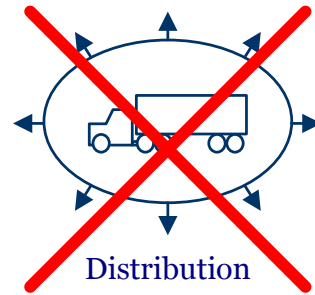
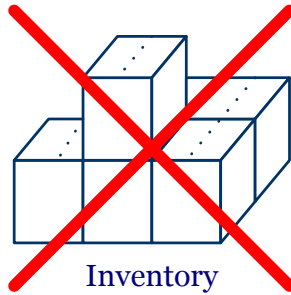
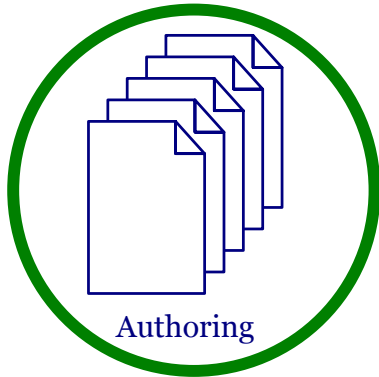


A Self Publishing Baker's Dozen



Morris Rosenthal

Cover image from "Print-on-Demand Book Publishing"

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This eBook consists of thirteen essays from the author's Self Publishing blog, found at <http://www.fonerbooks.com/cornered.htm>

The links in the original posts are active, and the comment counts below each essay are linked to the individual posts and their comment threads.

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Why I Self Publish

I'm writing this in response to a comment on my last post that sounded the familiar lament about prejudice against self published books. It struck me as particularly ironic that the comment came on my post about [estate planning](#) in which I was pointing out that my self publishing business would likely generate a couple hundred thousand dollars in net profit over the next five or so years if I drop dead tomorrow. That contrasts with the many trade authors I've known who crank out multiple books a year for advances that rarely earn out; writing books for a modest hourly wage with no significant royalties expected. Self publishing is the business you make of it. Working as a trade author is often a frustrating work-from-home job with low pay, bad hours and no benefits.

I haven't encountered any unfair practices aimed at keeping down self publishers. The most common complaints I hear from authors who went into self publishing with their eyes shut relates to reviews and bookstore stocking. Reviewers who write for newspapers and magazines are a vanishing breed, but those who remain often state in their submission guidelines that they don't review self published books. I don't blame them, because I'm guessing that whatever explanation they offer, the real reason is that they already get too many books from established trades and are desperate for ways to reduce the crush. If I worked as a book reviewer, I'd be inclined to only review books by people whose names began with "X" or "Z", but that's just a question of taste. Nobody seems bothered by the numerous blogs that exclusively review books by self publishers, and in some cases, only books published through particular companies that provide author services. "Oh," you say, "But nobody buys books that get reviewed on those blogs." Maybe not, but hardly anybody [buys books based on newspaper or magazine reviews](#) either, especially if they can't find those books on bookstore shelves.

So why won't bookstores stock your self published book? It's not your book, it's you. If they won't stock your book, it means you've failed to convince them that they'll make money by stocking the book, and perhaps you've adopted a business model (such as not accepting returns) that prevents them from doing business with you. Bookstores are in much the same position as book reviewers. Every year, more new titles are published

than would fit into several Barnes&Noble superstores stacked on top of each other. An independent bookstore owner would have to own a chain of twenty or thirty stores to stock every book published each year. The reason they don't try to stock over a half million new titles every year has nothing to do with bias against self publishers. It's sound business practice to focus on stocking the books they believe they can sell. Bookstores count on a number of signals to tell them what books will sell, such as whether previous books by the publisher or author sold, how the subject fits with the local demand, how much ongoing effort they expect the publisher to make marketing the book, and of course, personal taste. If you want them to take a chance on an unknown, you better have a better reason for them than being unknown.

Self publishing does not mean independence from all outside parties unless you are printing and binding your own books and hand selling them to each customer. Three years ago for July 4th I wrote about the [dependencies of an independent self publisher](#), and for most self publishers today, the main dependence is Amazon. That's more of a blessing than a curse, I've steered many authors into signing up with [CreateSpace and publishing direct through Amazon](#). For authors who have no web platform or marketing plans for their books, it's hands-down the best way to self publish. But it means putting all of your eggs in Amazon's basket, something I would never advise as a plan for a business when other options are available.

You may be a great author, but if you can't sell your books, you're a failed publisher. Four years ago I wrote a short [story about publishing choices](#), and at the risk of spoiling the ending, you don't want to end up like the author who signed the trade contract. For most authors, the main take-away from being published by an established trade publisher is the credential of being published by an name publisher. That's why some trade authors and fellow travelers trash-talk self publishing. Many trade authors have gone through extensive rejection before getting published, only to find they can't even earn a living at it, so they are jealous of the jewel they derived from the journey, the credential of "author." In some cases, the strongest critics of self publishing are writers who have yet to "break through" but have been trying for many years. They are seriously invested in the trade model, so don't blame them, they aren't hurting you any.

I came at publishing from a different direction. After an early drawer full of rejection notices and returned manuscripts of my novel (no, I didn't follow instructions and query before sending a bound copy:-), I took to Internet publishing. After I wrote a how-to book supported by my website, I received four contract offers from trades, and to my everlasting regret, took one. I wrote my next four books as a trade author, the junior partner in an uneven relationship with a multi-billion dollar company. As time went on, we argued about everything, or at least, I argued and they pointed at the contract. Eventually I decided that I wouldn't sign another contract unless I got to write it. The waves of offers (steady trickle anyway) from various publishers since then have always broken on the rocks in my head.

And that's why I self publish - because I have rocks in my head.

6 COMMENTS

Creative Tools Of Small Publisher Destruction

Some recent encounters and old memories have got me hot under the collar on the subject of startup costs for small publishing businesses. I've seen more new business ventures fail from having too much capital or credit when they started than too little. The availability of excess cash or credit is at best a distraction and at worst a steam shovel to help you quickly dig a really deep hole. So this post is intended for those readers who haven't started spending yet. If you're being pulled in different directions by friendly advice from successful publishers, just remember that they've already forgotten whatever it was that really worked to get their businesses up and running. They're just telling you stuff that they won't have to spend a lot of time explaining.

Economists have grown fond of the term "creative destruction" to find a silver lining in vanishing jobs and industries. In some instances they may be correct, but in most instances they are only half right - the "destruction" half. Unfortunately, small publishers and self publishers alike are particularly vulnerable to the lure of spending money on creative productivity tools, pushed upon them by peer pressure and salesmanship. But those very productivity tools often sow the seeds of financial

destruction. The worst mistakes are made when publishers fall for the promise of future efficiencies, misapplying the advice of that prototypical American publisher, "A penny saved is a penny earned." A penny potentially saved in the future isn't saved unless the future arrives, and most new publishers don't last that long. And even if the future does arrive, a penny saved is a penny saved, not a penny earned. Earnings require sales. Savings require comparison shopping or doing without. The two concepts are closely related in managing personal finances, not in managing a publishing start-up.

The Wall Street definition of "small business" generally includes companies with up to a hundred million dollars a year or more in sales. Companies with a hundred million dollars a year in sales are correct to focus significant efforts on efficiencies and tax savings. Small publishers and self publishers with less than a hundred thousand dollars a year in sales are insane to spend money on anything that doesn't directly result in more sales. The only investments that make sense for small publishers are publishing more quality books and content and building their market presence.

So what are the productivity tools that start-up publishers need to avoid? I'll start with an integrated accounting product, no matter how inexpensive. It's not the \$99 or \$129 dollars for a QuickBooks or Peachtree license that wreaks havoc. It's the time invested in setting the software up for non-existent sales, and then the loss of intimacy with your day-to-day business operations that results from turning yourself into a key punch operator. Spending some time every day entering little numbers into nice boxes on a computer screen is no more valuable than putting all the carrots with the other carrots on your plate and making sure they don't touch the peas. Don't you know there are publishers in New York City starving while you're playing with your books?

