



EXISLE ACADEMY

THE BUSINESS SIDE OF PUBLISHING

MODULE 1 OF 4 — THE NUTS AND BOLTS

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We'll be covering the business side of publishing in four modules. The first of these deals with the processes and costs associated with actually producing the book.

This is particularly important if you are self-publishing. It's vital that you know exactly what costs you're going to encounter, and exactly how you need to go about producing your book so that you end up with a good-quality, saleable product. We have described all of the normal steps, but you may of course choose to do some of these yourself. Before you embark on the process, you need to have a clear idea of what you can afford, what you're actually good at (i.e. have the skills to do at a commercially acceptable level), and what you're not. Please note that unless you have arranged for third-party sponsorship or have secured guaranteed sales ahead of publication through a pre-order process, your cash flow will be negative for a long time.

If you're not self-publishing and instead are working with a professional publisher, then this is still a useful module for you as it will show you the financial risk publishers take on every book and exactly where they invest their money.

So, let's begin!

THE AUTHOR

We are assuming that you are the author and that you have chosen to self-publish. You will therefore not be paying yourself royalties. Instead, you will receive the profits from the sale of your book once all costs have been accounted for. (Contrast this with a professional publisher, who will pay the author a royalty based on sales of the book, which is a percentage of either the publisher's net receipts or the retail cover price of the book, depending on the individual publishing company. Publishing contracts and royalties are explained in Module 4.)

MANUSCRIPT ASSESSMENT

If your book is to stand the best chance of success, you need to ensure it is of commercially publishable quality. This means that you cannot rely on the opinion of friends and family, who will most probably not be objective or have the necessary skills to evaluate your work with a professional eye. Instead, you need to get your manuscript assessed by an editor with experience in the genre that you're writing. A quick google is likely to bring up the professional author and writing associations in your area or country. These often have a database of reputable freelance editors, listing their areas of expertise. For example, the NZ Society of Authors includes the following list on their site: <https://authors.org.nz/list-of-assessors-and-editors/>.

Writers' centres are also a good place to go to find suitably experienced editors. Make sure that you check reviews and testimonials before committing.

For a children's picture book expect to pay from \$150 upwards for an assessment and brief accompanying report. Generally, the longer your manuscript, the higher the cost, as the assessment will take the editor longer to complete. Full-length manuscripts for adults can cost anything up to \$1000 or more. We recommend that you avoid organisations offering free or very cheap assessments. These are often vanity publishers hoping to lure you into their publishing model.

EDITING

Every manuscript benefits from the work of a skilled, professional editor. As the author, you will be too close to your work and unable to spot flaws and inconsistencies, correct spelling mistakes or see how your text might otherwise be improved. This is where the editor comes in.

There are two main types of editing: structural editing and copy editing. While both are often done by the same person as part of the same general editing process, it's useful to have an understanding of how the two differ.

Structural editing looks at the broad sweep of your manuscript. In the case of a non-fiction book, a structural edit will look at whether chapter divisions are logical, whether the information is presented in the correct order, if subheadings have been used to break up the text so that it's easy to follow and understand, etc., etc.

Copy editing deals with the detail of grammar, spelling and manuscript style.

Professional publishing companies employ in-house editors and also utilise the services of a stable of freelance editors with expertise in specific areas. If you are self-publishing, you should contact your local author associations to see who they recommend.

For a children's picture book, expect to pay upwards of \$400. For full-length adult manuscripts, a basic edit begins at around \$1500 but can increase to \$8000 or more depending on the word count and the amount of structural editing required.

Note that most good editors are busy and can be booked up for months ahead, so you will need to plan for this and factor it into your production schedule.

DESIGN

A self-published book or one produced by a vanity publishing house to a formula can often look amateur and will be distrusted by booksellers and avoided by librarians as a result. So, self-published authors can help themselves considerably by investing in proper design. If your budget doesn't allow for an experienced book designer to design both the cover and the internal pages, do consider working with one for at least the cover. If you are planning to sell online, often all that is displayed on websites is the front cover, and this is usually reduced to 'thumbnail' size (a quarter of the actual cover size or less). Your cover needs to grab the attention of potential buyers as they scroll through hundreds of books. This is why expert buyers for bookstores will often care as much, or more, about the cover than the contents. So, give your book the best chance possible!

Before your designer can embark on the cover design, you need to determine the size of your book. This is largely determined by the genre of your book and who the target market is. You can gain a good idea of possible sizes by going to your local bookshop and looking at similar books. Children's picture books are larger in format and need to be printed on durable paper that will last many readings and the potentially rough treatment of little kids. Adult non-fiction titles tend to be published in a standard 'trade paperback' format, as this is a comfortable size for readers to hold. Paper is likely to be cheaper quality than that used in children's picture books, as it doesn't need to be as durable.

As well as size, you need to decide between hardback and paperback formats; whether your hardback will also have a jacket that wraps around the cover; and whether your book will need to include colour and illustrations, or if it will only include text and can be printed in black and white.

The most common sizes that you see in bookstores are the most economical to print. This is worth paying attention to, as your print and binding costs are big expenses so try to stick to the standard formats. Note also that smaller sizes don't cost proportionally less to print and bind than larger sizes.

Pay careful attention to pagination. Books are usually printed from large sheets of paper that are folded into 16-page 'sections'. It is therefore advisable that your book's page extent is neatly divisible by 16 or 8 ('half-sections' are also possible) as this is most cost-effective (it avoids paper wastage). This is why children's picture books usually have 24 or 32 pages, for example. Note that the page extent does not include the cover.

