



*The Process:
The Publishing
Decision*

Traditional or Non-Traditional Publishing

One of the choices you should make early in the process is whether you'll utilize traditional publishing (a publishing house publishes your work) or self-publishing (you publish your work). The rewards can be very different. The amount of learning, work, time and effort you are willing to put into this project will determine the direction you take.

For many new authors, self-publishing is the only way to make their work available for distribution. Review the information on both options and choose the option that best works for you.

Technology has changed a lot of things in the publishing industry, not to mention just about every other industry you can imagine. Not only is it easier for an entrepreneur to start a book publishing company but the costs of printing a small number of books has come down dramatically, allowing authors to avoid the prohibitive minimums that used to characterize the book printing business.

With these recent developments in mind, let's review the primary ways of getting a book published in the modern world.

The Traditional Way

The first way of getting a book published is the path that has existed for years and years. There are a number of huge publishing houses including Penguin, Random House and McGraw Hill that can do the job. But these industry elephants only work with proven authors and generally require you have a literary agent before they'll even review the proposal. Of course, the upside is that these publishing giants are well respected, leaving you with better credibility and preferential shelf space within the major retailers.

When you choose traditional publishing, the publisher controls the process. They decide if they will publish the book, when it will be published, and what it will look like. The publisher may even have control of the title and the final edit of the book. The publisher is also responsible for all of the costs associated with printing and distributing your book. This option involves the author submitting book proposals or full manuscripts to commercial publishing houses in hope of acceptance.

Once a manuscript is accepted by a publishing house (the vast majority are not accepted) a contract is signed between the author and the publishing house. This kicks-off a time-consuming and often complex process involving printers, shippers, wholesalers, distributors, marketers, and finally, booksellers, all managed on the author's behalf by the publishing house.

Typically, it takes anywhere from 18 to 24 months from the time the author finishes a book manuscript, until the actual book gets onto the bookshelves.

As the author, you receive a royalty on each book sold, and may receive an advance against those royalties when the book is accepted by the publisher. Although the publisher may do some marketing of the book, most authors find that they must actively promote their books (often at their own expense) in order to make sales.

Traditional publishing is best if you don't want to invest in publishing your book, and are willing to be paid a percentage of the book's sales.

There is prestige in being published by a major book publisher. If you choose the traditional publisher option, the best you can hope to receive for your book is a royalty somewhere between 6% and 10% of the "net". The "net" is the amount the publisher receives AFTER discounting to retailers.

Example: cover price = \$30; discount to large retail chain = \$15 (i.e. 50%). Your cut would be somewhere between \$0.90 and \$1.50 per sale. So, for selling 3,000 copies (a very good sales figure) you would receive a grand total of somewhere between \$2,700 and \$4,500!

Smaller Independent Publishers

The second strategy is to use a smaller independent publisher (Indie). There are more and more of these popping up everyday and they tend to specialize in one genre or another. Of course, there's a wide variety of publishers within this category - some very small and others quite well established - but they all generally have full distribution channels in place, allowing your book to reach the same shelves as the big boys. Proposals are sent directly to the Acquisitions Editor for consideration and literary agents are optional.

Keep your eyes peeled for unusual publisher names in the bookstore. There are some independent presses that are marketed in mainstream bookstores. Look online for recommended independent presses. Reviews, discussion boards and other literary websites can direct you to excellent indies.

Read literary journals and look for independent book publishers' ads. Visit an independent book store. Indie sellers are more likely to embrace indie presses. Even if an independent bookstore doesn't

stock an independent book publisher's work, they can probably special order items of interest.

Self-Publishing Option

The last strategy is by far the most common: self-publishing. Self-publishing means that the author takes on responsibility (financial and otherwise) for all aspects of producing the book. Some or all of these tasks may be delegated to others, such as designers and editors, or you may hire a book coach to shepherd you through the process. The author / publisher retains full control of the book, and also bears the financial risks and rewards of publishing.

Self-publishing is the best choice when you want to keep control of your book and decide what it will look like, how it will be priced, when it will be published, etc. You take all the financial risk of publishing, and that means the potential for greater financial rewards. Self-publishing can also be the best choice if timeliness is an issue. A self-published book can be in your hands months (or possibly even weeks) after you complete the manuscript. Traditional publishing can sometimes take years.

If you choose the self-publishing option your main distributor will pay you somewhere around 45% of the cover price of your book. Using our \$30 cover price example; that works out to \$13.50 per sale that goes to you under this scenario. Then you have to deduct your costs which include: printing the book, overhead and marketing, publicity and advertising expenses.

Example: cover price = \$30; distributor payment to you at 45% of cover = \$13.50, before expenses. Deduct: printing costs - \$3.50;

overheads - \$1.00; marketing, advertising, publicity - \$1.00 =
(\$13.50-\$5.50) = \$8.00 per book sale. So, for selling 3,000 copies you
would make only \$24,000.

