

***Self-Publishing Tools,
Tips, and Techniques***

Self-Publishing Tools, Tips, and Techniques

David Dvorkin



DLD Books
www.dldbooks.com

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ISBN: 1977993788

ISBN-13: 978-1977993786

Dedication

To Leonore,
partner in everything

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Introduction

This book started as a blog post. It soon grew too big for that, so I thought I'd add it to the essays section of my Web site. It kept growing. I thought I could publish it as a short e-book, possibly a free one. Eventually, it became too big and complex even for that. It became this book.

In a way, that's self-publishing in a nutshell: You write what you want, when you want, and at whatever length you want. Those are the determining factors, instead of what publishing companies are currently buying.

Like a lot of other writers, I first ventured into self-publishing by reissuing older books of mine that were first published by traditional publishers and had gone out of print. That was before e-books, so those books had been published only in print editions. That made it fairly easy for me to get the rights back from the original publishers, because being out of print was the usual standard for a publisher's returning a book's rights to the author. Nowadays, traditional publishers put books out in both print and e-book formats, and many of them use the continued existence of the e-book edition, which potentially will exist in perpetuity because it's just a file on a hard drive, to argue that the book is still in print, and therefore the publisher is not required to return the rights.

In 2009, I read about some well-known science fiction authors who were self-publishing their backlist (i.e., their

previously published novels) as e-books on a new Web site called Smashwords. I think the first one who announced this was Ursula K. Le Guin; as I remember, she urged other writers to do the same.

She and others who used Smashwords in those early days could be confident that their older books would sell well in their new e-book versions. For that matter, new books self-published by those authors would surely also sell well. A hugely popular author no longer needs traditional publishers; the fan base already exists and is eager for the author's new books. Stephen King, for example, could switch completely to self-publishing and probably make more money than he does now via traditional publishing. He might sell fewer copies of each new book, but the royalties are higher for self-published books, and that would more than make up for the difference. (And if he doesn't already know how to self-publish, he could buy this book!)

I was certainly not in the position of Ursula Le Guin, let alone Stephen King. An old book of mine reissued as a self-published e-book would not be likely to sell a large number of copies. But here's the important point, for me and for any other published author in a similar position: If you're not currently selling very large numbers of copies of your new books, then no publisher—certainly no large publisher—will be interested in reissuing your old books. And those old books are certainly not going to sell any copies if they exist only in the form of files on your hard drive. So what did I have to lose by self-publishing my old books on Smashwords?

Actually, in many cases, what I had to lose was a lot of time. My newer books existed as Word files on my hard drive, but my older ones exist only in the form of printed books and typed pages. Those have to be scanned, and then proofread for the inevitable errors introduced by the OCR—Optical Character Recognition—software. It's time-consuming and tedious work,

but I consider it worthwhile. The end product is a reissued book that sells a few copies from time to time—which is more than it could do when it existed only in the form of an old, printed book or a stack of typed pages.

I began reissuing both my old books and my wife's as e-books in 2010. Later, I added print editions. It's been a learning process. I'm no longer satisfied with the appearance of the first books I did, although at the time I thought they looked fine. The process itself, which seemed cumbersome and strange at first, is easier now that I've become accustomed to navigating the online bookselling sites and have learned their quirks.

A few years ago, due to experiences that might make moderately interesting reading but don't belong here, I grew so disenchanted with traditional publishing that I decided that I would self-publish all of my future new books.

Unexpectedly, a business grew out of this. Thanks to word of mouth, a number of writers asked my wife, Leonore, and me to edit their books and help them self-publish the result—to do for their books what we had been doing for our own. (For details, please see <http://www.dldbooks.com>)

As of autumn 2017, we had edited, formatted, and published almost 50 books for clients. I've formatted and published another dozen or so client books; in some of those cases, the books had been previously traditionally published and therefore didn't require further editing.¹

Apart from this work for clients, we've reissued a dozen of our own books that were previously traditionally published, and since 2010, we've self-published an additional 11 books of our own that had not been published before.

When I began this self-publishing adventure, I felt a bit awkward and uncertain. That changed quickly. The process kept getting easier, and it was clear to me that almost anyone could do a competent job of self-publishing with some help and advice. At the same time, as self-publishing grew in popularity,

the number of companies and individuals offering to do the most basic part of the work for authors kept growing, and my impression that many of them were insincere quick-buck artists also kept growing.

That's when I decided to do a blog post giving some advice about doing the job yourself or finding honest, competent people to do the work for you. I soon realized that a few vague instructions or guidelines would be not a help but a disservice. Much more was required. And so the blog post became a book.

In May 2016, I gave a talk about self-publishing to the Boulder Writers Alliance, a professional organization for technical writers, marketing writers, and other communications professionals in Colorado. My slide show was in effect the outline for this book, as it was at that stage.² There was great audience enthusiasm, and I foolishly announced that the book would be published sometime that summer.

One of the great advantages of self-publishing is the lack of a contract deadline hanging over you and the absence of an editor nagging you about how little progress you're making. One of the great drawbacks of self-publishing is the lack of a contract deadline hanging over you and the absence of an editor nagging you about how little progress you're making.

I had been aware of the advantage from the beginning. Now I became aware of the drawback.

The blog post had grown into a book. Now the book kept adding new sections and even appendices, and the publication date kept receding into the future. Who is in control, the writer or the book? That's always a question facing the writer, and after decades of writing books, I still don't know the answer.

* * * * *

Self-publishing is a learning process. Despite having issued

or reissued so many books, I find that I'm still learning better ways of doing it; I'm getting faster and more efficient at the process, and the appearance of the results keeps improving. When you first start self-publishing, or even when you read later chapters in this book describing the details of the process, the task may seem formidably complex. Don't be discouraged. You'll be surprised at how much easier it gets each time you do it. Moreover, your first books are not set in stone. As your skills grow, you can redo those first books so that they'll look as good as your later ones.

This is true of writing itself, isn't it? The first book is the hardest one to write. Despite the excitement associated with the task, the details can be daunting. How to structure the book, how to handle characters, dialog, plot details, etc.—it can seem so daunting that many writers give up partway through the first book and never try again. But if you persist to the end, then the next book is easier, and the one after that is easier still. Eventually, writing books is simply something you do. I promise you that you'll experience the same growing ease, comfort, and self-confidence with the process of self-publishing your books.

The same applies to the three online publishing sites I discuss in this book. Their user interfaces are less than intuitive, and at first, you may find them confusing and awkward. It will get easier with each book. The descriptions in this book of the procedural details regarding setting up your accounts on the three sites and uploading your books to them will make the process much less confusing the first time you go through it.

Even if you decide, after trying to do it yourself or simply after reading this book, that it would be best to pay someone like us to do the work for you, I hope that the information given here will help you choose well. There are a lot of individuals and companies advertising self-publishing services, but many of them are out to make a profit rather than truly help authors. Others are sincere but lack the required skills and experience.

The information in this book should enable you to judge the competence of the people offering to do the work for you.

If you do decide to pay someone else for editing, formatting, e-book conversion, etc., and if that person is both honest and competent, this book will give you a fairly complete understanding of the work that person is doing, what you're being charged for—and, perhaps, why it's taking so long.

Finally, you might be surprised at the number of strongly expressed opinions in this book, particularly in the opening and closing chapters. Perhaps I should have titled it *Self-Publishing Tools, Tips, Techniques, and a Tirade or Two*. But you see, that's one of the great advantages to self-publishing: My editor and publisher are very accommodating of my quirks and opinions and agree with them, because my editor and publisher happen to be me.

* * * * *

As you'll see in Chapter Two, specifically in the two sections *Setting Up Your Accounts* on page 79 and *IRS Information* on page 81, before your book can be published, accounts have to be created on the publishing sites, and you have to provide the sites with a considerable amount of sensitive banking and tax information. If you hire someone to self-publish your book for you, and if you ask that person to set up the online accounts for you, you'll have to provide him or her with all of that information. You'll also have to pay for the time required to create the accounts. A much better idea is for you to use the information in the two sections referred to above and handle both the account creation and entering of sensitive information yourself. That's far less complex than editing, formatting, and converting your book. By doing that part of the job yourself, you'll save some money, you'll avoid giving someone else that

sensitive information, and you'll relieve the person you hire of a part of the job that's rather tedious.

I should also mention that in our experience with our clients, setting up the online accounts is sometimes the greatest cause of delay in getting the book published. It involves a fair amount of back and forth between us and the client. Sometimes, there's even a delay while the client consults a lawyer or tax adviser and worries about whether it's wise to give us that sensitive information. If you do all of that ahead of time, even before you decide whom to hire, or whether to do it yourself, you'll save quite a bit of time in the long run.

The setting up of the accounts and the entering of banking and tax information only has to be done the first time. So for your next book, whether you do it yourself or pay someone else to do it, the account setup part will have been taken care of.

* * * * *

Due to both personal preference and professional needs, I'm a user of Microsoft Windows, Microsoft Word 2007, and Photoshop CS5. If you use an older version of Word, you might find that some of the images in this book don't quite match what you see on your computer screen. Microsoft has an annoying habit of moving functions around.

If you're using a different word processor, such as OpenOffice; a different operating system, such as Apple's Mac OS; or a different graphics program, such as GIMP, then you'll have to do some mental translating of the how-to instructions in this book.

Even if you are using such other software, you should still find this book very useful and informative. The only exceptions are some of the sections in Chapter Five and Chapter Eight.

* * * * *

Throughout the book, as is standard, I refer to clicking the mouse, right-clicking the mouse, and left-clicking the mouse. This all assumes a right-hand mouse. If you've switched your mouse to be a left-hand mouse, then right-click and left-click are reversed. I assume you're used to making that mental translation.

I refer frequently to Word styles. In case you're not familiar with them, I've provided an overview of styles in Appendix D. In that appendix, I also define a notation, a way of listing the characteristics of a given style, in the form of a table. I use those tables throughout the book.

* * * * *

This book is full of details and procedures, but don't let the details and procedures stand in your way. Think of them as tools, as something to help you on your way.

You're like the hiker on the cover of this book. He had to choose the right hiking boots, backpack, clothing, and map, but now he's ready to stride into the beautiful country ahead of him.

So check the laces on your boots, adjust your backpack, and head out into the open, exciting world of self-publishing.

Chapter One

Our Story Thus Far

The yearning to be published is nothing new. The frustration of that yearning is nothing new, either. For generations, it was in the nature of publishing that many people wrote books, but very few of those books were published by legitimate publishing houses.