If you have less than a dozen titles in print and you need to check an accounting package to see how they are performing, you just don't have a head for business. What exactly do you see as your job function if not staying on top of how your titles are doing? The last time I talked to the IRS, they were fine with small publishers using cash accounting unless their sales are over a million dollars a year. Cash accounting means you don't have to associate each expense with each title for tax reasons as in accrual accounting, and can take expenses and sales as the money moves. An integrated accounting package

will lead you in the accrual direction for no reason other than it shows off all the bells and whistles. Do you really need to know how much you spent on postage sending out review copies of title A vs title B? Should you be spending your time and money sending out review copies at all?

I've spent a dozen winters in the city of Jerusalem, where little neighborhood grocery stores called Makolets (derived from Kol, meaning all) feature twelve or fourteen foot ceilings, stacked from bottom to top with grocery goods. The stores are often 100 square feet or less, the size of a small room, with barely enough space for the counter stacked with newspapers and pastry. The owner, or the owner's spouse or offspring work all of the open hours, and they know their regular customers by name. I can just imagine a slick salesman convincing a Makolet owner to install a point of sale terminal (complete with a barcode scanner) to track the inventory and make it possible to hire a minimum wage employee to handle the money. What do you think the result would be?

Instead of the owner knowing every customer and hearing every bit of feedback on what's good and bad, it all gets filtered through software and an unmotivated hourly employee. The new breakfast cereal with the big shiny box sells like hot cakes because of the big shiny box, but the owner isn't there to hear all the complaints about how awful it is. The computer software doesn't know that. It just records that the cereal is selling, so the owner orders more and drops the old brands. The customers start shopping at the Makolet around the corner where the owner's family continues to ask, "How are you today, Moshe? How was that new cereal?"

Another killer application for small publishers is contact management software, more commonly known by the acronym CRM, Customer Relationship Management. By killer application, I mean it will kill your self publishing business dead. The idea behind CRM software is that you can capture all of your customer information so you can harass them on a regular schedule to buy more stuff from you in the future. It's gotten so bad that I recall one publisher telling me that he didn't really care about selling a book to somebody, he cared about capturing their information for his CRM software. Hello? Books aren't toilet paper, or at least, good books aren't. If your customers are impressed by your books, they'll search you out for the sequel, or choose your titles over a

competitor's the next time they shop at Amazon or a store that stocks the books. They'll favorite your website and tell their friends, online and off. Small publishers have no business trying to "manage" a customer's personal information, you should respect your customer's privacy and be thankful for the business.

Then there's the omnipresent tax software, or the fallback position of an accountant. Your tax software can't explain to you what goes on behind the scenes and your accountant isn't your mother to tell you if you're being a fool. In fact, I've heard horror stories about accountants encouraging clients to buy stuff right after Christmas to get the deduction in the current tax year. There's never a good reason to buy stuff you don't really need for your business, and a deduction doesn't equal a savings. In fact, if you aren't making a decent profit, the sum total of the "savings" you'll realize from your tax deductions is the amount of self employment tax you would have paid on the money you spent, 15.3%. If you think that spending \$100 to get \$15 back is smart, spend it on carrots and don't let them touch the peas.

[Small publishers shouldn't pretend](#) to be large publishers. If you're wasting money on a postal meter in a desperate attempt to convince reviewers that the books are being shipped by a big publisher, you're way too sensitive to be in business. It doesn't take money to make money unless you're in the money business. In the publishing business, it takes books, ebooks, or other published content to sell, combined with the market presence to attract customers, who pay you money for your products. The sum total required to set up a small publishing business can run from a few hundred to a few thousand dollars depending on your starting point, but it's not "money" in the sense of requiring a Small Business Administration loan, mortgaging your house, or going hat in hand to your friends and relatives.

And remember, buying goods and service isn't "doing business" for you, it's doing business for the people who sell you the stuff. I don't begrudge them their living, but let them earn it from people who can afford to support them. You should only have two things in mind when you go into the publishing business: [How to write or acquire content](#) that people will be interested in buying, and how to reach those people. You can

acquire manuscripts by writing checks, but you can't buy customers, you have to win them.

8 COMMENTS

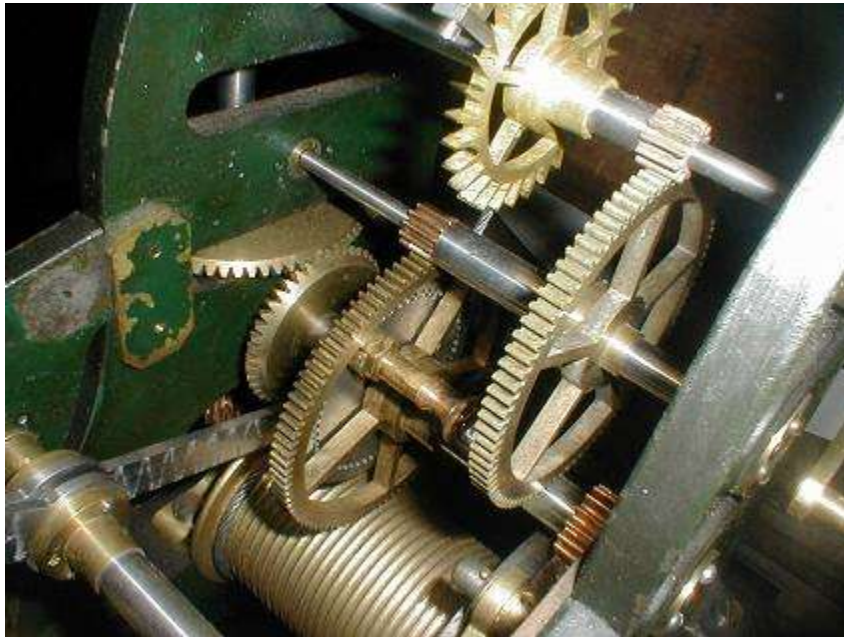
Is Time Running Out For Offset Printed Books?

The heart of the 20th century publishing model was the offset press. Employing an intermediate roller to transfer the ink to the paper allows for much higher speed, the use of roll stock in a continuous web and lower printing costs in high quantities. But the [publishing model that grew up around the offset press](#) is sorely pressed itself, with newspapers and magazines failing by the day and trade publishers desperately searching for new sources of revenue. The offset press, as brilliant an innovation as it was, can't compete for speed with the Internet or for flexibility with print on demand.

The [Espresso 2.0](#) machine recently introduced by [On Demand books](#) is another step in the direction of a new publishing ecosystem. A self publisher with access to an Espresso 2.0 machine and a properly formatted book on a USB memory stick can walk away with a printed and bound book five minutes later. An Espresso 2.0 machine running full out may not reach the annual turnover of a small independent bookshop, but Espresso 2.0 machines located in hundreds of independent bookshops or chain stores would have a tremendous affect on the traditional publishing model. The application I'd love to try myself is to put an Espresso 2.0 in a small storefront with pedestrian traffic in a foreign city with strong demand for English and other non-native titles. In a city like Jerusalem or Tel Aviv, selling titles printed on demand from the Lightning Source library, along with printing books on the spot for self publishers and helping them gain access to international distribution, would make for an interesting business.

But is the bell tolling for libraries as well as the offset press? The picture below is from a 100 year old library tower pendulum clock, and believe it or not, I was there today with a friend to fix the trip hammer that tolls the hour on the bell (you can see the hammer over my shoulder [in the video](#)). Many libraries in America are in a serious bind, as

funding cuts combine with increased demand for non-book related services to reduce the budget for collection building. But integrating the Google Books library (I'm looking ahead here) and Espresso 2.0 machines would help libraries serve patrons who aren't interested in the latest bestsellers, and to serve them more efficiently than purchasing those books out of distribution. Maybe a Bookmobile featuring an Espresso 2.0 and shared between several towns will become a standard feature of 21st libraries.



