

Start your own publishing company!

FabJob Guide to  
**Become a  
Book  
Publisher**



JENNIFER FISHBERG

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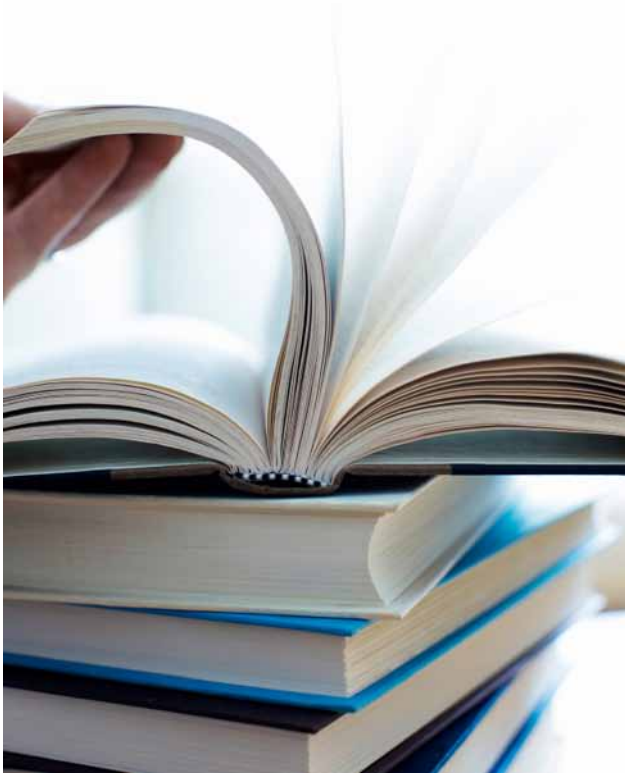
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## 1. Introduction

Congratulations on taking the first step toward starting your own book publishing company! Do you dream of seeing your own works in print, or providing an outlet for other new or underrepresented voices? Do you have a mission or cause to promote through your books, or a personal experience to share with the world? Does the prospect of collaborating with editors and designers, networking with literary agents, and becoming an entrepreneur intrigue you? It's all part of the exciting world of book publishing.

While people from many different backgrounds are drawn to the publishing profession, if you're considering taking on this challenge requiring equal parts left and right brain, chances are you've harbored a lifelong love of the written word. Perhaps you're the creative type who spent more of your childhood in the local library with your nose in a Beverly Cleary or Judy Blume book than on the playground.

Or maybe you discovered your passion for books later in life wandering the dusty stacks of used bookstores seeking out of print titles. Perhaps you've been called upon in your current job or in your personal life to use your writing gift to provide information or entertainment to others. Or maybe you just love reading dynamic books that teach you something new or make you feel connected to the world in a way you hadn't before.

From whatever direction your calling came, publishing is an exciting and rapidly changing field and books remain a powerful medium of communication, whether in print or electronic format. As means to, as author E. M. Forster famously said, "Only connect". New technology, such as e-readers and print-on-demand, is challenging many of the traditionally held beliefs about what kinds of books can be successful, and redefining what it means to be an author and a publisher in the digital age. The ease of getting a book printed has leveled the playing field, removed roadblocks, and enabled new authors and publishers who have never before had this kind of access to reach an audience eager for fresh perspectives and specialized niche topics.

But publishing can also be a confusing maze, and there's no shortage of companies out there looking to take advantage of this fact, more interested in opening wallets than in opening doors for would-be authors and publishers. For this reason, it's important to be armed with the facts as you begin to plan and implement your new venture. That's where this guide comes in!

We're aware that there are many books on the market about "self-publishing", each with a very definite point of view about just what self-publishing means and exactly how it should and shouldn't be done. Many of them are excellent resources, and there is a wealth of wonderful information to be gained from the experiences of their authors. You'll find a few of the best mentioned in this guide. However, if you've already done some research on self-publishing, you've probably also realized that there is a lot of contradictory advice out there. Remember, none of these folks have your exact goals, needs, budget, personal taste, skills, or knowledge base, and vice versa.

So, while we conducted interviews with many experts in the field who generously shared their wisdom -- from independent publishers to liter-

ary agents, publishing services providers, publishing coaches, and book marketing professionals -- it is the goal of this guide not to prescribe which one way is best, but rather to provide you with a clear roadmap of your options as you begin this journey. We'll discuss the pros and cons of each so that you can avoid the pitfalls along the way and make the most informed decisions about what works for your unique situation. You will also gain an understanding of how to leverage your skills and experience to tap into a niche market, how to develop new skills to make your books more marketable and competitive, and where to find the resources you need to help you grow your business.