Publishing is a business, and a publishing company³ must make a profit, or at least break even, in order to survive. They are no different from other businesses. Any company must produce a product that the public wants to buy, and to buy in large enough quantities that the company can keep operating. For publishing companies, that product is books. It's important for writers to understand that, while for them the books they write have deep personal meaning, for publishers those same books are products, differing in no way from cars or refrigerators or picture frames.

There was always a tension within publishing companies between those who wanted to publish a given book because of its literary merit and those who wanted to reject that same book because they thought it wouldn't sell well. The latter group, made up largely of the people who paid the company's bills, usually won the argument.

But not every book that was published was a moneymaker. Nor was every published book expected to be a moneymaker. In

spite of the necessary drive to make a profit, many books of literary merit were indeed published simply because of that literary merit. For a long time, there was an important difference between publishers and the manufacturers of refrigerators and cars. Publishing companies were small companies, frequently family-run operations, and many of their founders did indeed feel that they had an important role to play in promoting works of literary merit or of a certain political orientation. This was less common than nostalgia leads us to imagine, but it did happen.

That was small consolation to the great numbers of rejected authors, though. The fact remained that no matter how hard they worked at their craft and how good their books were, most of them were destined not to be published.

And then the situation got worse.

The Shrinking Publishing Industry

It got worse because of the dwindling number of publishing companies and bookstores.

The number of independent publishing houses has been diminishing steadily for decades, due to acquisitions. Publishing companies bought each other and were then in turn bought by much bigger corporations whose main business was not publishing. Well-known publishing houses with a long history in the publishing business were transformed into tiny corporate divisions subject to rules and income expectations imposed on them by people with little interest in publishing and perhaps even less interest in books themselves. Publishing houses with a long tradition of being willing to take a loss on a book of literary merit because it was the right thing to do were reduced to being small parts of the media divisions of big corporations, under pressure to contribute to the corporations' quarterly profits.

In 1975, when I finished writing my first novel and was

ready to send it to publishers, I drew up a list of what I thought were suitable publishing houses. I came up with 71 names. Mind you, this was far from being a list of all existing publishing companies. The 71 I selected were those that published science fiction, were willing to look at unsolicited manuscripts from unpublished writers, were located in the United States, and had a good reputation. They weren't minor, insignificant companies. They were very small compared to, say, General Motors, but within the context of the book-publishing industry, they were almost all big fish. The books they published were sold everywhere, from the small bookstores that were once so common to drugstores and supermarkets. It's also worth noting that all of those 71 publishers were independent companies, competing with each other for authors and customers.

Fortunately for me, the fifth publisher I approached, Pocket Books, liked the book and bought it. (The book was *The Children of Shiny Mountain*, published in April 1977.) If they hadn't, I would have continued submitting the book to publishers until I reached the end of that list of 71. And then I would have drawn up a new list, using less stringent criteria. I would have had no problem coming up with many more places to send the book.

Today, I would have trouble coming up seven names, let alone 71. Many of the names on my old list still exist, but they are no longer attached to real publishing houses. They are merely imprints: names slapped onto the cover of a book in hopes that customers still feel some attachment to those old publishing names.

An imprint maintains the illusion that a once-noble publishing company still exists. The imprint capitalizes on the respect the old name still possesses.

A new imprint, incorporating the name of a well-known editor, is sometimes created to keep that editor from moving to another publisher.

Sometimes, the new imprint is the name of a famous writer.

This ego-stoking is done to keep the writer from moving to another publisher and to make his fans think that he personally selects the books published under the imprint; if you like his books, you're likely to buy those other books, too.

Imprints have become as meaningless as the labels on beer bottles. What used to be wonderful beers with highly individual flavors are now all brewed and bottled by two or three enormous brewers, but the bottles and labels still look the way they did before the small brewers were bought by the giants. The giant brewers count on customers being fooled by the labels and bottles.

The remnants of the old publishing houses, reduced to imprints, are now owned by five corporations, most of which are not based in the US. Those five companies are listed below. I've included their imprints, but the list is actually much longer than shown here because there are variations on the imprint names that I didn't include. In addition, I've only included the imprints that publish in the English-speaking world.

By the time you read this, the list, which I compiled in the summer of 2016, will be out of date. Some of the imprints listed below will have been eliminated or sold, while new ones will have been invented—new names without even a history of having once belonged to actual publishers. That further demonstrates how little an imprint signifies in today's publishing world.⁴

Hachette Book Group

A subsidiary of the French media company Lagardère.

Imprints: Back Bay Books; Center Street; Faith Words; Forever; Grand Central Publishing (formerly Warner Books); Hachette; Jericho Books; LB Kids; Lee Boudreaux Books; Little, Brown and Company; Mulholland

Books; Orbit; Poppy; Redhook; Twelve; Vision; Yen Press.

HarperCollins

A subsidiary of News Corp, which is owned by Rupert Murdoch, an Australian.

Imprints: Amistad; Anthony Bourdain Books; Avon; Balzer + Bray; Bible Gateway; Blink; Bourbon Street Books; Broadside Books; Carina Press; Dey Street; Ecco Books; Editorial Vida; FaithGateway; Greenwillow Books; Harlequin; Harper; HarperCollins; Katherine Tegen Books; Kimani Press; Love Inspired; MIRA Books; Olive Tree; Thomas Nelson; Walden Pond Press; William Morrow; Witness; Worldwide Mystery; Zondervan.

MacMillan

A subsidiary of the German Company Verlagsgruppe Georg von Holtzbrinck.

Imprints: Farrar, Straus and Giroux; Forge; Griffin; Henry Holt; Macmillan; Metropolitan Books; Minotaur; Orb; Picador; St. Martin's Press; Starscape; Thomas Dunne Books; Times Books; Tor.

Penguin Random House

Jointly owned by Pearson (British) and Bertelsmann (German).

Imprints: Alfred A. Knopf; Alibi; Alpha Books (best known for the Complete Idiot's Guide books); Amphoto Books; Anchor Books; Avery; Ballantine Books; Bantam; Berkley; Blue Rider Press; Broadway Books; Clarkson Potter; Convergent Books; Crown; Current; DAW; Del Rey; Delacorte Press; Dell; Dial; Doubleday; Dragonfly Books; Dutton; Ember; Everyman's Library; Firebird; Flirt;

Fodor's Travel Guides; Frederick Warne; Golden Books; Grosset & Dunlap; Harmony Books; Hogarth; Hydra; Image; Kathy Dawson Books; Laurel Leaf Books; Living Language; Loveswept; Lucas Books; Modern Library; Nan A. Talese; Nancy Paulsen Books; New American Library; Pam Krauss Books; Pamela Dorman Books; Pantheon Books; Penguin; Perigee; Philomel; Plume; Portfolio; Price Stern Sloan; Puffin; Putnam; Random House; Razorbill; Riverhead; Rough Guides; Schocken Books; Schwartz & Wade Books; Sentinel; Speak; Spiegel & Grau; Sylvan Learning; Tarcher Books; Ten Speed Press; The Princeton Review; Three Rivers Press; Tim Duggan Books; Viking; Vintage Books; WaterBrook Multnomah Publishing Group; Watson-Guptill; Wendy Lamb Books; Yearling Books; Zinc.

Simon & Schuster

This is the only American company in the gang. It's a subsidiary of CBS Corporation, which is in turn controlled by the giant theater company National Amusements.

Imprints: Aladdin; Atheneum; Atria; Beach Lane Books; Emily Bestler Books; Enliven Books; Folger Shakespeare Library; Free Press; Gallery Books; Howard Books; Jeter Publishing; Margaret K. McElderry Books; North Star Way; Paula Wiseman Books; Pocket Books; Saga Press; Salaam Reads; Scout Press; Scribner; Simon & Schuster; Simon Pulse; Threshold Editions; Touchstone Books.

Some of those imprints have nominally independent editorial departments, but as a general rule they are not independent when it comes to looking at or acquiring manuscripts. If Publisher One and Publisher Two are now imprints that are both owned by the same giant corporation, you or your agent can submit your manuscript to Publisher One

or Publisher Two, but not to both. Moreover, if the manuscript is submitted to Publisher One and then rejected, Publisher Two will not look at it.

On top of that, with rare exceptions, this handful of major publishers won't look at manuscripts submitted directly to them by authors. They work through literary agents. The task confronting the aspiring author is no longer to find a publisher, as it once was, but rather to find an agent. I'll have more to say about this matter below.

This is not to say that there are no longer small publishers. Thanks to technology, small publishing companies are proliferating. The advent of Print on Demand technology in the 1990s, along with the rapidly growing importance of online bookselling, primarily through Amazon, made it possible to set up a small publishing company operating from someone's home. There are now many such small publishers, some of them successful enough to have offices and a handful of employees.

Unfortunately, small publishers do not offer significant distribution. In most cases, they also lack the resources to pay advances on royalties or to promote the books they publish. They depend on online sales through Amazon, other online booksellers, and their own Web sites. Some of them also sell a few copies through specialty bookstores. In practice, promoting and marketing the book is almost entirely the author's responsibility. The great majority of these small publishers seem to be sincere and honest, and like traditional publishers, they assume the financial burden and risk of editing and producing the book. The author doesn't receive an advance but also doesn't have to shell out any money, except for marketing. However, the author should expect to sell very few copies and to make very little money from the few copies that do sell.

Self-Publishing Takes Hold

About 10 years ago, a sea change hit publishing. E-books started gaining popularity. Writers who had been published by traditional publishing houses started reissuing their old, out-of-print books as e-books. Both previously published writers and writers who had never been published before began publishing new books as e-books. All of these e-books became available for sale on Amazon and other major online book-buying sites. Somewhat later, thanks to the growth of POD (Print on Demand) publishing, it became relatively easy for writers to publish new books or reissue old ones in print form and to have those, too, available for sale on major online sites.

Self-publishing began to lose the old stigma of being suitable only for incompetent writers whose books weren't worth reading. The number of self-published books increased rapidly, growing by 21% between 2014 and 2015.⁵

Some self-published books sold well, and self-publishing achieved a degree of respectability. We've now reached the point where a handful of self-published books sell extremely well, in a few cases even becoming movies (e.g., *The Martian* and *Fifty Shades of Grey*). The vast majority of self-published books sell very few copies and may actually cost the author money (more on this later). But even in the world of traditional publishing, only a small minority of books become bestsellers. Naturally, the few success stories encourage people to think that their self-published books will be among the small minority of big successes.

Should You Self-Publish?

Given the above discussion, it would seem to be an easy decision.

The increasing difficulty of breaking into traditional

publishing, the insignificant financial return from being published by a small publisher, the increasing acceptance of self-publishing, and the occasional stories of great self-publishing success have encouraged growing numbers of authors, especially first-time authors, to take the self-publishing route. If you're one of them, you will be rewarded with the age-old thrill of holding a printed and bound copy of your book and of seeing the e-book version for sale on various online bookselling sites.