In a brave new business model, the library might offer the patron the opportunity to purchase the book for a "donation" that covers the immediate costs associated with downloading and printing it. Otherwise, the book would end up in the library collection when returned, and the librarian could inform that patron that rationing is now in effect:-) As a long toothed library hound who is constantly checking out books from the stacks that have yet to be cataloged (and sometimes have [never been read](#)), I'm the last person who would suggest that libraries should exit the business of providing low demand books. But it would be more efficient and cost effective to provide these books only when the demand materializes in the form of a patron walking in and asking.

So how many Espresso 2.0 (and later generation) machines would it take to change the world of publishing? A hundred wouldn't be enough, but I think offset printing would reel under the impact of a thousand. It's not that any POD machine can, or ever will, print books cheaper than an offset press in quantity. It's that all non-offset book sales

will eat into the offset business model. I frequently point out that Amazon presents a direct threat to the offset printing model, simply by their exploration of alternative book production and delivery systems, such as POD and Kindle, along with the [leverage the Amazon platform gives them with publishers](#). It isn't necessary that Amazon, Lightning Source or the Espresso machines produce and sell hundreds of millions of books outside of the offset based system to deal it a death blow, they only have to change the economics enough on the margin so that publishers abandon offset for all but the surest bestsellers and most reliable mass market romances.

After our library clock surgery, it's been tolling the hour properly, but a half an hour late. Even though I rushed the video in today's post, I'm not likely to try another take, but maybe I'll get some good footage of the clock chiming if I go out there again.

[13 COMMENTS](#)

Of Plagues, Publishers And The Angel Of Death

Publishers around the globe are hunkering down this Passover, trying to outlast the season of plagues and hoping the Angel of Death will pass over their publishing house. Rather than painting the blood of the Paschal Lamb on the doorposts with a sprig of hyssops, the modern peoples of the book are covering their websites with strange hieroglyphic symbols: Feedburner, Twitter, Facebook, Kindle, LinkedIn, YouTube, ePub, Atom and Podcasts galore. Does anybody truly believe that the grim reaper of business models will spare their imprint because they've leapt for (and usually missed) the latest social networking or technological trend?

The plagues visited upon publishers are hardly Biblical in proportion, with the possible exception of the stygian darkness under which so many labor. Most of the plagues publishers face are truly in the eye of the beholder, and could easily become blessings if the publisher could only remove the consultant from his eye and read the changing landscape. So unless you're counting on Manna from Washington, learn the five plagues of publishers and how to transform them into blessings:

The Five Plagues (CADEG): Customers, Authors, Distribution, Editors, Google

Aren't customers just awful? So demanding and so disloyal. Why can't they all just sign up (with a credit card) to purchase every book you publish? They shop online for the cheapest edition of your books, often buying them used so the publisher doesn't earn one red cent. To add insult to injury, they post one star reviews on the Amazon product page of the new edition, complaining that it's out of date! Customers are fickle. Just when your business model reaches maturity, customers decide they don't need the 16th book in your Homegirl Knitting series, or your latest title about the latest trend that never quite caught on. And then there are those bloggers who complain about your ebook efforts, chastising you for being too proprietary, too expensive, too platform specific or just not free. How can a publisher keep up with a customer's ever changing tastes and interests? Surely customers are a plague.

If publishers could only produce books without authors, what a paradise publishing would be. How can people who work with words for a living not understand what "deadline" means? Can authors be so twisted that they think that "dead" is something pleasant? The endless arguments over contract terms, always asking for more like a gang of musical pickpockets. Confusing their facts, or even worse, confusing another author's work with their own. Submitting their Word files without ever running a spell check, and fighting over every correction the copy editor makes. And then, "Why isn't my book selling?", "Why isn't my book selling?". Publishers would be better off buying parrots, at least they don't eat so much. Truly authors are a plague unto publishers.

Distribution was invented by the Devil. First the distributors want discounts ranging from 55% to 75%, and then they want to [return the travel worn books!](#) What do they think, that dust jackets grow on trees? They promise to get your books into stores when in reality, you're lucky if they warehouse them without charging extra fees. And they're so pushy about exclusivity, locking publishers in contractual prisons and then screwing up on filling the Amazon orders that the publishers could have handled themselves at twice the profit! If by some chance the distributor succeeds in getting your titles onto store shelves and ordering more, they're almost certain to go out of business, leaving you to fight for pennies on the dollar. Verily distributors are a plague upon publishing.

The only thing worse than an editor who jumps ship to another publisher and steals your star author is an editor who stays on indefinitely, demanding raises and promotions. After a few years, editors start thinking that they're somebody! And they get confused over which side they're fighting on, as if the authors and the agents pay their salaries. Not to mention their artistic integrity and hunches about markets. How about reading the book sales data we pay for every month! You'd swear that editors only talk to other editors for all they know of the public taste, much less what's going on in the world. [Editors pay too much attention](#) to publishing pundits and bloggers focused on insider technologies, turning red herrings into whales. Certainly editors are a plague on publishing.

Then there's Google, with their damn search and destroy engine, breaking down the monopoly on information long held by publishers. Next they go and scan millions of books, threatening the whole back-in-print and classics business. How could they possibly put those insipid Wikipedia results above a publisher's pages in the search rankings? After all, publisher websites have such beautifully conceived advertisements for their books! First they came for the newspapers, next they came for the music companies, now they're coming for the movie studios. When they finally come for the publishers, we won't have any media partners left to throw under the bus. Indeed, Google is a plague on publishers.

The Five Blessings (GEDAC): Google, Editors, Distribution, Authors, Customers

Google won't fail publishers because Google is too big to fail. If Google hadn't figured out how to print money, the government would be printing money for Google instead of for the banks, car companies, and everyone other business failure on steroids. Google IS the information economy, and the information economy is one of the few things we have going for us these days. Google has freed publishers from the tyranny of book reviewers, talk show booking assistants and print advertising. For the first time in history, any publisher who is willing to listen to reader feedback can watch their mailbox runneth over, before even committing to print. Don't obsess about Google Books, it's Google Search that matters. Indeed, Google is a blessing on publishers.

There has never been a need for editors like today. The Internet has turned every monkey with a keyboard into the authors of sonnets, or at least, random words thereof. It takes a skilled editor pick out the seeds that will germinate and grow in commercial titles for the publisher. The irony of having so much information about authors at your fingertips (look, he has a blog, she tweets, his name comes up a million times in Google) is that it takes more research than ever to figure out if the exposure is significant from a publishing standpoint. Publishers need to find editors who understand the Internet through the experience of running their own websites rather than relying on social networking butterflies and crackberry twits. But a knowledgeable editor is worth her weight in rubies, or at least a monthly salary equal to her monthly unique visitor count in dimes. Certainly web savvy editors are a blessing on publishing.

Distribution is moving online for all electronic content, and given the growing [dominance of Amazon](#) in the printed book sector, it can be argued that the outlook for traditional book distributors is grimmer than ever. Their struggles to stake a position as electronic media distributors will rest on their ability to convince publishers and customers that their file management and DRM solutions are relevant, an increasingly difficult argument to make. Online distribution systems tend to move in the direction of lowest cost, allowing publishers who don't want to purchase or create their own file handling and payment systems to use packaged solutions, like [PayPal and E-Junkie](#), for pennies on the dollar. And for offline distribution, as Amazon continues to grow their market share, distributors will be forced to give up their exclusive contracts and bookstores will learn to accommodate publishers who can provide books that sell. Verily online distribution is a blessing upon publishers.

