadcasting
- Online radio
- Commercial use of music
- Optical disc duplication
- Multimedia services, advertising and shows

MAIN FIGURES

	2009	2010	%
Enterprises	576	-	-
Turnover (Million €)	402	370	-7.8%
Employment (Employees)	1,670	2,024	21.2%
Investment (Million €)	149	111	-26.0%

Source: ONTSI

Table 140. Specifications – News agency activities

CNAE 2009: 6391
News agency activities

OBJECT

It comprises enterprises like consortiums or news agencies that provide materials such as news, photos and articles to the media.

DESCRIPTION OF ACTIVITIES

Products

639111-News agency services to newspapers and periodicals
639112-News agency services to audio-visual media
639100-Other products related to news agencies

Activities

- News agency
- Audiovisual production and communication
- Photography

MAIN FIGURES

	2009	2010	%
Enterprises	99	-	-
Turnover (Million €)	177	180	1.9%
Employment (Employees)	2,406	2,583	7.3%
Investment (Million €)	32	26	-18.6%

Source: ONTSI

Table 141. Specifications – Other Information Services

CNAE 2009: 6399
Other Information Services

OBJECT

This subgroup includes other information services activities not classified elsewhere, like computer-assisted call centre services, information searches by third parties, or news briefings.

DESCRIPTION OF ACTIVITIES

Products

639910-Information services n.e.c.
639900-Other products related to information services

Activities

- Development of tourism services based on new technologies
- Information searches and creation of alerts and newsletters
- Library and archive services
- Information management
- Provision of services like telephone calls to credit institutions and development and execution of certain administrative tasks such as incident management and alike

MAIN FIGURES

	2009	2010	%
Enterprises	310	-	-
Turnover (Million €)	74	116	57.5%
Employment (Employees)	597	884	48.0%
Investment (Million €)	32	17	-48.2%

Source: ONTSI

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Table 142. Specifications – Other telecommunications

CNAE 2009: 6100
Other telecommunications

OBJECT

They also include enterprises dedicated to installation, resale of network capacity, telecom system integration consulting, and provision of telephone/Internet services in public facilities, that are not included in the census of operators of the CMT.

DESCRIPTION OF ACTIVITIES

Activities

- Telephone and Internet cafés
- Installers and resellers

MAIN FIGURES

	2009	2010	%
Enterprises	1,485	-	-
Turnover (Million €)	4,557	3,901	-14.4%
Employment (Employees)	12,964	13,815	6.6%
Investment (Million €)	179	308	72.4%

Source: ONTSI

ÍNDICE DE TABLAS

ÍNDICE DE ILUSTRACIONES

Figure 38. Functional distribution of purchases - ICT Manufacturing. Year 2010 (% / total) 69