But most likely, what you will not be rewarded with is sales.

The stigma associated with self-published books has faded. Intelligent readers no longer reject a book out of hand because it has been self-published. However, at the same time, the number of self-published books has increased immensely, making it ever more difficult for your self-published book to stand out from the pack—rather, from the thundering herd. The book whose virtues, so well-known to you, should guarantee it huge sales and you fame and fortune will most likely be met with a vast silence.

Moreover, merely getting to this point—holding the final product in your hands—is not free, or even cheap, at least for most authors. Depending on your circumstances and skills, you might have to pay other people for some or all of the following:

- editing the manuscript for spelling, grammar, usage, consistency, continuity, and structure;
- designing and creating a cover;
- doing the layout for the print edition;
- doing the conversion for the e-book editions;
- uploading the print and e-book editions to the various online bookselling sites.

The main purpose of this book is to show you how to handle the last three of these yourself. There's still a good

chance that you'll have to pay for the second one, and probably the first, as well. You may also decide you don't want to bother with doing the last three yourself and would rather spend your time writing your next book.

Traditional Publishing Pluses and Minuses

Traditional publishers do have some significant advantages over self-publishing.

For one thing, traditional publishers absorb the costs for all of the above, and the people to whom they assign those tasks are experienced professionals. (Well, almost always. Every author who has been traditionally published can tell horror stories about dealing with very unprofessional people, but those experiences, awful though they were for the authors, are the exception rather than the rule.)

In addition, traditional publishers give you money up front. This money is an advance upon the royalties your book is expected to earn, and it is deducted from those royalties until the royalties exceed the advance; the book is then said to have earned out its advance. At least, this is the case with large publishers. Small publishers usually don't have the financial resources to offer an advance. If they do pay an advance, it's normally much smaller than the advances paid by large publishers—and even those have shrunk in recent decades.

Another and very significant advantage is the ability of traditional publishers to get books noticed. When a large publisher with large financial resources expects a book to sell well, the publisher will expend considerable effort and money on getting the word out well ahead of the book's publication date. Review copies will be sent out far and wide, and reviewers will view these copies seriously. (You can, of course, send out review copies of your self-published book, but reviewers will ignore them.)

This is especially true of books for which the publisher has paid a large advance. The publisher wants to be sure that the book sells enough copies to at least cover the advance, in addition to the normal fixed costs of editing, producing, and shipping that apply to every book.

But most writers don't get large advances. It has always been the case that only a minority of authors got those big bucks up front. In the past, though, the other authors published by major publishers could at least count on enough advance money to pay off their bills and put some money aside. For the last 10 years or more, publishers have been paying ever smaller advances to all but their literary superstars and first-time writers who the publishers think have a good chance of becoming literary superstars.

Naturally, these are in the minority—a very small minority. The great majority of the books published by major publishers receive neither a big cash advance nor a significant effort by the publisher to get the book noticed in advance. Most books are sent out to sink or swim on their own. It's up to the authors of those books to spend the time and money on marketing and publicity.

Doing so is rarely rewarding. A review copy of a book sent by a publisher to a newspaper or magazine has a chance of being read and getting a printed review. A review copy sent by an author to the same newspaper or magazine has very little chance of being assigned to a reviewer.

To make things even worse, the chance of getting a review in a major publication has been dropping rapidly in recent years for all authors. This is because the number of major publications has been declining, and at the same time, the surviving ones have been reducing or even eliminating their book review sections. Those major newspapers and magazines that still publish a few book reviews inevitably prefer to use their limited review space to highlight books written by well-known authors

and sent to them by well-known publishers.

Being traditionally published can be a gruelling educational process. By the time your book is ready for publication, you will have learned some valuable lessons about the traditional publishing world.

The title you came up with for your novel—a perfect title, utterly apt—is treated by your editor as merely a suggestion, and not one to be taken seriously. The editor comes up with an entirely different title, one deemed by the marketing department to be more suitable for the category in which the book will be marketed. You may not like the title the publisher comes up with. Possibly you hate it. Being sensible and wanting your relationship with the publisher to continue, you grit your teeth and accept it.

Parts of your book, perhaps very large parts, are rewritten or even removed for reasons that are compelling within the publishing corporation but strike you as absurd—again, marketing reasons, not artistic ones. You could refuse to let those changes or deletions be made. In theory, the author always has the last word. In real life, you yield; after all, the publisher always has the option of changing its mind and not publishing your book at all. And if that happens, depending on the contract you signed, the publisher might have the right to demand that you repay the advance you have already received and quite possibly already spent.

If the tensions between you and your publisher become extreme, your agent can step in and try to soothe feelings on both sides. Now you have an advocate in your corner. After all, your agent represents you and your interests, right? Wrong. First and foremost, your agent represents him- or herself. Unless you are a publishing megastar, your agent's relationship with the publisher is far more important to the agent's future success than the agent's relationship with you. Of course, a good and ethical agent, if thrust into the uncomfortable position of

mediating between an author and publisher who are at loggerheads, will try to calm the angry passions and help the two sides arrive at a compromise. But even the most ethical agent must look to the future, must remember on which side his or her bread is buttered. In practice, that creates a bias in favor of the publisher. Every agent is inundated with requests for representation from promising newcomers; fractious clients are easy to replace. Major publishers are few in number, and they have their choice of agents to deal with.

Your book comes out and you experience the thrill—an immense thrill, if it's your first book—of seeing it for sale on the racks at the supermarket and the shelves of bookstores. You return to those racks and shelves frequently to try to estimate how well the book is selling. You can ask your editor, and you might be told whatever he or she knows about sales; more likely, you'll be told to wait for the royalty report (normally sent out every six months).

A happy few authors, upon receiving their royalty reports by e-mail or snail mail, experience the joy of seeing big sales numbers and big royalty payments. The great majority experience anything from disappointment to panic. "Is that all? It hasn't even earned out the advance? I wasted all of that money on publicity? What about all those friends and relatives who assured me that they would buy the book and encourage everyone they knew to buy it? When the paperback disappeared from the rack in the supermarket, I thought that meant all the copies had been sold! How does my agent feel? My editor? What will my publisher do about my next novel, which they've been looking at?"

That last one, the panicky part of the reaction, is well-founded.

Even sales numbers that seem acceptable to the author will cause concern at the publishing house. Most books sell most of their copies in the first few weeks after publication, so if your

first royalty report shows sales of, say, 3,000 copies, the odds are that your book will never reach a total of 5,000 sales. Now, that may actually seem pretty good to you. Three thousand people, soon to be 5,000, most of them complete strangers, bought your book! How wonderful! But the publisher looks at that number and sees a complete failure—not just of that book, but of that writer. The publisher will probably reject your next book. Your agent might decide to drop you as a client.

But what about the book's disappearance from the supermarket rack? Isn't that a good sign? Sadly, no. It means that the distributor saw that the book wasn't selling in that location, and it was time to replace it with one of the next month's releases. Three weeks—four, if you're lucky—is the normal shelf life of a newly published mass market paperback book. And once it disappears from the shelves, its life is essentially over.

Let's not be pessimistic. Let's assume that your first book sells fairly well. You're still not out of the woods. Your second book has to sell well, too. So does the third. And so on. However, the mechanics of the business are stacked against you. I don't want to take up space with the details.⁶ The gist is that, for most writers, even if their books sell quite well by most writers' standards, the system guarantees that their sales will decline with each book until the numbers fall below the level where publishers want to keep publishing them, and quite possibly below the level where agents want to keep representing them.⁷ This is commonly called the "career death spiral," and it has become a central fact of traditional publishing.

Many writers, probably most, want to write different sorts of things—fiction and non-fiction, serious fiction and comic fiction, mainstream fiction and science fiction and fantasy and horror, and so on. But traditional publishing is ruled by marketing categories, and traditional publishers operate by categorizing writers, too. Your publisher wants to market you to

the public as an author of a certain type of fiction or non-fiction and will not be happy if a book you offer them is markedly different from your other books. (Yes, of course there are authors who are notable exceptions. There are always exceptions. Don't count on being one of them.) Nor will your publisher be pleased if you're overly prolific and keep sending them new books to consider.

Is that really so awful? Can't you write whatever you want and as much as you want and simply sell your various books to various other publishing companies?

There are two problems with this idea.

The first problem is the shrinking number of publishers, as detailed in *The Shrinking Publishing Industry* on page 28.

The second problem is the non-compete clause that's probably hiding in the contract you signed with your publisher.

Non-compete clauses are relatively new in the publishing business, but they are becoming common, and publishers are increasingly insistent on their presence in book contracts. The non-compete clause prohibits the author from publishing a book with another publisher during a certain period of time before and after the publication of his book. That period can range from six months to a year *before and after* publication. That means that you can be prohibited from publishing with another publisher for as much as a two-year time span. The clause might only apply to books of a type similar to your present one, or it might apply to any type of book at all. Such a clause puts your career on hold and can destroy it.

As I said, if your sales numbers are disappointing, your publisher—Publisher One—may decline to publish your next book. At the same time, Publisher One knows that some future book of yours could be very successful. Even if Publisher One is not willing to risk money on your next book, some other publisher might be, and the result could be a bestseller. If that were to happen, your first book could be reissued and sell very

well to all those readers who didn't discover what a fine writer you are until your second book was published. To allow for that possibility, Publisher One inserts into your contract an in-print clause. This specifies that they retain the exclusive right to publish that first book while it's in print.

What does "in print" mean? It used to mean that physical copies of the book existed and were for sale, even if they were gathering dust in a warehouse. For practical purposes, in-print clauses used to contain a time limit, typically 10 years, after which the book was considered to be out of print and all rights reverted to the author. After all, dead books gathering dust in a warehouse still cost the publisher money if the warehouse is rented. Even if it's not rented, space is always needed for the publisher's new books.

E-books changed that situation drastically. Now, publishers are careful to include words in the original book contract specifying that they are acquiring e-book rights from the author, not just the right to print a physical book. Publishers make money from e-book editions, but e-books serve a more important purpose: They occupy an insignificant amount of space on a hard drive in one of the publisher's computer servers. Only one digital file needs to be stored; digital copies are made as needed from that one original. So there is no warehousing cost. Publishers are now arguing that as long as they have that one copy of the e-book on their server, which can be copied and sold whenever a customer asks for it, the book is still in print. So the existence of the e-book means that the book is in print forever.