For a freelancer book designer, you can expect to pay anything from \$300 to \$2500 for final print-ready cover. Internal design can range from as little as \$12 a page for straight black-and-white text up to \$150 a page for complex, fully illustrated, full-colour books. You can often negotiate a better rate if the designer does both the interiors and the cover. You can find your own from a google search or by looking at the imprint page of some books you like to see who designed them.

If you decide not to utilise the services of a professional book designer and instead handle the design yourself, you need to:

- 1: Make sure you have the right design software and can use it effectively.
- 2: Finalize who your printer will be and get clear instructions from them on how to set up your files for both cover and internals. Most printers have small 'pre-press' teams who can help get your work, based on their specifications and instructions, into a printable format. Be mindful of their charges, which will be separate to the printing cost.
- 3: Keep it simple. An uncluttered classical design for both cover and interiors is far less likely to look like the work of an amateur than any other approach. We have seen shocking examples of enthusiastic non-designers letting rip in Photoshop and InDesign and producing little more than a disturbing printed mess.
- 4: If you only want your book to be available as an ebook (and not in printed format), then make sure you check the requirements of your preferred online retailer (for example, Amazon) early in the process so that you know you can deliver what they need.

ILLUSTRATION

There is a separate Exisle Academy document that outlines how authors can effectively work with illustrators. Please note that illustrators are generally not also designers.

PROOFREADING AND INDEXING

Every properly produced book should be proofread — and not by the author or the editor, and definitely not by your friends! If you don't want to use a professional proofreading service then please find someone completely unfamiliar with the text to proofread it for you. Then check it again yourself after their corrections have been taken in to the file. No one is infallible. Expect to pay a minimum of \$800 for an adult non-fiction title.

For Exisle's adult non-fiction list we believe indexes are nearly always vital. Libraries like

them because their users need them. You can prepare an index yourself as long as you pay rigorous attention to detail and have a clear, logical mind that understands how your readers are likely to want to access your information. You can also use indexing software but our experience has shown that the results are not always satisfactory. Alternatively, you could use the services of a professional indexer. Expect to pay a minimum of \$500 for an adult non-fiction title.

PRINTING, BINDING, SHIPPING AND STORAGE

There is an old cartoon set in a print shop. A lady at the front desk points to a sign that says: 'QUALITY, SERVICE, PRICE' and she invites the customer to 'pick any two'. Printing can be an expensive minefield for the unwary, and we have heard of too many instances where the 'nice, friendly, local printer' has in fact fleeced their customer. So, here are some basic rules.

If you are printing more than 1000 copies of most bound books, you should be looking at specialised offset book printers in Asia. They normally deliver a professional-looking product for a much better price than Australian and New Zealand printers. As an Exisle Academy member we can assist you with this process.

If you are producing fewer than 1000 copies, you should be looking at Digital Printers in ANZ, some of whom can produce as few as one book whenever you want it. This is known as Print On Demand. You can seek a range of price quotes for different quantities. The more you print the cheaper each book will be. We suggest you source three quotes and carefully check them to ensure that you are comparing the same types of paper and binding. Ensure that any shipping and packing costs are fully covered in your comparison quotes.

As the cartoon described above indicated, it is not all about price. So you should ask to see samples of books they have printed in a similar manner to yours so that you can also compare quality.

You need to be clear about the binding style you require as not every printer can do them all. Discuss what they are best at doing. Most books are 'perfect bound'; smaller ones are often 'section sewn'; and we recommend that you stay away from 'spiral binding'.

Once you have decided upon your printer, you can negotiate a bit on pricing. Giving them some flexibility with when they can print it can help, as all printers have busy and quiet periods. The printer will also be worried about getting paid and will have priced the risk of this into their quote, so you can negotiate around this.

A NOTE ON COSTING AND PRICING

All of the costs incurred above, excluding the print costs, are what's known as 'fixed costs'. You should never have to pay them again.

Let's look at an example for a 32-page children's picture book. Allow about \$850 for extras and your own costs.

Assessment: \$200

Editing: \$800

Illustrations: \$3000

Design (cover and interiors): \$5000

Proofreading: \$150

Extras and your own costs: \$850

Total: \$10,000.

Treat this as your investment cost.

The printing options you choose will determine your cost per book — we call this the unit cost.

Say you decide to print 350 at your local printer and they charge you \$10 per book, including delivery to you.

Your print costs are now \$3500 and your fixed costs are \$10,000, giving you a total of: \$13,500.

Divide that into the number of books you've printed to get the unit cost:
 $\$13,500/350 = \38.57 each.

If you printed 2000 the print costs would come down by at least 30% to \$7000 and your print bill would be \$14,000. Your total investment would therefore be \$24,000. But if you divide this by the number of books you've printed:

$\$24,000/2000 = \12 .

Your unit cost is therefore vastly cheaper.

How you approach this print volume/fixed cost equation is critical to your commercial success. We would advise you not to economise on your fixed costs as if you have a good-quality book it will eventually sell and you will be able to reprint it. Sadly, if you haven't produced a good-quality book you never will. But we also advise you not to print more than you think you can realistically sell through.



For example, if you stick with your first printing of 350 copies and sell them all, and then print another 350 copies six months later, you would have total print costs of \$7000. But your fixed costs haven't changed so to find out your average unit cost, the equation is: $\$17,000 / 700 = \24.28 .

If you reprint again in another six months, your average unit cost becomes: $\$20,500 / 1050 = \19.52 .

But what should your unit cost be? This depends very much on the marketing and sales channels you select and work with. If you are selling books for \$30 at your local market, then making a profit of \$10 on each might be fine. But if you are selling them through bookstores, they would need to buy them at less than your unit costs above.

How this can be dealt with is covered in the next module: **The Business and Marketing Mix.**