No single group of individuals is better suited to leverage the Internet to promote their work than authors. An author who can deliver customers is the publisher's best friend. For all the audio, video, and who knows what to come, text is the driving force behind Internet search and is likely to remain so for the foreseeable future. Nobody does text like authors, if only they can get it online. Publishers who eschew non-compete clauses and give authors the flexibility to use their work online will only benefit from the results. Direct feedback on an author's work in progress could entirely replace market research

for publishers and ensure that every book published has an audience waiting to buy it. And when it comes to finding new gems amongst the pebbles of the wreckage strewn shores, what publisher could hope for more than an author already polished by endless friction with readers? Truly authors are a blessing unto publishers.

Customers face a serious problem when it comes to selecting and buying books. So many titles are drek dressed up with graphical elements and sold through cram-down marketing. Perhaps the most overlooked factor in the problems facing the superstore book retailers is that the books they sell so often leave the customers disappointed. With over 100,000 titles in stock, a large share are derivative “me-too” books rushed out by unqualified authors and crafted for a look, page count, cut size, deadline and ROI - not to deliver a solution to a customer. Even though Amazon buyers risk being taken in by fake or opt-in reviews, they have a much better chance of finding the book that’s right for them than going with the face-out bookstore displays driven by co-op dollars, or counting on the spine text and back cover promises. A customer looking on Amazon for an investing book would have to be a very bad shopper to accidentally leave the store with a title that promises an unending bull run in stocks or real estate, but that happens in brick-and-mortar bookstores every hour of the day. Publishers who listen to their customers and serve their needs have a tremendous advantage over their publishing brethren who mainly don't. Surely customers are a blessing.

5 COMMENTS

Editors Confuse Books with Websites and Art

I mentioned in correspondence with an editor the other day that established (or establishment) publishers confuse websites with books. For that matter, they also confuse books with art, a title to which most books don't even pretend to aspire. At the risk of oversimplifying, the long, expensive book editorial process practiced by trade publishers is a legacy of offset printing, and nothing else. Editors believe that the process was introduced to produce a work of art, but publishing is a commercial venture, not a starving artist in an attic. The offset printing model is all about producing

a large number of books at a low cost and then warehousing them until they can be sold. If errors in the editorial process result in a warehouse full of books that can't be sold, woe unto the ex-editor who slipped up.

Websites are inherently flexible. There is no incremental cost to changing a web page after it's been published, other than the time to make the change and click the mouse. Editors moving from the book world to the online world labor under the basic confusion that their job is to produce art online. Given the fact that even in their book publishing days, producing art was rarely part of the business plan, this internal contradiction is likely to produce a lot of neurosis. Ironically, the flexibility of online publishing means it has a greater chance of producing art in most cases than the traditional editorial process. Performance artists have always known that preparation and practice (analogous to the editorial and production processes) are no substitute for live performances. That's why so many plays and musicals start their journey in the sticks and work their way up to off-Broadway before landing a top theatre engagement. Film and music festivals exist in part as a live fire trial for new artwork and artists, since art can't exist without an audience. TV comedians want joke writers who work in stand-up because it's the only reliable way to find out if the jokes are really funny. For a small group of editors at a publishing house to believe that they can stand in for a general audience to guide the development of new work is at best a folly and at worst a vanity.

It's important for editors trying to transition from publishing on paper to publishing online to choose the right business model to emulate. For better or worse, that model is the software industry. Whether you're a veteran of or a refuge from the established trade industry, you'll do better to emulate Microsoft than McGraw-Hill, Oracle than O'Reilly, SAP than Simon and Schuster. The key to winning in the software marketplace has always been to get there the "Firstest with the mostest" and to deal with problems as they arise. In fact, the most shocking difference between the software publishing industry and the book publishing industry is that with software, the publishers often profit from their mistakes! Just take a look at the version number of whatever software you use around the office, and try to remember how many times you've paid for "improvements" over the years. Andy Warhol would have loved software.

Since most of the editors I've know in my life are actually very intelligent people, I don't think they are missing the boat because they haven't figured this out, they're missing the boat because they've been conditioned to be snobs.

"Oh, look at those mistakes. Nobody will ever see those on our website!"

That's right, because nobody will ever visit your website.

4 COMMENTS

What Scares Publishers Today

Today was the long session day at [Tools of Change](#), with all day tracks in E-books, Print on Demand, XML and Social Networking/Community building. I believe the idea is to present a fairly comprehensive picture of what steps a publisher who is new to one of these technologies needs to take to get moving. I sat in a bit of the ebook and community building sessions, maybe a half hour each, and I accomplished my goal of not asking disruptive questions.

Listening to the questions posed by others, it's clear that many trade employees are still fixated on the technology (and in many cases, that may be their job function) while others are questioning the big picture - ie, can we make a living doing this sort of stuff. I'd written recently about the inability of [large trades to scale down](#) to a leaner Internet/ebook heavy model in order to survive, and about those [publishers who trip over technology](#) or spend big dollars for little results. The advertising aimed at publishers in magazines shows they are still buying expensive Content Management Systems (CMS) and vertical integration with XML. A new workflow solution may make sense if you're dumping your old system anyway, but it won't buy you an online presence. There's just no way to automate experience and intent, and taxonomies belong in libraries, not websites. Readers may notice I don't even bother tagging this blog. That's because I figure Google does a better job figuring out what I'm trying to say than I do.

It's hard to get a vibe from a crowd, unless they're burning cars and waving signs, but I got the feeling that the economic climate has publishers very worried, accelerating a loss of control that began with the rise of the B&N and Borders chains and has morphed into a world of Amazon and Google. Publishers once occupied a unique and enviable position in the information and entertainment world, at the center of a tightly knit group of retailers, distributors and trade organizations. Today, if Amazon and Google aren't yet calling the shots, they are at least making it clear that the trade publishers don't either. One fashionable reaction to all of this is declaring that the customer is the only one who should be calling any shots, but the examples of this working for a publisher are at best anecdotal, and at worst, thought-leader fantasies. As some guy in some movie should have yelled, "Show me the tax return".

Speaking of intent, I came to listen but I spent most of my time talking outside the sessions. While this means that a whole new crop of people who have never seen my videos can be sick of my voice, a big thank you to [Lynn Scanlon](#) who did recognize my voice from a video and came over to say "Hi" rather than punching me in the mouth. I try not to wash my dirty soul in public, but I'm beginning to suspect that I'd rather listen to myself talk than listen to presentations. Must be all the \$^%# blogging taking effect! In any case, I hope to catch the train back in for Wednesday and attend some of the small sessions, so if any of you see me there, remember the no punching thing.

[10 COMMENTS](#)

Wasted SEO And Publishing Companies

Every time I talk to somebody about running a publishing business that gets the majority of its customers from this website, the discussion invariably comes around to SEO - Search Engine Optimization. I don't bring it there myself because I don't believe in SEO in the traditional sense. I do believe in making it as easy as possible for a search engine to index and "understand" my web pages, which is why I began implementing the [new canonical link element](#) today. Unfortunately, my website includes a mix of link types in the navigation, both absolute (<http://www.fonerbooks.com/cornered.htm>) and

relative (cornered.htm) due to my stubborn refusal to give up my HTML editor from 1995 which won't let me navigate a local version of the site on my own hard drive if I use absolute links. Hopefully, the new canonical link element will make sure the search engines fully credit all of the links to a page in their ranking algorithms.

But most of the money and effort that publishing companies spend on SEO is wasted for one simple reason - they don't publish any content that can benefit from best practices. At best, SEO can make it clear to the search engines what you or your SEO company wants the search engine to think the page is about. Of course, a lot of people with websites try lying to the search engines about the true content of their pages because they don't think they would get enough visitors otherwise. But search engine engineers are pretty smart, so trying to tell them lies isn't very useful, except for out on the long tail where there aren't any competing pages for a specific phrase. For example, if you bought the domain name whyismorrisrosenthalsuchajerk.com and posted an essay titled "Why is Morris Rosenthal such a jerk?", no doubt you could get the #1 placement in the search engines for the phrase. But good luck earning a living with a site like that, or with a million more like it.