Then, if your second (or third, or fourth, or...) book, published by some other publisher, is a bestseller, Publisher One can reissue that old first novel of yours and make money from it without having to pay you another advance. You'll get royalties from those sales, but no advance. If your original contract with Publisher One gave them an outsized percentage

of subsidiary rights, such as sales of translated versions in other countries, then Publisher One will get that same outsized percentage if your new fame enables them to sell foreign rights. You can't sell those rights yourself and get all of the money. The original contract is still in force because the book is still in print. You have to accept whatever small percentage of foreign rights the original contract gave you.

Let's say that the in-print clause isn't a problem, and you have been able to get back the rights to your first novel. The term for this is "rights reversion." Perhaps you've sold quite a few novels, none of them was a big success, and you have formal letters from all your previous publishers specifying that the rights to your books have reverted to you. You're thinking of approaching a new publisher to see if they'd be interested in reissuing all of your old books. You've seen those on the shelves: all of some famous author's old works reissued in a special edition with a distinctive, uniform cover style. Wouldn't it be delightful to see your own old novels together on the shelves, too? Perhaps you could get a fairly big advance for the complete package!

The catch is the word *famous* in the preceding paragraph. If you're famous—quite famous, very famous—then you should be able to do this. You're also not likely to be reading this book. If you're as lacking in great fame as are most authors, you'll find that publishers are singularly uninterested in reissuing your old books. No matter how good those books are, they are now dead.

Above, I mentioned subsidiary rights. That refers to the right to use your book in ways other than the original print or e-book publication. Examples are foreign translation rights, movie/TV rights, and excerpts published in magazines. Major publishers used to employ people whose job was to sell such rights for the books they published. Now, that work is often outsourced to companies specializing in selling subsidiary rights; that company gets part of the subsidiary rights money.

Either way, if your book was published by a major publisher, there's a fair chance that some of those subsidiary rights will be sold, and that means more money for you. How much more depends on your publishing contract. Typically, you get 50% of the money the publisher receives for subsidiary rights.

(If you're a bestselling author, you might be in a position to sell subsidiary rights yourself through a subsidiary rights company and not share any of that money with your publisher. Or your agent might be handling those rights for you. You're also not likely to be reading this book.)

You'll notice from the foregoing discussion that, even though traditional publishing has a lot of advantages, the main financial beneficiary of your book isn't you but the publisher.

**Always remember that
traditional publishing
is a business.**

It is not a public service. Its aim is not to promote literature, but to make money from it. The only aspect of a book that matters is not how good it is, but how many copies it sells.

Self-Publishing's Advantages

Those advantages start at the very beginning of the traditional publishing process.

Getting a traditional publisher to buy your book is even more difficult than it was back in the 1970s, when I began, and it keeps getting harder. Part of that is due to the continued shrinking of the traditional publishing industry, as I described above, which has so greatly reduced the number of places it's worth submitting your book to. At the same time, large publishers have steadily reduced the resources they invest in the editing and acquisition side of the business. In effect, they

have outsourced manuscript acquisition, and to a lesser extent manuscript editing, to literary agents.

When I was trying to sell my first novel, I submitted the manuscript directly to editors at publishing companies.⁸ With rare exceptions, that is no longer possible. Major publishers will only look at books submitted to them by literary agents.

(Here are some examples of those rare exceptions. Occasionally, a large publisher will announce that for a limited period of time, it will look at manuscripts of a certain type submitted directly by authors. Or you might go to a genre convention—e.g., science fiction, horror, mystery—and meet an editor who will ask you to submit your manuscript directly to him or her. Or you're a famous, bestselling author, and publishers are eager to publish your books. Now let's return to reality.)

Nowadays, agents are the first-level filter, deciding which manuscripts are worth investing time and effort in. So for a new writer with a book ready for publication, the first step in the traditional publishing process is getting an agent.

This book is not the place to discuss that process—a process that for most authors is time-consuming, frustrating, depressing, and in many cases ultimately unsuccessful. There are books on the subject, and quite a few Web sites filled with good advice. However, this is the place to point out that the self-published author doesn't have to waste any time thinking about agents or editors at publishing companies.

**When you self-publish,
you are the acquiring editor
and the publisher.**

All publishing decisions are entirely in your hands. You decide whether to publish the book, how much to charge for it, and so on. If the book is long, you decide if it should be published in smaller pieces or as one large book. You decide if

it's stand-alone or part of a series. You decide when—and whether—to end a series.

In the preceding section, *Traditional Publishing Pluses and Minuses*, I said that a traditionally published book that sells, say, 5,000 copies is a disaster. But a self-published book that sells 5,000 copies is cause for celebration.

How much the author earns from 5,000 self-published copies depends on how many of them were print copies, how many were e-books, what price the author set for the e-book and print edition, and on which online sites the various copies were sold. (For details about how all of this works, see *How Much the Three Sites Pay You* on page 67.)

For simplicity, let's assume that your royalties for your self-published book average out to \$3 per copy—a fairly reasonable assumption. Then those 5,000 copies will earn you \$15,000, an amount that would make most self-published authors, and quite a few traditionally published ones, very happy.

As explained in Chapter Three, if you've done all the work yourself, the \$15,000 is all profit. Even if you hire someone to do parts of the self-publishing work for you, your profit should still be at least \$13,000. That last number is still a very pleasing amount of income for one book. Instead of your first book dooming your career, as it would have had it been traditionally published, it has launched it. Five thousand readers are awaiting your second book. Since you are the publisher, they can be sure that your second book will be forthcoming.

Anxiety about sales numbers is common and normal. In self-publishing, you don't have to wait for six months for a royalty report to find out how many copies your book has sold. All three of the publishing sites discussed in this book let you check those numbers constantly online. (And you probably will check constantly, at least at first.)

Whether those sales numbers start out high or low, they will decline with time. That's simply the nature of things. But instead of eventually disappearing, your book will remain available for sale indefinitely.

For that matter, even if your first book sells no copies at all (and you should be prepared for that possibility), your publisher won't dump you. You can and should get that second book out. And the third, and so on. If one of them is very successful, readers will want to buy your previous books, and they will find it easy to do so simply because a self-published book stays in print forever unless deliberately withdrawn from sale by the author.

If the second book you're planning to write is much like the first—same genre, same length, same light or dark tone, for example—then go ahead and write it. If it's completely different from the first in every imaginable way, go ahead and write it. Fiction or non-fiction, any topic, any format—write it. No publisher, agent, or editor is imposing rules on you. Only you impose those rules.

Drastically changing the nature of what you write from one book to the next may not be good for sales. That's what traditional publishers believe. Their preference is that you build your fan base by having each book appeal to the same set of customers, ideally expanding the number of such customers with each book. Perhaps they're right. What we can say for sure is that writing the book you want to write, whether it's similar to your previous book or not, is good for your happiness, and if writing doesn't make you happy and fulfilled, then why are you doing it?

As discussed above, in traditional publishing, the author has the right to reject editing changes and cover designs but in practice is wise to accept both. When you self-publish your book, you really do have full control over the content of the book and the appearance of the cover. Of course, you're wise to give due weight to the opinions of any professional editor or cover designer you hire. You're hiring them because they know more about that aspect of publishing than you do. But your word really is the law. All final decisions are yours.

It's rare that a self-published book sells well enough to attract the attention of Hollywood, but it does happen. An article in *People Magazine* lists six self-published books that followed

that route, making their happy authors very rich: *The Martian*, *Legally Blonde*, *Still Alice*, *Eragon*, *Fifty Shades of Grey*, *The Celestine Prophecy*, and *Wool*.⁹

If you find yourself in that lucky position, and if you haven't sold the rights to a publisher, you'll want to have the movie rights negotiated for you by a company that specializes in selling movie rights. Hollywood contracts are complex, long, involved, and esoteric. It's worth paying a good rights company to negotiate the contract for you. But once that company takes its cut, the rest of that delicious movie money is yours.

There are companies that handle foreign rights, and you can approach one about selling foreign rights to your book, especially if it's already selling well in its original language and country of publication. Trying to approach foreign publishers yourself is not likely to lead to anything. Once again, if a subsidiary rights company sells foreign rights to your book, they'll take their share of the money, but the rest of the money is yours.

It can happen that a foreign publisher will contact you directly. That happened to me a few years ago. A Russian publisher that was planning to publish Russian translations of both the original Conan Doyle novels about Sherlock Holmes and modern Holmes pastiches contacted me and bought Russian rights to my Sherlock Holmes novel, *Time for Sherlock Holmes* (<http://dvorkin.com/sh/>). That novel was originally published by a traditional publisher, Dodd, Mead, but I got the rights back and reissued it myself as a self-published novel. So I kept 100% of the money from the Russian publisher.¹⁰

Self-Publishing vs. Traditional Publishing— Pluses and Minuses

The following table summarizes the preceding discussion. Pluses are shown in *italics*, minuses in regular print.

Table 1: Self-Publishing vs. Traditional Publishing

Self-Publishing	Traditional Publishing
You pay for what you can't do yourself.	<i>The publisher pays all costs.</i>
You only earn money if the book sells.	<i>Big publishers pay you an advance.</i>
Little chance of getting important reviews.	<i>Fair chance of important reviews.</i>
Book won't be on shelves in major bookstores, small chance in small ones.	<i>Book will be on shelves in major & small bookstores, supermarkets, etc.</i>
<i>The book has your perfect title.</i>	Publisher chooses (often bad) title.
<i>You have full cover control.</i>	In practice, publisher chooses cover.
<i>You approve all edits.</i>	In practice, you accept their edits.
<i>Book remains on sale forever. You own all rights.</i>	Print copy on the shelves for 3–4 weeks. E-book may remain on sale as a way for publisher to hold onto rights.
<i>Royalties from 30% to 85% for e-book, as high as you want for print edition.</i>	Royalties are 25% for e-book, range from 6% to 15% for print edition.
<i>Selling a few thousand copies is very good, earns you nice amount of money.</i>	Selling only a few thousand copies is a disaster. Publisher dumps you.
<i>Write what you want, when, at the length you want.</i>	Book must fit tightly defined marketing categories as to content and length. Publisher is reluctant to publish different types of books by one author.
<i>You can (and should!) reissue your old, traditionally published books.</i>	No one's interested in your old books unless you're Stephen King.
<i>When you're satisfied with your book, it's published. Your publisher (you!) loves it.</i>	Breaking in is hard and getting harder. Staying in is also hard and getting harder.
<i>Your career is never dead unless you choose to stop writing and publishing.</i>	The ground is littered with dead careers and despairing writers.
Far harder to sell subsidiary rights (mass-market paperback, movie/TV). <i>But you keep all the money.</i>	<i>Much easier for the publisher to sell subsidiary rights.</i> You typically get only half the money.