And don't forget, this option involves your ongoing direct personal
time and effort involvement. Though you may not have a staff, you
undertake to run a small business when you become a self-publisher.
You'll have to supervise an editor, a designer, a printer, wholesalers,
retailers, reviewers and more. Deciding if self-publishing is for you
could be determined by your answers to the following questions:

1. Recognizing that your concerns will be low priority for them and
that their operations are not 100% efficient, will you get
steamed or sympathetic?
2. Can your definition of control include understanding the
problems of your editor, designer, printer, etc., so you can help
solve them?

Subsidy / Print-on-Demand (POD) Option

Subsidy, print-on-demand (POD) or vanity publishing is often wrongly
called self-publishing. These publishers include iUniverse, Xlibris and
Author House. In subsidy publishing, you send your manuscript to the
publisher, they produce the books and you pay for them.

Subsidy publishing has generated lots of fraud and abuse of authors
over the years; however, there are now several legitimate companies
that do subsidy publishing for a reasonable price. The subsidy
publisher sets the price, handles distribution, and pays royalties on
sales. Authors may receive a small number of books as part of their

contract, and may purchase additional copies at a discount from the retail price.

Subsidy publishing can be the best choice when you are not interested in making a profit from your book (e.g., family genealogies, or a memoir you want to see in print or give to friends and family but do not want to actively market). Cover prices of subsidy published books are often too high to be competitive, mostly because of the production method used where books are literally printed as they are ordered. The typical subsidy published book sells fewer than 100 copies.

Printing minimum order quantities has come down dramatically in recent years. Therefore, authors can quickly and easily print a few copies of their new book and risk less money than ever before. Obviously, this virtually eliminates one of the major barriers to entry and an estimated 90% of all books being published today are self-published.

The clear upside is that nobody can reject your proposal. If you want to write it and print it, go right ahead. In many cases, the printing houses you would use to get the book put on paper have respectable distribution channels in place as well, meaning your book could theoretically reach the same shelves as those published by larger publishing companies. The downside is a lower degree of credibility but for many, that's a small price to pay for their dream to get realized.

Online Publishing Option

Over the past couple of years a new publishing option has evolved that eliminates ALL of the negative aspects of the traditional publishing model and adds a number of additional benefits. It's called the "Online

Publishing Option”.

This is a combination of online digital download delivery and print-on-demand (POD) hard copy publishing that sidesteps almost all of the pitfalls of the traditional book publishing model. It offers small-time authors / publishers an excellent alternative that will give them more control, and will increase their sales and profits by using little known online channels when publishing their books / ebooks.

The important thing to remember is that regardless of the publishing method you choose, the majority of the marketing effort is left to the author. Even with the industry majors, it's the author's job to promote and sell his or her book. So, if you have ambitions to publish your own book, sit down and think about how you're going to sell it. If you have an answer to that question, you have a much better chance of getting accepted by the big boys.

Ship and Wait to Get Paid

Typically, you will have to wait between 90 and 120 days after an actual book sale before you will receive your payment for that sale. How does the publishing industry get away with such an archaic practice in the 21st Century?

In normal business the standard wait for payment is usually 30 days, sometimes as much as 60 days; but 90 to 120 days to pay a poor struggling author? In the publishing business, this kind of payment delay is the norm, whether you go through a commercial publisher or if you're a self-publisher.

Oh, Don't Forget About Book "Returns"

A trademark feature of the conventional book publishing industry is the way in which it deals with "returns". In almost all cases -- publishers, distributors, wholesalers and retailers -- they maintain the right to return unsold books to you, the author, for a 100% refund, even many months later!

Example: Say you sell 200 copies of your book to a particular retail chain through your publisher (commercial publisher model) or through your distributor (self-publisher model). Then, let's say that after five months, various stores in that retail chain find that 45 unsold copies of your book are still on their shelves. The retailer would simply send those books back to your publisher or distributor for a 100% refund. That company would then routinely pay that retail chain a 100% refund for each book returned and in-turn, would deduct that total amount from your account!

There is absolutely NO incentive for bookstores or publishers / distributors to make any extra effort whatsoever to move your book off their shelves since they know you will provide a 100% rebate for all "returns" in any case.

One More Thing – The Withholds

And just to add insult to injury, many publishers and distributors will also withhold funds from your regular royalty payments (20% or more) as insurance to cover the costs of possible future returns.

So, not only do you get paid 90 to 120 days late, you will NOT receive

the full amount to which you are entitled. This is because your publisher / distributor hedges against the possibility of eventual returns of unsold and/or damaged books months down the line.

Bottomline

So, as you can see, from an author's point of view, the traditional publishing method is a highly dysfunctional, badly flawed business model, that wouldn't survive in most industries.

The system is so stacked against the average author, I'm surprised some people actually try to eke out an ongoing living in the industry. I guess they are hoping against the odds that they will one day get lucky and pen a mega best-seller.