The reason most publishing companies don't publish any meaningful content is that they still don't understand the web. They basically see it as an extension of glossy magazine ads or as a replacement for the [NYT Sunday Book Review](#), and they vacillate between hoping that the Google Books program will either save their bacon or just go away. The one thing they absolutely won't do is adopt any of their premium content to the web, arranging it in an logical architecture that puts the apples with the apples and the fruitcakes with the nuts, and treat it as a permanent part of their web presence. Without doing that, all the intelligent and even well meaning SEO in the world is wasted, because nobody searches for the CV of the company and nobody will link to the corporate responsibility statement.

In the world of search engines, the #1, #2 and #3 things a website needs to draw visitors are content, content and content. Visitors who arrive at a web page without any meaningful content will never link to that page. It doesn't matter if you buy their visit through advertising, steal their visit with dicey SEO tricks, or even if they stumble on it

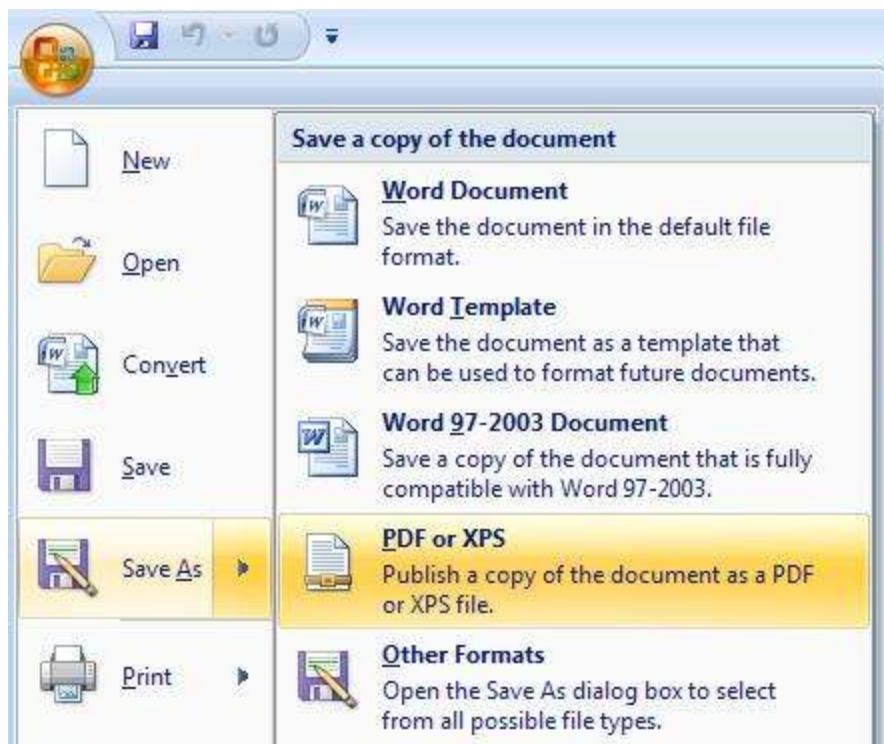
through your navigation after arriving at the front page your famous publishing company based on your brand. Without those organic links, freely given by individuals through discussion groups, blogs, and their own web pages, your web pages will never build search engine traffic beyond the long tail SEO phrase they were engineered to draw, which won't amount to a pair of beans.

There's something to be said for sticking with what you know, but publishers who aren't willing to learn a little about how search works on the web shouldn't even bother with a company website - it will just prove a distraction and a resource drain. For authors, you could do worse than reading the draft of my abandoned [guide to building a platform](#) for marketing books and researching the commercial possibilities of your work. If you want people to find your website, you have to provide content that they want to read. And if you're writing the kind of stuff that nobody wants to read, don't be surprised if nobody does.

8 COMMENTS

Self Publishing an Ebook from Word 'Save As PDF'

Based on the number of ebook questions I've been getting, I think it's time to revisit the [ebook publishing](#) subject. Foner Books has now sold ebooks in over 50 countries worldwide, with eighteen of those destinations bringing three or more customers. While some copies have appeared on various "reputable" file sharing sites, they all removed the unauthorized copies when I followed their guidelines and notified them. No, I don't enjoy jumping through hoops for people with questionable business models, but at least they responded. For the first time in February, Foner Books passed \$1500 for the trailing month of ebook sales. This income is based on the ebook versions of three POD titles, and the ebooks were all published directly out of Microsoft Word using the "Save As PDF" menu item shown below:



If you are using Word for Microsoft Office 2007 and you don't have the "Save as PDF" plug-in, you can [download it for free from Microsoft](#). I've [described the merchant solution](#) I'm using in previous posts, but to review briefly, Foner Books uses PayPal to process both credit card and PayPal payment orders, and e-junkie as the download service. I should note that many people without credit cards or who don't want to use their credit cards online do buy through their PayPal accounts. The initial problems with people paying and not following through to the download link and [not receiving the confirmation e-mail](#) because it was eaten by their spam filter have dropped to around one order in a hundred. I've actually had more incidents lately of people accidentally ordering two copies and only downloading one, which I refund immediately without waiting to hear from them first.

Only one of the titles is available both on Kindle and direct from the Foner Books website as a PDF, my book on POD publishing. That title has sold 120 copies as a printable PDF file download for \$9.95, and 28 copies as a Kindle ebook for \$7.95. I don't link the Kindle ebook [directly from my order page](#), and only two of the Kindle purchases were credited to the Foner Books Amazon Associates account, so those Kindle sales are mainly created by the Amazon platform. Due to the lower publisher share paid by the

Kindle program (35%), the direct ebook sales accounted for over \$1000 of net profit, while the Kindle sales brought in just under \$100. .

One concern I have about pushing self publishers to bring out their own ebooks is that they may be misled by so-called ebook coaches or consultants. This morning I heard from an individual who had received a multi-thousand dollar proposal to coach him through the ebook publication process, and he was already receiving regular solicitations from another ebook coach looking to sell him help. All I can say is run, do not walk, for the exit. Compared to publishing trade papebacks, publishing ebooks looks dead easy. After all, the only software you need to generate a saleable ebook is a PDF generator, and you can find free ones online if you're desperate. I use the PDF generator in Microsoft Word because I paid over \$300 for Office, but in either case, a great PDF file does not a great ebook make. The main challenge for new ebook publishers is that it seems so easy, they may be tempted to publish garbage. You still need to master the subject and come up with quality writing, editing, proofreading.

[PW reported today that Thomas Nelson](#) is rolling out a unified media program, meaning book buyers will get access to audio and ebook files in various formats for some titles. Other publishers have experimented along these lines with free ebooks, and Amazon has long offered an "Upgrade this book" option for titles from participating publishers, offering cheap, immediate e-access to buyers of a paper book. I don't see ebooks as gimmick or a way to wring a little incremental income out of backlist titles, thanks to the ability of the Foner Books website to attract visitors and potential customers. At this point, ebook sales are running around a quarter of my book sales (or around 50X the trade industry average), despite the fact I've kept my most recent and most popular paper title out of the ebook loop as a control group. And since a significant portion of our paper book sales are driven by the website as well, I'd estimate that if I dropped the POD business and did nothing but sell ebooks direct, it would bring in around \$3,000 a month. While I hope to keep publishing and selling with POD going forward, it's nice to have a fallback position that will pay the bills.

It takes two basic ingredients to make money selling nonfiction ebooks: the knowledge to write the books, and a platform from which to sell them. For a handful of authors,

that platform is Amazon or one of the commercial ebook sites, but that requires a bestseller, of which there can only be a few. Yet new ebook publishers I've corresponded with are often laboring under two misconceptions: that they can hire the talent to write quality ebooks, and that they can sell them through extensive use of advertising. Unless you pay well above trade publisher rates, you aren't going to find somebody to write a quality book as work-for-hire, so think five figures. But the ebook outsourcing schemes I've seen promoted talk about getting content for a few hundred, or at most, a few thousand dollars, which is barely enough to pay for a decent editorial pass and proofreading. The other side of the equation, selling without a platform by paying for Internet advertising will bring you sales, but those sales won't be cheap and you'll have to be an excellent bean counter to make money even if you've written a great book yourself. If you're wondering why I've used "book" and "ebook" interchangeably, the work is the same for a real publisher, right up until you get to the publishing part and start selling downloads rather than having books printed.