Agents and the Middle Road

Let's return to the question I asked earlier: Should you self-publish rather than trying to be published by a traditional publisher?

The answer: I don't know.

As I discussed above, there are advantages and disadvantages to both publishing routes, so it's not a straightforward choice.

I think we're in a transitional period. The balance of pluses and minuses is shifting. In the near future—let's say five years—the balance will probably have shifted in favor of self-publishing. Every year, there will be more cases of self-published novels appearing on the bestseller lists and becoming movies. Sooner or later, a self-published novel will win a major literary prize. Not only will the stigma attached to self-publishing, which is diminishing but still present, have faded away, but in addition, readers will buy books online without noticing or caring who published them. To an extent, that already happens, but it will become commonplace.

So perhaps in five years, self-publishing will be the clear choice. But we're not there yet. As an author, you still have to weigh the various factors discussed in the preceding sections and decide between self-publishing and traditional publishing.

Or do you? Actually, a middle road is possible. For the next few years, it could be the right road for you.

If you think your book would interest a big, traditional publisher, and if you prefer the advantages of traditional publishing, then start querying literary agents. If you are unable to get a good agent, or if you do get an agent but the agent is unable to sell your book to a good publisher, then self-publish the book. There is no reason not to do so. It won't harm your chance to find a good agent or to sell your next book to a good traditional publisher.

(If the same thing happens with your second book, and your third, you may find your desire to be traditionally published fading away, especially if your self-published books are successful.)

You'll note my repeated use of the word *good* above: a good publisher, a good agent. The advantages to traditional publishing described in *Traditional Publishing Pluses and Minuses* on page 36 refer to good traditional publishers. Bad ones don't just lack those advantages; they'll do your career active harm and will cause you years of regret. Similarly, good agents can represent your book to editors at good publishers and negotiate a contract with terms advantageous to you, but a book submitted to an editor by a bad agent is tainted in the editor's eyes, killing your chance of selling your book to that publisher. Bad agents often sell their clients' books to bottom-feeding publishers with terrible publishing contracts. It's commonly said that having a bad agent is worse than not having an agent at all.

There are many good literary agents, a large number of bad ones, and a vast horde of con artists masquerading as literary agents. Determining which ones are good is not entirely straightforward, but any writer who chooses to seek representation by a literary agent must take this search very seriously. Choosing a bad agent can cripple or even destroy your writing career. Choosing a con artist can be a financial disaster as well as crippling or destroying your career.

Good agents are highly selective. That's understandable. They make their living by taking a percentage (normally 15%) of their clients' earnings. As explained in *The Shrinking Publishing Industry* on page 28, there is a limited number of good publishers paying good advances to whom agents can submit their clients' books. Of course agents want clients whose books those publishers are likely to want to acquire and for which the publishers are willing to pay well. You probably think

your book is very good. You may well be right. However, to an agent or an editor, a book is a commercial product, not a literary one, and the question that matters is how many copies it will sell. That's what determines whether a publishing company will publish it; that in turn determines whether an editor at that publishing company will want to acquire it and will offer you a good advance; and that in its turn determines whether an agent will want to represent you and that book.

The number of editors a good agent can approach has diminished, but the number of aspiring writers keeps increasing. Agents are swamped with queries. In recent years, a number of agents have responded to this dilemma by establishing their own small publishing companies. If they can't sell a client's book to a big publishing company, they will offer to publish it themselves. Just like any other publisher, the agent assumes all of the associated costs in return for a share of any royalties the book earns. Instead of being completely dead, the book experiences the same low level of commercial life as it would if published by any other small publisher with no presence on the shelves at Barnes & Noble and limited to no marketing resources.

Is this a good option for you? As the last sentence in the preceding paragraph strongly implies, it is not. If an agent can't sell your book, you're better off self-publishing it. That may require some investment on your part (see Chapter Three for details), but you won't be sharing the proceeds with anyone else and you'll probably sell just as many copies.

If you're negotiating with an agent and that agent requires you to publish your book through their own publishing company if they can't sell the book to a big company, run away. If the agent forbids you to self-publish books they can't sell, run away.

Even you have an agent who is selling your books to good publishers for good advances, there is still an aspect of self-

publishing that applies to you and is advantageous. It has to do with your backlist.

If you're newly published, you don't yet have a backlist, but eventually you will. No matter how well your latest book sells, it will eventually go out of print. You could get the rights back and wait for some future time when a publisher will offer to reissue that book and other out-of-print books of yours, but why wait for that? It makes more sense to get the rights back and self-publish the book immediately. That way, every book you've written will be available all the time. The next time you have a bestseller, or just a book that sells very well, you'll notice a bump in sales of the older books you've self-published. And of course, all of the proceeds from that sales bump will go to you, not to your agent or to any publisher.

The Big Self-Publishing Barrier

The barrier, so daunting to many people, is the how of it. How do I convert my book, which is now a Word file on my computer's hard drive, into a book available for sale? How do I convert it into an e-book? How do I create a print version? And how do I make the e-book and print versions available for purchase—by everyone, including (and especially) absolute strangers, and not just friends and family? This barrier seems so formidable that most people who have written a book contemplate it and do nothing more. The book remains a file on their hard drive.

Self-Publishing Vampires and Scams

In fact, this barrier is not really very formidable, as this book explains. However, the people who are stymied by it are the natural prey for a class of scammers.

As is true of other unfulfilled yearnings, for as long as

writers have tried to be published and failed, human vultures have been circling, ready to convert that frustration into profit—for the vultures, not for the writers. Scammers and human vultures are nothing new in human history, of course. They commonly prey on people's unfulfilled yearnings. The more hopeless those yearnings are, the more vulnerable the victims are, and the more vultures circle.

Writers whose books were rejected by every publisher to which they submitted them have long constituted a huge pool of potential prey for con artists.

These particular vultures used to take the form of vanity presses: companies that, for a fairly steep fee, turned an unpublished and apparently unpublishable manuscript into a printed book. In return for paying a large sum of money, the author received a box or two of printed copies of his book—which remained stored in his garage or basement or attic until he died, at which point his heirs chucked them into a dumpster. Bookstores and libraries were uninterested in such books, and only a few friends or relatives could be pressured into buying them, although some might accept them as gifts that they would probably never read. Self-publication of that sort was a fool's game, and only fools thought that publishing their books through a vanity press made them published authors in any meaningful sense. The publishing industry and published writers looked down on such people with pity, at best.

There was one rare exception. Some authors wrote books with niche appeal—i.e., books that were needed within some niche and were not otherwise available. Those authors were able to sell reasonable numbers of self-published copies through, for example, professional societies serving that niche.

Ironically, even in those days, people who decided to self-publish could have achieved their end more cheaply and with less bother by finding a local printer to turn their manuscripts into a box or two of professionally printed copies.

That route made particular sense for writers of books with real niche appeal. It was a route not many took; instead, they enriched vanity presses.

The 1990s saw the introduction of Print on Demand technology, the World Wide Web, and online bookselling, led by Amazon. This combination made it possible for small publishers to survive and even thrive. It was an interesting and promising development, but in retrospect, it seems to have been a false dawn. The real story would turn out to be self-publishing.

A new variety of vanity press arose, such as iUniverse, Xlibris, and BookSurge. They called themselves self-publishing platforms. Authors could upload their books to their Web sites, pay a fee, and copies of the books, printed by Print on Demand, would become available for sale on those Web sites. As Amazon became more important, those companies arranged to have their books sold on Amazon.com, as well.

iUniverse and Xlibris are still in business and doing quite well. Both still charge authors to publish their books. They are vanity presses in a modern guise.

BookSurge was bought by Amazon, the name was changed to CreateSpace, and fees were dropped. A newer competitor, Lulu, also does not charge a fee, although both CreateSpace and Lulu offer services, for a fee, to help authors format their books and create covers.

That last sentence is significant. As I said above, the process itself, the how of it, is daunting to many people. They don't want to deal with producing a print or e-book edition of their book and uploading the book to the appropriate Web sites for sale to the public. An industry has arisen to handle those tasks for authors.

There's nothing inherently suspect about this. You'd probably rather spend your time writing and leave the work of formatting for print, converting to e-book, and uploading files to someone else. You might also be happy to pay someone to edit

and polish your work. Formatting, converting, and uploading aren't as daunting as most people think, and this book shows you how to do those tasks yourself, but that doesn't mean that you want to spend time doing them that you could be spending writing. People who can do those tasks for you competently are providing a legitimate business service—as long as they are competent and charge you a fair price.

How can you tell if they're competent and if their prices are reasonable?

The second part of the question, whether their prices are reasonable, will be covered in Chapter Three.

The answer to the first part of the question, how to judge their competence, is that you should investigate the person or company in much the same way as you would anyone else you were thinking of engaging for a service.

Contact their clients and ask for the clients' honest opinions of the service provider. Not all clients want to be contacted, of course, but it's reasonable to send a brief e-mail to those who provide e-mail addresses on their Web sites. Don't overdo it! Don't bombard those clients with a series of e-mails or a torrent of questions. If the person or company you're investigating doesn't provide a list of clients anywhere and refuses to do so, that's a danger sign. (You can find our client list here: <http://www.dldbooks.com/clientlist.php>)

Even if you'd prefer not to contact their clients, look at the clients' books on Amazon, Barnes & Noble, or Smashwords. You can do this by using the links the clients should have on their Web sites or by searching by author name on any of those three bookselling sites. Each of those sites lets you look at a sample of the interior of the book. This will give an idea of how well the book is edited and formatted. (Note that you will probably be looking at a sample of the e-book, so the formatting won't be as elegant as it should be in the print edition. Take that into account in order to be fair to whoever did the print layout.)

Google the person or company you're investigating. This might turn up both positive and negative reviews.

In addition to Google, there are some writer-specific online resources you should check:

<http://www.sfwaw.org/other-resources/for-authors/writer-beware/>

<http://absolutewrite.com/forums/activity.php>

<http://pred-ed.com/>

(This site is currently on hiatus, but keep checking in case it comes back to life.)

<http://critters.org/c/pubtips.ht>

Writing Is Its Own Reward

Hollywood has a lot to answer for. Movies have promoted the notion that getting an idea for a book is the hard part, after which the writing of the book happens quickly and magically and off camera, and after that, the writer is immediately rewarded with fame and fortune.

Don't enter self-publishing expecting your writing career to be anything like that. For that matter, don't pursue traditional publishing expecting your career to be anything like that.