If I could establish a creed for ebook publishers, it would be, "Don't publish an ebook you wouldn't want to buy yourself." In the meantime, I've reverted the blog title to Self Publishing, but with version number 2.0.

9 COMMENTS

Amazon Sales And New Economies Of Scale In Publishing

Based on the [quarter Amazon just reported](#), bringing North American media sales to \$5.350 billion for the 2008 calendar year, and given Barnes&Noble's guidance of a sales decrease for the last quarter of 2008, I think my prediction that [Amazon would become the largest book retailer in the US](#) in 2008 is looking pretty good. They certainly sold more media in North America during 2008 than Barnes&Noble, the only question is whether Amazon is selling a much larger proportion of DVD's and other non-book media than Barnes&Noble. It would need to be a much larger proportion since I'm estimating Amazon's North American media sales will come in about 18% higher than Barnes&Noble's overall media sales in 2008. Keep in mind that Amazon also sells more new titles at a discount, and a large number of new and used and third party books for

which they only receive transaction fees, which makes the number of units sold much higher than the dollar revenue suggests. I'd be surprised if Amazon's total number of physical books sold isn't already appreciably higher than Barnes&Noble's. It's also worth noting that Amazon's international media sales exceeded their North American media sales for the first time in 2008, and did so by nearly \$400 million.

I've written in the past that small publishers shouldn't try to run their businesses like large publishers because the big trade model just can't be scaled down to a hundred or a dozen titles, much less one or two. The same is true for independent bookstores vs bookstore chains. But in recent months, the hunters are rapidly becoming the hunted, with Borders chain fighting for survival and large publishers cutting staff and frontlist plans. Let's take the problem facing the Barnes&Noble, Borders and Books-a-Million first. Large retail chains are built to function as large retail chains. They can't decide tomorrow to focus on the 20% or 30% of their stores with the best sales and close the rest, the lease agreements or mortgage payments for stores alone make that impossible without bankruptcy filing and protection. They have hundreds of millions of dollars locked up in inventory, and need lots of cash flow to pay creditors, employees, etc. The big bookstore chains will live or die as big bookstore chains.

Large trade publishers face a more complicated future because they appear to have more options than the retailers, but some of those options are illusions. Many publishers are currently seeking salvation in ebooks, approaching the business like Internet start-ups in the Dot Com era - eyeballs first, worry about profit later. Everybody likes talking about the number of titles they have available for Kindle, but I haven't seen much bragging about the bottom line. I seriously doubt that any of the large publishers talking about deriving half of their sales from ebooks in the near future could remain in business if that boast became a reality. A small nonfiction publisher can sell ebooks through content based website and add 20% or more to the bottom line of a the business, but the large publishers are depending on retailers (primarily Amazon) to sell their (primarily) fiction ebooks. Publishers currently treat ebook sales of backlist books as pure profit, since the acquisition and development costs were amortized years ago on the offset runs, but good luck financing their business models going forward if they have to depend on ebook profits to pay all their costs.

Publishers continue to obsess about [book returns](#) as the problem without realizing that any form of non-returnable books are the displacement technology that renders their core business model obsolete. The expertise at large publishers is in managing the large offset run returnable book model, without those they're on the same playing field with Tom, Dick and Harriet. Expect to see terminal consolidation of the large trade publishers, with the value of the publishers being measured by their backlists rather than superstar authors or name editors. When the 90% of popular backlist titles protected by copyright are held by two or three companies, we'll see whether the remaining retailers or the publishers hold the most power. The smaller publishers without expensive Manhattan offices and warehouse space leased for fifteen years are probably the safer bet for the next few years if you're new to the business and looking for a job. But somewhere down the road, when there are only two big retailers and two big publishers left standing, the economies of scale may tilt again against the small guys.

[6 COMMENTS](#)

Website Aesthetics and Content SEO

This morning brought me the usual number of e-mailed questions and the comment "I found your website interesting but not eye appealing." So let's examine my options. I can spend some money on new software and invest a couple hundred hours in designing a new website around my existing content, or I can spend a couple paragraphs explaining why aesthetics don't make it onto my priority list. Since my site draws over two million unique visitors a year, I'm going with the latter option. But it does give me an excuse to review why website design and SEO cannot be treated as separate job functions, with the design coming first and the content optimization coming later.

Website aesthetics are the Achilles heel of most content based Internet sites, and not because the sites are ugly. Rather, the pursuit of a high grade aesthetic forces these publishers into expensive and unwieldy approaches and a high degree of reliance on outsourcing and custom design tools. I can't count the number of people I've known

over the last decade who have locked into one proprietary content management system (CMS) after another, nor how many of those CMS systems have been orphaned, leaving the publisher with an expensive conversion task. The quest for a high aesthetic can postpone (sometimes indefinitely) the launch of the website, and cost of paying an outsider for every change can lead to an existing site languishing. Content publishers who commit to a high aesthetic are preparing for the big show by braiding the hair over the horse's eyes, rather than its mane and tail. Or to use a publishing analogy, it's like writing a book based on the cover design.

But website designers, who are the first stop for most publishers looking to build or expand their website, insist that the design function stands apart from the critical mission of drawing visitors from search. If your business is already famous, or has a government granted monopoly, then you can focus solely on the aesthetics and navigation and not worry about drawing visitors. But for the rest of us, drawing visitors from search to sell our products is the main mission of the website. So let me pose a question to you. ***How many websites have you visited, ever, because you Googled something and got back a list of results based on aesthetics?***

The only way to draw visitors to your website without advertising or cheating is to provide content. Increasingly, the job of an honest SEO firm has less to do with optimizing your existing content and more to do with helping you determine what content you need on your website to achieve your goals. There are only two types of content that matter for most publishers: existing content, usually in the form of published books or excerpts thereof, and purpose written content, produced in order to have your say in the world and attract visitors to your website. Existing content is easy, the only decisions involved are determining how much of it to put online and how to organize it in the hierarchy of the site. Purpose written content is much more of a challenge for most publishers because it represents a future, ongoing task, and because it requires a knowledge base or research skills in the area in which the publisher aspires to become prominent.

Here's a simple example of a purpose written piece of content, my annually updated [article on book sales](#), gathered from publicly available information. The page averaged

just under a hundred visitors a day in 2008, who spent an average of three minutes on the page. That's more traffic than most small publishers get for their entire website. It's a subject I'm interested in and track, in part, so I can draw my own conclusions from the data. It probably took me a day to put together the original page back in 2003, and I might invest an hour or two a year in keeping it up-to-date. The only changes to the page's aesthetic design in the last six years are that I added a pair of videos and pasted the horses into the top right corner:-)

Many of my strongest web pages for drawing visitors are book excerpts, usually whole chapters that cover self contained subjects, making them a stand-alone resource that visitors consider worthy of linking. But one great advantage of purpose written content is that it's much easier to keep up to date, and allows you to address subjects that you wouldn't consider publishing an entire book about. And blogs are not the answer. I've written quite a bit about why [blogs normally do poorly](#) in drawing search visitors. Even though it's possible to produce blog posts with the exact same content as your would put on a static page, those visitors who give you links will often prefer to link to the main page of your blog. That leaves your blog with a lot of incoming links for diverse subjects which the main page will rarely address, while the specific blog post will starve for relevant links.