You probably already know that the first two items on the above list are nonsense. Ideas are plentiful and easy. Selecting the idea you want to invest your time in is an important decision, and converting that idea into a satisfactory book is work and takes time. It won't take long after you publish your very first book, whether it's traditionally published or self-published, for you to learn that, for the great majority of writers, the third item—quick fame and fortune—is equally absurd.¹¹

That's not to say that you shouldn't hope for great

commercial success. But you shouldn't count on it. For the sake of your own happiness, write with other goals in mind. Ideally, write for its own sake. Write for the satisfaction of knowing you've produced good books.

Write a lot. Keep writing. Don't stop with one book, or two, or three. Keep building that backlist. Here is where self-publishing has an advantage. Every book you self-publish stays in print. Even if each one sells just a few copies a month, as your backlist grows, the total number of books sold each month grows. If you finally self-publish a book that sells very well, readers of that book will buy those older books of yours, still in print.

Don't think of writing and self-publishing as applying to one book. Think of it as a career: You're in this for the long haul.

Chapter Two

The Publishing Sites

There are numerous companies now offering self-publishing services, with more appearing regularly. Some are well-intentioned, but many are fly-by-night organizations trying to make some money from the latest craze. Some will succeed; most will disappear quickly. Some are newly created self-publishing arms of old vanity presses—or even new divisions of traditional publishers.

How do you choose from among them?

In my case, I chose the companies that I use quite a few years ago. At the time, there weren't many options. Fortunately, perhaps just by luck, I seem to have chosen well. The three companies I use are old in self-publishing terms, stable, free, competent, and do a good job.

There may well be better choices for you. Certainly you owe it to yourself to look at the choices available now. For that matter, you are never committed to the choices you make. You don't sign a contract requiring you to use one self-publishing platform only; if any self-publishing company requires you to sign such an agreement, drop that company from your list. The choice you make does not lock you in.

In this book, I talk only about the three companies I use—their requirements, how to upload books to their sites, etc. If you decide to use the same three companies, this should all be

very useful to you. However, other than the company-specific details (e.g., how to get cover templates for the print version), everything else in this book is relevant to self-publishing and should be of considerable use to you.

E-Book Formats

A printed book is a printed book, but e-books come in different formats. The word “format,” in this case, refers to the method used to store the book’s text in digital form. That is, it refers to the format of the computer file the book is stored in. There are different ways of formatting these files, and correspondingly, there are different software programs and different e-book readers used to read the files.

There are many different e-book formats. This is a legacy of the past, when e-books were in their infancy and every company venturing into the field introduced its own reading device and its own file format.

Computer users are familiar with this as a general problem. Files created in one program may not be readable in another program, even though both programs may be of the same type; for example, both programs may be word-processing programs. In practice, the major programs of a given type in wide use today are able to convert files from other programs of the same type fairly easily, so the problem isn’t as severe as it was a few years ago. For example, the format used by Microsoft Word has become a universal standard, and any other word-processing program worth its salt can read Word files. Unfortunately, e-book readers haven’t advanced to this stage of interoperability. Moreover, I haven’t seen any evidence that they are moving in that direction. (That refers to physical e-book readers, such as the Kindle. By contrast, many e-book reading programs available for desktop and laptop computers are able to read e-books in a number of formats.)

In practice, the various e-book formats are not an issue in self-publishing because two formats have become dominant: Kindle and ePub. The self-published author only needs to be concerned with those two formats.

As its name implies, the Kindle format is intended for e-books that are read on Amazon's Kindle e-book reader. In addition, you can read Kindle e-books by using Amazon's free Kindle software, which is available for a number of devices. For example, if you have an Android smartphone, you probably have the Kindle reading app preinstalled on the phone, so you can read Kindle e-books on your phone.

The ePub format, and various modifications of it, is used by everyone else, or at least everyone else you need to be concerned with.

A Brief Historical Digression

The concept of e-books is older than you might think. It goes back to the 1930s, but it remained just an intriguing idea for decades.

Interest in e-books didn't really start taking off until the 1990s, and even then, interest was limited to writers, publishers, and very devoted readers. For one thing, good devices for reading e-books were expensive, hard to find, and had limited battery life. For another, e-books that could be read on a device from one company often couldn't be read on a device from another company. In other words, there was no dominant, widely accepted standard—a common problem in the technical world and one that often limits market acceptance of a new technology.

In 1999, just such a standard appeared when an e-book format called the Open eBook Publication Structure was made public. It evolved over the years, finally developing into the ePub format. The International Digital Publishing Forum, a trade

and standards association for the digital publishing industry, adopted ePub as its official e-book format in 2007.

Meanwhile, in 2000, a French company named Mobipocket designed an e-book format called MOBI, along with software for reading e-books in the MOBI format.

Not long after this, Amazon realized that e-books were potentially a big market and therefore also potentially a threat if the e-book market ended up controlled by a competitor. Amazon set out to create its own e-book reader—the Kindle, first made available to the public in 2007—and to define an e-book format that would become the dominant one. To achieve the second part of this, Amazon bought Mobipocket and adopted the MOBI format for its e-book reader and for e-books sold on Amazon. Amazon has further developed and extended the MOBI format since then in order to give their Kindle readers more capabilities, but you will still hear people use “MOBI” as a synonym for “Kindle format.” In Chapter Eight, when we talk about creating the e-book edition of your book that you will upload for sale on Amazon, the term “MOBI” will show up again.¹²

The ePub format has also been further enhanced and extended to give ePub readers greater capabilities. The term “ePub” will also show up in Chapter Eight, when we talk about creating the e-book edition of your book that you will upload for sale on sites other than Amazon.

These developments were part of a rising interest in e-books.

In 2005, an entrepreneur named Mark Coker created a company he named Smashwords. Three years later, the Smashwords Web site was launched officially. Whereas Amazon lets you publish e-books only in Kindle format and only on Amazon’s Web sites, Coker’s company publishes your book in MOBI, ePub, and a number of other formats on a number of publishing sites, including the Smashwords site itself.

Smashwords is primarily a distributor of e-books rather than a bookseller. The list of bookselling sites to which Smashwords distributes e-books is impressive and constantly growing.

That list includes Amazon, at least in a sense. Smashwords distributes only a limited number of e-books to Amazon, and it's not clear if that will ever change. The barrier appears to be on Amazon's end. The other bookselling sites seem to be willing to sell whatever e-books Smashwords sends their way.

You might be tempted to only sell your e-book through Smashwords and the many bookselling sites it distributes to, but this would be a mistake. Amazon dominates the e-book market, with a market share usually estimated to be about 65%. The real number is known only to Amazon, so this is a generally accepted educated guess. It may actually be an underestimate. A recent study concludes that it's really 74%.¹³

Somewhat belatedly, Amazon established itself as the biggest player in self-published print books, as well. In 2002, it created a subsidiary named CreateSpace, through which authors can self-publish print versions of the books.¹⁴ Those books are then sold on Amazon sites worldwide, and also on other bookselling sites, such as Barnes & Noble.

(Recently, presumably in an attempt to get the business of those self-published authors who have yet to use CreateSpace, Amazon started offering to convert uploaded MOBI e-books into print format and sell them online. This is an option you should not avail yourself of. Use CreateSpace for the print version of your book, instead. How to do this is covered in Chapter Five through Chapter Seven.)

Valid E-Books

The World Wide Web Consortium (W3C) is in charge of defining what constitutes an ePub book. That definition consists of a very detailed list of specifications, which you can read here:

<http://www.idpf.org/epub/31/spec/epub-spec.html>

You can think of these specifications as something like a combined dictionary and grammar book for a human language, but more detailed, and not allowing for variations. To continue the analogy, imagine that it is impossible to understand what someone writes if he makes even a single grammatical, spelling, punctuation, or word usage error. An ePub book *must* adhere to *all* of the specifications, all of the ePub rules, or it is not considered a valid ePub e-book.

The importance of this will become clear later.

The Three Sites I Use

I publish the e-book edition on Amazon's Kindle publishing site and Smashwords. For the print version, I use CreateSpace.

Foreign Translations

If you use these three sites, your book will be sold all over the world. However, the publishing sites don't translate the book for you. If you wrote the book in English, then the book available for sale on the various sites all over the world is the original English-language version. If you want to sell a translation—for example, a German version on Amazon's German site—then you have to pay for the translation yourself and publish it yourself in the same way that you published the English version.

Kindle Direct Publishing

<http://kdp.amazon.com>

This is the site Amazon created to let authors publish e-books in MOBI (i.e., Kindle) format. MOBI is the only e-book format the site supports, and it's the only e-book format that Amazon sells, but remember that in spite of that restriction,

Amazon sells at least two-thirds and possibly three-quarters of all e-books sold in the world. Therefore, MOBI e-books sold by Amazon will almost certainly account for the lion's share of your e-book sales.

Once your e-book is accepted by Amazon (see Chapter Nine for details), it immediately becomes available for sale on Amazon's online sites in the following countries: Australia, Brazil, Canada, France, Germany, India, Italy, Japan, Mexico, the Netherlands, Spain, the United Kingdom, and the United States. Amazon regularly adds countries to that list, so there are probably more to come.

Smashwords

<http://www.smashwords.com>

Smashwords publishes your e-book in a huge number of formats—not just MOBI and ePub, the two obvious ones, but also older formats used by e-book reading devices that are no longer sold but are still in use by a significant number of customers. In addition, Smashwords makes your book available on their site as a text file, a Microsoft Word file, and a PDF file.

Because books are available in all these formats, Smashwords is very popular with blind readers. They can download books in the format preferred by the text-to-speech software they use without having to pay the very high prices publishers charge for audiobooks read by professional readers.

For details about how this process works, see Chapter Nine.

The conversion is only the first step. Smashwords distributes the ePub version of your e-book to a large and growing number of important bookselling sites, such as Barnes & Noble, Apple's iBooks store, and Kobo; this makes it available to far more potential buyers than if it were available only at Smashwords.com. In addition, Smashwords sends your ePub e-book to a number of distributors, who in turn make it

available to libraries and bookstores.

However, Smashwords will not distribute your e-book if the ePub version is not valid. (See *Valid E-Book* on page 63.) It will be still be available for sale on the Smashwords site, but until you correct the problems that caused the ePub version to be invalid, you'll miss out on potential sales on those other major bookselling sites. (We'll discuss the validation issue further in Chapter Nine.)

Moreover, Smashwords does not distribute your book to Amazon. Smashwords does distribute a very few of the books it publishes to Amazon, but only a small number. That's why I publish the MOBI version on Amazon myself, and why I advise you to do the same. (See Chapter Nine for how to control where Smashwords distributes your book.)

CreateSpace

<http://wwwcreatespace.com>

For publishing the print edition, I use CreateSpace. It's a subsidiary of Amazon, but it's run independently.¹⁵

Once you have properly formatted the print version of your book and uploaded the files to CreateSpace (for details, see Chapter Seven), the book becomes available for sale on all of the Amazon sites in various countries listed above for the Kindle edition. In addition, CreateSpace distributes your book to BarnesandNoble.com and a number of other bookselling sites worldwide.

CreateSpace also works with distributors to make your book available to libraries and bookstores. Both Ingram and Baker & Taylor, two giant distributors, carry books published via CreateSpace. ("Carry" means they make the book available in their catalog for their customers to order, not that they store physical copies of the book in their warehouse.) NACSCORP, a distributor specializing in college bookstores, also carries

CreateSpace books.

A bookstore owner who is a CreateSpace Direct Reseller can order your book directly from CreateSpace. Bookstore owners can apply for Direct Reseller status by filling out an application form at the following URL:

<https://wwwcreatespace.com/pub/l/createspacedirect.do>

How Much the Three Sites Pay You

In the case of each of the three sites, you specify the price you want your book to be sold for, subject to certain restrictions explained below. When copies of your book are sold, the bookselling site keeps part of the money it receives and passes the rest on to you. Your share of the money is called your royalties. So your royalties are determined by what price you set for the book and what percentage of that price the bookselling site keeps for itself.

This is the way it works in the traditional publishing industry, as well, but in that industry, the publisher takes a cut of the money, and the publisher's cut is the largest. In self-publishing, you are the publisher, so you only have to share the book's earnings with the bookseller.

Smashwords

Smashwords passes on to you 85% of the money they receive when they sell your book. The phrase "they receive" is important. When you publish your book via Smashwords, you can reasonably expect that most of the copies that are sold will be sold on one of the large sites to which Smashwords distributes your book, such as Apple, and not on the Smashwords site itself. Those other sites take a cut of the money, as well; that's how they make their profit. After taking their cut, they pay the remaining money to Smashwords, which

then takes its 15% share and pays the rest to you. In addition, there are some small fees Smashwords deducts from the resulting amount; these are fees that Smashwords has to pay to others, such as PayPal, for processing payments.

The cut taken by Apple or Barnes & Noble or Kobo or any of the other sites is not excessive. Your remaining share is still quite good—far larger than it would be if your e-book had been published by a traditional publisher.

Smashwords and the sites it distributes e-books allow you to set a price of \$0 for your book—in other words, to make it free. Obviously, in that case, you earn nothing per copy sold. If you don't choose this option, and in most cases you won't, then the minimum price you can charge is \$0.99. That used to be a popular price for self-published e-books, but nowadays it's rare, except in the case of very short books. The most common prices for self-published e-books now seem to be \$2.99, \$3.99, and \$4.99 for fiction; non-fiction tends to be about a dollar more.

Let's look at an actual example of earnings. Suppose you set your book's price at \$3.99. (By the way, Smashwords looked at sales histories and found that \$3.99 is the best price to charge for an e-book; it seems to result in the most sales.) When you set the price, Smashwords shows you their estimate of your earnings. Here's what you'll probably see. (I'm using the numbers Smashwords calculated for one of my e-books that I priced at \$3.99. The fees Smashwords estimated are the worst-case scenario and may be lower in practice.)

Book Sold on Smashwords

Smashwords' share: \$0.54

Billing fees: \$0.42

Author's royalty: \$3.03, or 76%

Book Sold on Smashwords through an Affiliate

Smashwords' share: \$0.66

Affiliate's share: \$0.39

Billing fees: \$0.42

Author's royalty: \$2.52, or 63%

An affiliate is an individual or bookstore that has signed up as a Smashwords affiliate and receives a fee for books sold by Smashwords via links on the affiliate's Web site.

Book Sold by Smashwords' Premium Catalog Retailers

Smashwords' share: \$0.40

Premium Catalog Retailer's share: \$1.20

Author's royalty: \$2.52, or 63%

The Premium Catalog retailers are the big bookselling sites, such as Apple, Kobo, and Barnes & Noble, that carry Smashwords e-books. There is an unfortunate exception to the above numbers: You will receive only \$1.52, or 38%, when your book is sold by Kobo in a currency other than US or Canadian dollars.

Book Sold to Libraries by Smashwords

Smashwords' share: \$1.20

Author's royalty: \$2.79, or 70%

Book Sold to Libraries by a Distributor

Smashwords' share: \$0.40

Distributor's share: \$1.80

Author's royalty: \$1.80, or 45%

A given distributor's share may be more or less than this average amount. Also, you can specify a different price for the book for libraries; I've stayed with \$3.99 for this example.

You can choose the distributors Smashwords sends your book to. You don't have to allow Smashwords to distribute your book to all of them. If you wish, you can opt out of all of them and let Smashwords sell your book only on its own site. (I'll

show you how to specify the distributors in Chapter Nine.) There's no reason to eliminate the various distributors, however. Any sale through a distributor, no matter how high a fee it charges, is still a net gain for you—a book sold that would otherwise not have been sold. Moreover, the fee a distributor charges only applies to books sold through that distributor; it does not reduce, for example, the royalty you get for a book sold on the Smashwords site.

The one exception to this is Amazon. In theory, Smashwords sends a Kindle version of your book to Amazon for sale on Amazon's Web sites. In practice, this arrangement is still a work in progress and little progress is being made. Rather than wait for the difficulties to be resolved, you should opt out of the Amazon distribution channel for your Smashwords e-book and upload the Kindle version directly to Amazon's Kindle publishing site; this is covered in Chapter Nine. The Kindle version of your book will still be available on the Smashwords site. It just won't be shipped to Amazon for sale there; you'll be handling that part of the process yourself.

Amazon

The royalty rate for e-books published on Amazon's Kindle publishing site is surprisingly complicated. Depending on a number of variables, some of them quite arcane, you will receive either 70% or 35% of the book's sale price, minus some fees.

When you upload your book, you specify the sale price and the royalty rate you wish to receive. Presumably, you would rather receive 70% than 35%, but whether Amazon will allow you to do so depends on the variables I mentioned.

The most basic restriction is the book's price. For you to get the 70% royalty rate, the book's price must be at least \$2.99 and no more than \$9.99.

That upper price limit explains why you might want to

specify the 35% royalty rate. At 35%, you can charge up to \$200 per copy. Your book might be so specialized that such a high price is reasonable, especially if the very specialized audience means that you expect to sell only a small number of copies. At \$9.99 per copy and the 70% royalty rate, you would earn \$6.99 per copy (minus fees)—not much if you only sell a few copies. At \$200 per copy and the 35% royalty rate, you would earn \$70 per copy sold.

There are minimum price restrictions for the 35% royalty rate, based on the size of the book file. (Remember that your e-book is a file that you upload to Amazon's servers.) If the file is smaller than three megabytes, then you have to charge at least \$0.99 for the book. If the file is between three and 10 megabytes, you must charge at least \$1.99 for the book. If it's larger than 10 megabytes, you must charge at least \$2.99 per copy.

All of this refers to books sold on Amazon.com, the US Web site, and the price refers to US dollars. For other Amazon sites and currencies, the requirements are different. Moreover, there are other restrictions having to do with where the book is sold; I'll list those below. In practice, though, most e-books written in English are sold on Amazon's US site, so you should focus on that one.

As I said, if you specify the 70% royalty rate, and if your book's price qualifies for that rate, you will receive that rate for copies sold on the US site, Amazon.com. You will also receive 70% for copies sold on Amazon sites in the English-speaking world and Western Europe, if the price, when converted into the various local currencies, satisfies the 70% requirements for those sites. Those requirements are very similar to the US requirements, but fluctuations in currency conversions can mean that a book that qualifies for 70% on the US site will just miss that mark on one of the other sites. A simple way to avoid this problem is to price the book somewhat above the US

minimum in order to provide some leeway. The simplest way is to price it at \$3.99. This is sure to avoid the problem, and as mentioned above, in the discussion of Smashwords royalties, that seems to be the optimal e-book price in terms of sales.

Amazon sets the 35% royalty rate automatically for your book for sales outside Western Europe and the English-speaking countries. You can specify the 70% for those other countries, as well, but only if you enroll your book in a special Amazon program called KDP Select. I think this is something best avoided; we'll discuss it in more detail in Chapter Nine.

Here are some actual numbers for an e-book sold on Amazon for \$3.99. These numbers are for three 70% royalty countries and one 35% royalty country. Once again, I've used the numbers Amazon gave me for one of my e-books. The price in foreign currencies was calculated by Amazon based on the exchange rate at the time I published the book; in addition to converting the price to the foreign currency, Amazon adds a small amount to cover the Value Added Tax (VAT), if the country in question charges that tax for e-books.

Amazon.com (United States)

70% royalty country

Amazon's delivery fee: \$0.07

Author's royalty: \$2.74, or 69%

Amazon.co.uk (United Kingdom)

70% royalty country

Price in pounds: £3.05 (includes VAT)

Amazon's delivery fee: £0.05

Author's royalty: £1.74—57% of total sale price, 68.5% of price without VAT

Amazon.co.it (Italy)

70% royalty country

Price in euros: €3.95 (includes VAT)

Amazon's delivery fee: €0.06

Author's royalty: €2.23—56% of total sale price, 69% of price without VAT

Amazon.co.mx (Mexico)

35% royalty country

Price in pesos: \$50.34

Amazon's delivery fee: none

Author's royalty: \$17.62, or 35%

CreateSpace

With e-books, as you've seen, the author's royalty is calculated as a percentage of the book's purchase price, after certain fees have been deducted. In traditional publishing, the author's royalty for a printed book is also a percentage of the purchase price, also called the cover price. However, for books published through CreateSpace, the calculation of royalties is done in a very different way.

First, CreateSpace calculates the minimum price you can charge for your book. That's determined by what it costs CreateSpace to print and bind the book, plus their profit.

The book is printed and bound using Print on Demand technology, or POD. One characteristic of POD is that the cost to produce a copy of a book is the same no matter how many copies are printed; that is, there is no economy of scale. The cost is determined entirely by the cost of the paper and ink plus the fixed costs (e.g., wear and tear on the hardware, electricity, technicians' salaries) involved in operating the machinery. The more paper and ink required, the higher the total cost. Thus, CreateSpace can calculate the minimum amount the book must be sold for as soon as you tell them how many pages are in the book, how big those pages are, what kind of paper you want the book printed on, and whether the book requires colored ink or only black ink.

Once CreateSpace tells you what the minimum price is, you can add as much to that price as you want. The amount you add is your profit—your royalty, in other words. In a sense, the sky is the limit. Of course, that's not really true: It's up to you to decide how much you can add to the minimum cost and still end up with a price people will be willing to pay for the book.