I think my greatest failure as an Internet publishing guru has been failing to get major publishers to follow my content based website approach. One reason is that I refuse to charge for advice, something which scares off most professionals who are either distrust or despise something for nothing. I don't blame them, having the same outlook myself, but I'm not interested in selling my time. For those of you who aren't comfortable accepting free advice by e-mail or phone, I'll put it in writing.

Forget about hiring somebody to build a website that will meet your needs until you figure out what your needs are. At that point, if you don't want to build the website in-house, you can hire somebody to do the job, based on their track record in meeting needs like yours with other websites. And remember, whether we're talking about existing content or purpose written content, it has to come 100% from your end. If you're looking to hire somebody to produce your website content for you, that means

you're looking for somebody to who knows more about your business than you do, which means you're in the wrong business. In conclusion, to prove I do have a sense of aesthetics, I'm re-running my [website publishing video](#) with the best backdrop.

15 COMMENTS

Publishing Technology vs Content (Yes, it is versus)

Today I dropped the "self" from the title of this blog because I find I'm writing more and more about general publishing issues, of which self publishing is a subset. But don't expect me to become a publishing technologist. I see the technology and content components of publishing as existing in opposition to each, rather than in partnership. To quote a well known former self publishing blogger of the 21st century, "Technology is the last refuge of a scoundrel." I'm not such a Luddite to question the value of cut-and-paste in editing, though as [the video shows](#) , I find cutting the more valuable of the pair.

The publishing world is rapidly filling up with new standards and devices, none of which I believe are doing anything to boost readership, or literacy. The large trades and newspapers are rapidly [cutting back on employees](#), and it's not simply a question of their audiences migrating to reading elsewhere. In many cases, their audiences are simply giving up reading in the long form, and satisfying themselves with blurbs of news and "culture" delivered through e-mail portals that they can click and follow to a news website or YouTube if desired.

The core misconception about publishing technology is that it provides a solution, when in reality publishing technology is a tool, and often a problematic tool at that. Publishers who think that a new technology is going to change the popularity of their books or their web content with their audience are fools. At best, chasing the latest standards and devices may give the earliest adopters some PR opportunities, as most publishing journalists are obsessed with technology because it provides the easiest fodder for a regular column. But the time and money those publishers invest in adopting the new technology only makes sense if it provides a profitable revenue stream.

Books may slowly give way to some form of ebooks, but it's not publishers who will shape or control this transition, it's the reading public. As a lifetime addicted reader, I don't have any doubts about the crowning glory of the printed book. It's the ability of a novel to lift the reader out of the surrounding environment, be it an armchair or a subway car, and into the world created by the author and the reader's joint imaginations. While some ebook devices may succeed in doing this, I don't believe that a dedicated ebook reader, such as the Kindle, has a long term future as a single function device. And as soon as you are receiving e-mail alerts or phone calls on your ebook reader, the basic function of the novel in creating an alternative universe is shattered.

Clearly, I don't control the future of Kindle and Sony reader, or the multi-function devices already used to deliver book content, like cellphones, MP3 players, laptops and desktop computers. But neither do the manufacturers or the publishers control the future of these devices, it's all up to consumer choice. My suspicion is that even devices like [dedicated ebook readers for public school students](#) which would seem no-brainers will be overtaken by the potential of technology to "add" to the book experience. Therefore, I believe that non-printed books will always suffer from dilution by addition, even though the market share of paper books may one day occupy the market share position that ebooks hold today.

The publishers who survive will be those who concentrate on producing the best possible content for their audiences. Those publishers who fail to identify their audience are wasting their time even thinking about delivery platforms. Once you identify your audience, if it turns out they are all Oprah watchers, by all means release a Kindle edition. But don't put your trust in technologies that promise profits down the road if and when the business model firms up. That only works for the Googles and the Amazons of the world. Any business can buy incremental unit sales at a negative profit margin, but it's simpler to stand on the corner handing out \$20 bills until you go broke.

[6 COMMENTS](#)

Returnable Books Are Good For The Publishing Industry

This week, Borders announced that they will purchase books from HarperStudio on a nonreturnable basis. HarperStudio is an experimental imprint of HarperCollins that is trying to [change the traditional big trade model](#) by cutting back on author advances and returns from booksellers. I'm in favor of giving authors the option of trading off lower advances for higher royalties and I tried talking McGraw-Hill into giving me a higher royalty in return for no advance when I was writing for them, without luck. But the idea of ending bookseller book returns by selling on a nonreturnable basis is wishful thinking on the part of all parties involved. Bookstores and publishers are businesses that need to make profits to survive. The main profit drivers for large publishers are bestsellers and [evergreen titles](#). The main profit center for bookstore chains may actually be cooperative advertising dollars from large publishers, but their main retailing activity is pushing those same bestsellers and evergreen titles.

Large publishers fantasize that bookstores will continue to give a most of their titles a chance on the shelves if they increase the trade discount to bookstores from 48% or 50% on a returnable basis to 58% or 60% (or more) on a nonreturnable basis. While a large bookstore chain may be willing to experiment with a nonreturnable list from a small imprint, it would be suicidal for them to gamble on a large number of nonreturnable titles. The majority of books in the large superstores function primarily as wallpaper, to make a warehouse sized store look and feel like a bookstore. Most of the new titles coming into a superstore get a few months on the shelves, don't sell well, and are returned to the publisher for credit towards a new batch of titles. Currently, bookstore chains can sell the small number of nonreturnable books they stock at bargain prices when they fail to move, taking a small loss. If the majority of the books in a superstore were there on a nonreturnable basis, the store couldn't stand selling them at a loss. Those books would simply remain on the shelves year after year, filling their wallpaper role and eliminating the chance for all but the most heavily promoted new titles from the trades to ever get in the door. Eventually, the bookstore chains would all come to resemble airport booksellers, with a stock of fast moving bestsellers, crossword puzzle books and timeless classics they could afford to sit on.

Bookstore owners, the large chains in particular, fantasize that they can add 20% to their gross margins by purchasing nonreturnable books. Of course, these profits only materialize if they can sell most of the books they purchase for their usual price. The only way bookstores can hope to achieve this is to cut way back on titles that aren't proven sellers, or at least backed by huge promotional budgets. Instead of a superstore chain cycling through tens of thousands of new releases in the course of a year, they will only gamble on a few thousand new titles. I predict that Barnes&Noble, the chain that has proven itself the most business savvy, would continue to increase the number of books they publish in house under a nonreturnable paradigm, until half the books in every Barnes&Nobles store are out-of-copyright classics, how-to, self help and reference books, published by Barnes&Noble and kept on the shelves until they sell.

Small publishers are likewise deceiving themselves. The small publishers who count on distributors to handle their books are currently giving up a 60% to 70% (or more) discount on returnable basis, since the distributor takes a cut. If the distributor was forced to sell to bookstores at a nonreturnable discount of 58% to 65%, the publishers would be selling books to the distributor at a 70% to 80% discount off the cover, and I'll bet the publishers still couldn't expect to get paid promptly because the distributors are always cash poor. Imagine being a small publisher with frontlist titles priced around \$20 and having to sell them for between \$4 and \$6. Most would go out of business, and that doesn't even get into the original problem that bookstores will be less willing to try new books from a distributor if they can't get credit at the distributor for returns.

Small bookstores may have it hardest of them all. The whole business model of returnable books was created back in the Great Depression because bookstores didn't have the capital to purchase new books and publishers had to choose between stopping the presses and basically providing the books on consignment. Times are harder for small bookstores today than at any other period since the returnable model was introduced. The only small bookstores that could afford to take a chance on new titles other than bestsellers and specialty titles are those that are run as hobby stores by retired professionals or trust fund babies.