The part above about how the minimum price is calculated isn't entirely true. There is an additional, important factor: The more distribution channels you select for the book, the higher the minimum price. (Distribution channels are the retail bookselling outlets to which CreateSpace distributes your book.) Each of these channels must be paid a small amount for each book they sell, so CreateSpace adds that small amount to the book's minimum price.

If it's extremely important to you to keep the book's price as low as possible, you can keep the channels to a minimum. This makes the book less widely available but keeps it more affordable. Assuming your book is written in English, and if it's American in focus (e.g., a novel set in the US or non-fiction about a US topic), then it's likely to sell the most copies in the US. In that case, you could not choose the channel labeled "Amazon Europe."

In practice, though, this isn't a very useful approach. For one thing, the Amazon Europe channel includes Amazon's United Kingdom site, and it's fairly likely that that is where you'll sell the second largest number of copies. The channel labeled "Bookstores and Online Retailers" includes Barnes & Noble's online site, and you'll surely want your book to be available there. The other channels are for libraries and bookstores, and of course you want your book to be available to those.

Here are some actual numbers. These are for a 344-page book of mine. The interior is black and white, and I chose cream paper—easier on the eyes than plain white paper, but slightly

more expensive, so it increases the book's minimum price.¹⁶

CreateSpace told me that the minimum price I could charge for the book was \$12.43. I set the book's price at \$14.95 and told CreateSpace to convert it to the various other currencies for sales elsewhere. (I'll show you how to do that in Chapter Seven.) The result of the conversion was a price of £9.30 in the UK and €11.61 in the Eurozone.

I can expect to sell the most copies on Amazon's US site, Amazon.com, where the book will earn \$4.00 per copy. Copies sold through the Expanded Distribution channel (e.g., Barnes & Noble) will earn \$1.01 per copy, or 7%—the lowest of all the channels. (And yet, even that is slightly higher than the standard 6% royalty paid by traditional publishers for mass market paperbacks—the books you find on racks in the supermarket.) Books sold by Amazon in the UK will earn £1.44 per copy (15%), and those sold by Amazon in the Eurozone will earn €2.24 (19%) per copy.

When and How They Pay You

The three sites we're discussing have different rules governing when and how they pay you your royalties. Before they can pay you—in fact, even before they will let you publish a book on their sites—they require various financial and tax information from you. I'll cover what information is required from you and how you enter it in the section titled *Setting Up Your Accounts* on page 79.

Let's look at how often you can expect to be paid and the methods available for receiving those payments.

Smashwords

Smashwords pays royalties every month, with a delay of 40 days. On their site, Smashwords says that in practice, the delay

is usually around 30 days. However, they point out that the retailers to whom they distribute your book, such as Barnes & Noble, delay their payments to Smashwords by 30–60 days, so your payments for those sales might be delayed well beyond the built-in Smashwords 30- or 40-day delay.

You can choose to receive your payment in the form of a check that Smashwords mails to you or by having the money paid directly into your PayPal account.

If you choose the check option, you'll only be paid if your accumulated royalties are at least \$75. For example, if by the end of the first calendar quarter (January, February, and March), Smashwords owes you a total of \$74.50, you won't receive a check from them in May. You'll have to wait another three months and sell more books so that the total owed to you will go above that \$75 minimum.

For payment through PayPal, Smashwords pays you no matter how low the royalties are. In the above example, where you had accumulated \$74.50 in royalties by the end of the first quarter, if you had chosen the PayPal option, you would still get a royalty payment in May. Using PayPal means that you don't have to worry about a check being lost in the mail or bothering to take it somewhere to deposit it. Clearly, PayPal is the better option.

Direct deposit into your bank account would be even better. That's the way both Amazon and CreateSpace do it, as you'll see in moment. Smashwords has occasionally talked about adding that option but has yet to do so.

Amazon Kindle Publishing

Amazon pays you royalties every month, with a two-month delay. For example, royalties you earn in January are paid to you at the end of March.

Earlier in this chapter, in the section titled *Kindle Direct*

Publishing on page 64, I listed the thirteen countries in which Amazon sells your Kindle e-book. Royalties are paid to you separately by the Amazon organization in each of those countries for the books you sell there. Potentially, therefore, you could received thirteen separate royalty payments each month from Amazon subsidiaries. This is significant because it affects how and whether you receive royalties from each one of those subsidiaries.

If possible, Amazon pays royalties by Electronic Funds Transfer (EFT)—direct deposit of the money into your bank account. In cases where it's not possible, they pay you by check.

Whether EFT is possible is determined by where your bank is located and where the money is coming from. Some of the subsidiaries I mentioned above will pay you by EFT, but others have to send you a check. The details are on the Kindle Direct Publishing site in a somewhat confusing form and scattered across a few pages. I've tried to summarize the situation in the following table.

To keep things compact, I use the standard two-letter abbreviations for countries:

AU: Australia

BR: Brazil

CA: Canada

DE: Germany

ES: Spain

EU: European Union

FR: France

IN: India

IT: Italy

JP: Japan

MX: Mexico

NL: Netherlands

UK: United Kingdom

US: United States

Table 2: Amazon EFT by Country

Bank Location	Amazon Subsidiary Location								
	US	UK	DE FR IT ES NL	CA	BR	JP	IN	MX	AU
US	EFT	EFT	EFT	EFT	EFT	EFT	EFT	EFT	EFT
UK	EFT	EFT	EFT	EFT	EFT	EFT	EFT	EFT	EFT
EU	EFT	EFT	EFT	EFT	EFT	EFT	EFT	*	EFT
CA	EFT	EFT	EFT	EFT	Chk	EFT	EFT	Chk	EFT
BR	Chk	Chk	Chk	Chk	EFT	Chk	Chk	Chk	Chk
JP	EFT	EFT	EFT	EFT	Chk	EFT	EFT	Chk	EFT
IN	EFT	Chk	Chk	Chk	Chk	Chk	EFT	Chk	Chk
MX	Chk	Chk	Chk	Chk	Chk	Chk	Chk	EFT	Chk
AU	Chk	Chk	Chk	Chk	Chk	Chk	Chk	Chk	EFT
Other	Chk	Chk	Chk	Chk	Chk	Chk	Chk	Chk	Chk

* Amazon Mexico pays by EFT to residents of France, Germany, Spain, Portugal, Belgium, Netherlands only. Checks to all other EU residents.

Royalties paid by EFT are not subject to a minimum amount. That is, Amazon pays you any money it owes you, no matter how small the amount.

Payments by check are subject to a minimum-amount restriction, however. You will only receive a check if your accrued royalties are above the minimum amount. The minimum is determined by the currency in which you are being paid. Some examples of minimum amounts are \$100 US, £100, €100, and \$100 Canadian.

CreateSpace

CreateSpace also pays you royalties every month, with a one-month delay. For example, royalties you earn in January are paid to you at the end of February. Some people have complained online that they have experienced unexplained delays in payment, but it doesn't seem to be a common problem.

You can receive your payments by check mailed to you or by means of EFT. You can specify the currency you want to be paid in.

For EFT, there is no minimum amount required; you will be paid whatever is currently owed to you. For checks, however, the total royalties owed to you for the month must be at least \$100 (or €100 or £100, if you have specified euros or pounds). If your royalties haven't reached that minimum amount, you will not be paid until they do pass that limit. EFT is clearly the preferable option.

Setting Up Your Accounts

Before you can publish a book on any of the three sites, you have to create an account there and then provide certain required information.

You don't have to do this until you're actually ready to publish your book, but it's simpler to get the account setup out of the way first. This is especially true if you are a non-US citizen. Account setup is usually a quick process—almost instantaneous—for US citizens, but if you're a non-US citizen, it can take as long as a few weeks before your account is ready for you to publish your book.

The setup process is a bit cumbersome and tedious, but fortunately it only has to be done once. Once you have that behind you, you'll be ready to publish all those wonderful books you've already written or plan to write in the future.

Creating the account is simple and similar to creating

accounts on other online sites. You use your e-mail address as your username, and you create a password during the account-creation process.

When you open the main URL for the site, you'll see both a way to log in (if you already have an account) and a way to create an account (if you don't yet have one).

At *smashwords.com*, there is a button labeled **Sign in** at the top left of the page. That's for people who already have a Smashwords account. To create a new account, go to the bottom of the page and click on the link labeled **Join Now for Free** at the bottom right.

At *createspace.com*, there are two links on the left of the page, one labeled **Log In** (for existing users), and the other labeled **Sign Up** (for new users). To create a new account, click on the **Sign Up** link.

In the case of Kindle Direct Publishing, *kdp.amazon.com*, there are two buttons on the left near the top of the page, both yellow, one labeled **Sign in** and the other labeled **Sign up**. Again, the first button is for existing users, while the second one is for creating a new account. However, there's a slight twist here. If you already have an Amazon account, you must use your Amazon account for Kindle Direct Publishing. So if you already have an Amazon account, click on the **Sign in** button and log in with your Amazon account information as you normally do at *amazon.com*. If you don't have an Amazon account, click on the **Sign up** button; on the next screen, enter your e-mail address, click on the circle next to **I am a new customer**, and then click on the yellow button labeled **Sign in using our secure server**.

For all of them, the process of creating an account consists basically of providing your e-mail address and a password created by you. (Smashwords asks for some additional information, such your pseudonym—pen name—if you have one.) Then you are sent an automatically generated e-mail containing a link you must click on to activate the account.

Once you've done this, the account exists and is activated, but at this point you still can't publish a book. In order to do that, you have to provide the site with additional information. Some of this is what they need in order to pay you, as discussed above in the section titled *When and How They Pay You* on page 75. The rest of it is information they require because of IRS regulations.

Payment Information

In the first category, for payments by check, they require your street address. For payment by EFT (Electronic Funds Transfer—i.e., direct deposit), Smashwords asks for the e-mail you use to receive PayPal payments, while both Amazon's Kindle Direct Publishing and CreateSpace ask for your bank account data—the name of the bank or credit union, the bank's or credit union's routing number, the account number, whether it's a checking or savings account, and your name as it appears on the account. The name you have on your account might be different from the name under which you'll be publishing your book, so it's important that the site know both names.

IRS Information

The second category of information consists of data required by the IRS. Since you are not an employee, the publishing sites are not required to withhold US federal taxes from your royalties, but they are required to have paperwork on file proving that they do not have to withhold those taxes. Therefore, to protect themselves and you, they won't publish your book until they have the information they need to create that paperwork.

How you provide the required IRS data depends on whether you are a US citizen or a non-US citizen.