So let's set the record straight. Returnable books are good for everybody. They allow bookstore chains to stock a real variety of books, and they allow trade publishers to offer a chance in the sun to far more authors than would be otherwise possible. Returnable books allow small publishers to make a living on books sold through distribution, and they allow small bookstore owners to follow their instincts and order the titles they think their customers will come to love, rather than stocking nothing but sure things. Returnable books are even good for self publishers like myself, whose books would never have been given a chance on bookstore shelves at a short discount if the bookstores didn't know they could return them. Returnable books are even good for printers, who would lose as much as 30% of their business if it weren't for the print and pulp model. Returnable books are what differentiate the publishing business from the grocery business.

The only loser in the returnable book business model is the environment, with the extra trucking books back and forth that goes on, and the paper production process. But trees grown for pulp are a renewable resource, and as soon as the trucking companies are all driving George Jetson trucks, the last objection to book returns will be put to rest.

3 COMMENTS

Business Continuity Planning For Publishers

I thought of titling this post "If you're reading this I'm dead" - but that would have been false advertising. If you're making a living as a self publisher or as the sole owner of small publishing business and you haven't done any business continuity planning for the event of your natural or accidental demise, it's time you do so. I've been talking about it for years, and even considered setting up a [brokerage for small publisher assets](#) held by the heirs of small publishers who didn't know what to do with them, but I never quite got around to putting a plan on paper until last week. The Foner Books business continuity plan below is a working draft - I've already given the first copy to my family for safe keeping. It's specific both to my business and to my heirs, but it may serve as a template to get you started.

For My Publishing Business Heirs

As a [sole proprietor](#) with a successful publishing business and no employees who know the ropes, it's time to do a little estate planning. Should I get run over by a Smith College courtesy van while out running through the campus, I'd hate to look up from, I mean down from heaven, and see that some con artists had taken over my websites and that my books had all gone out of print that year. While it's difficult to predict the future, if I stopped writing tomorrow and simply allowed the business to wind down with minimal supervision, I estimate it would bring in couple hundred thousand dollars before losing commercial relevancy. Yet I would roll over in my grave with surprise if you could find somebody willing to fork over just \$50,000 up front for the whole shooting match, and I'd be very disappointed if you took it.

Running the business in a holding pattern will require very little money or time. There's the \$10/month for hosting my three websites (\$360/year) and \$12/title/year for the five books I currently have in print through Lightning Source. The eBook download service I'm using, e-junkie.com, automatically charges my business PayPal account \$5/month. Some years down the road, you may want to extend the registration of the Internet domains, but I've paid for the next ten years in advance on the important ones. It's a good time to mention that any mail you get stating that a domain is expiring is probably a scam, it's easy to check expiration dates with WhoIs on the networksolutions site. That's it for regularly occurring expenses.

On the income side, whoever is assigned to administer the business will have to get a new EIN from the IRS (free) and plug it into the payee information for the existing corporate payers, Lightning Source, Amazon, Google and PayPal. Since all of those payers are tied into my current business bank account, hopefully the bank will let you substitute that EIN for my social security number without changing the account number. If the account number needs to be changed (or if you choose to use another bank for the business account), you'll need to plug the new bank account number into the payer accounts as well. Note that they all make automatic monthly deposits or send checks, with the exception of PayPal which requires manual (online) transfers.

Somebody should be assigned to do a daily check of e-mail, the eBook download site and a few other items - less than fifteen minutes a day all told. You should set up an autoresponder on e-mail telling people I should have been more careful crossing the street, but it's still important to check the mail in case there's a customer who wants to order a ton of books or is asking for a refund. Other than those two things, ignore all e-mail that's not personal or from a business affiliate (like Amazon, Google or PayPal) and never click on links in those e-mails because they are often fakes. Just go to the affiliate site and log in, if there are any genuine problems, that's where they'll show up. The reason to check the eBook download site every day is to make sure that customers have actually downloaded the ebook they paid for. Maybe twice or three times a month, somebody misses the download link and their spam filter eats the confirmation e-mail. You can contact them and resend the link or you can just issue a refund through PayPal, takes two seconds.

You should also visit the fonerbooks.com website once a day, just to make sure it's up and hasn't been hacked. It wouldn't hurt to get into the habit of choosing a different page to look at each day, just to get an idea of how things work. If something appears wrong, call my Internet host, he actually answers the phone or returns calls. He would be able to restore the site from a back-up if it's been hacked and give you a new password. If a couple years go by and he's quit the business or his area of the country has made the Internet illegal, sign up with another \$10/month host who answers the phone, and have somebody upload the exact copies of the websites that I'll leave you. The websites are all simple HTML, which means they don't require any special hosting or setup, the whole thing won't take a half hour. Then go to NetworkSolutions, where I registered the domains, and change the addresses to point to the new host, or call cousin Ernie and ask him to do it. Everything will be back to normal within a couple hours.

Don't sweat the small stuff or start thinking about cosmetic changes. I've been doing this since 1995 and everything is the way it is for a reason. Some small, well meant changes could end up costing me, I mean the family, a lot of money. If something goes wrong, like one of the services the business depends on goes out of business, between family and the friends contacts I'll leave you, it can all be worked out in short time. Don't go shopping for new partners without the need, that's just looking for trouble. Don't bother

replying to people who want to advertise on the site, most are only semi-legitimate and even the serious ones will do more harm than good.

It would also be a good idea to check the in-print books on Amazon and Barnes&Noble.com once in a while, though dealing with the occasional problems or errors that creep up there will be a job for one of my publisher friends. In general, the printed book part of the business changes more slowly and runs into fewer glitches than the electronic side, but those problems are harder to get corrected.

My fondest hope is that somebody in the family will take a genuine interest in the business and continue to grow it. There are plenty of published authors in the current generation, and given the educational paths their kids are taking, work that doesn't require a degree and offers flexible hours would be right up their line. Between the three websites, there's plenty of groundwork laid for different businesses, and maybe someday I'll write up another plan suggesting the best way to expand without accidentally damaging the ongoing revenue. If the book designers in the family want to start a business offering services for self publishers, owning a site that ranks in the top 10 in Google for "Self Publishing" is a great place to start. Anybody in the family who's really interested should start watching the website traffic every day to learn the who, what, when, where and how of why people visit and what they might be interested in that we don't already have. It would also be a good idea for that person to read through my publishing blog, starting with the oldest posts. Would take a couple months at a half hour a day, I wouldn't advise going faster.

Don't try to make any sense of the stuff on the hard drive of whatever laptop is left behind. There aren't any business records you need, just historical data, and the last back-up website copies I leave on DVD are best for emergency repairs. I have also started (today) to make a conscious effort to keep an official copy of each website in the "/websites" directory on the C: drive. There are multiple other experimental copies and fragments on the laptop, ignore those.

Various contacts and accounts:

I didn't see the need here to share all of my account log-ins and emergency contacts with the general public, but it came to about two pages of accounts, with brief descriptions of who they are and what they are for. You may have noticed that the basic continuity plan has a disaster recovery plan mixed in - how to cope with hacked websites, book catalog problems, and a reference to the contacts to call in case some expertise is required.

If I knew that my heirs would be in a hurry to either [sell the publishing business](#) for quick cash or to take it over as a career for one or more of them, I would have taken a very different approach. This business continuity plan is written for what I currently see as the most likely scenario, a gentle wind-down. The fact that the business has no debts and no employees means that my heirs aren't under any pressure to do anything, other than comply with tax laws. If you're currently pouring money into a business investment that you believe will pay off big if it can only be completed, you should try to line up somebody who will be able to do that work and make them part of your continuity plan.

The amount of detail you need to put into contingency planning depends on both the complexity of your business and the probability of your heirs actually following your instructions. If your family never takes your advice while you're alive, it's probably a waste of time to go into great detail about what they should do once you're dead. My own goal was to provide enough detail to get the job done without getting into so many specifics that it starts looking too difficult. I know my family well enough to know that in the latter case, they would ask people in their community for references, and end up hiring some clown who makes a good appearance. The clown would then find ways to squander the income, claiming I left things in a mess, and then destroy the ongoing business in an attempt to look proactive. Good thing I won't be around to see it.

8 COMMENTS