In this chapter, we'll begin with a brief overview of the publishing industry, including traditional publishing, independent publishing, and self-publishing. We'll also examine how current trends, including the increasing demand for e-books, are changing the face of the industry at a pace that would make anyone's head spin. This chapter also includes a look at some of the potential rewards you can expect as a book publisher. So let's get started!

## 1.1 The Book Publishing Business

### 1.1.1 What Is Independent Publishing?

If you've already begun doing research on the publishing industry, you may be confused by the differing ways in which you've seen certain terminology used -- "self-publishing" for example, or "print-on-demand (POD) publishing". Before we go any further, let's bring some clarity to these important definitions as they will be used throughout this guide.

#### Self-Publishing

Highly respected publishing professional and President of the Independent Book Publishers Association, the leading professional organization for self-publishers and indie publishers, Florrie Binford Kichler, offers the following definition of self-publishing:

"A self-publisher is one who establishes his or her own company in order to create, distribute, market and sell a book that he or she has authored. A true self publisher follows all the business precepts of publishing

including maintaining professional standards in editorial, production, finance, marketing, sales and promotion.”

— *Florrie Binford Kichler,*  
*President, IBPA and Publisher, Patria Press*

This is one point on which the experts all largely agree – the key factor here is creating your own company. While you needn’t handle every aspect of the business yourself -- in fact, most experts advise against attempting this -- you maintain ownership of the rights to your self-created or acquired material, and ISBNs belong to you as the publisher of record. ISBNs are explained in greater detail in chapter 4, but in short, this is a unique and internationally recognized identifying number assigned to all books.

### **Subsidy Publishing, Vanity Publishing, and Print-On-Demand (POD)**

Much of the confusion lies in the widespread use of the term “self-publishing” as a synonym for “vanity publishing” or “subsidy publishing,” which it is not. This confusion is generated both by companies offering author services and by some of the mainstream media. Many companies, such as Xlibris, iUniverse, and Trafford offer “self-publishing services” or “author services” or “POD publishing” (not to be confused with POD printing, which we’ll look at in greater detail in chapter 4). In reality, these are all terms used for subsidy publishers that enable authors to see their work in print for a price. These companies offer a range of editorial and design services – a one-stop-shop of sorts. However, marketing prospects for these titles are slim and most of the books end up being purchased by the authors and their family and friends.

In some cases, this may be a perfectly viable option. There’s nothing inherently wrong with these services and many, such as Lulu and CreateSpace, offer good value for what they provide. It is simply a case of caveat emptor. We will examine this option in more detail in section 3.1 for those readers who may want to publish only a single title with limited reach – something to preserve for friends and family, for example. However, the majority of this book focuses on how to start your own book publishing company.

## Independent Publishing

Independent publishing shares many commonalities with self-publishing, but Tina Jordan, Vice President of the Association of American Publishers, the national trade association of the U.S. book publishing industry, offers this distinction:

“Self-publishing is typically defined by a singular author publishing their own title or titles, with the assistance of organizations which provide publishing services. Independent publishing is more typically defined by an independently-owned company publishing multiple titles from multiple authors with an existing infrastructure of services inclusive of editorial, sales, distribution, marketing, publicity.”

— *Tina Jordan, Vice President,  
Association of American Publishers (AAP)*

An independent publisher is more likely than a self-publisher to maintain office space outside of the home and a permanent staff, albeit typically a small one, as they are usually juggling the publication of more than one book and author at a time. Self-publishers tend to be more of a one-woman or one-man show, recruiting the help of freelancers to keep costs down and most likely working out of a home office.

### Indies versus “The Big Six”

The major players in book publishing today are referred to in the industry as “The Big Six”. These are the large, mainstream publishing conglomerates with a long history in traditional publishing and many smaller divisions and imprints under their umbrellas. The larger publishing houses of course have larger budgets, but also tend to be less willing to take risks on untried authors or non-mainstream content. They are far less likely to accept unagented and unsolicited manuscript submissions.

The current Big Six are:

- Hachette Book Group (formerly Warner Books)
- HarperCollins
- Macmillan

- Penguin Group
- Random House
- Simon & Schuster

Independent (or “indie”) publishers tend to focus on a specific niche market that may be overlooked by the larger mass market companies, just as self-publishers do. By virtue of the smaller scale on which independent publishers function, they are able to provide more individual attention to lesser known authors and tend to be more open to non-traditional content and new authors.

Historically, independent publishers have made up a relatively small percentage of the book market. Today, however, with readers’ increased interest in a diversity of niche topics and embracing of new formats and technology that allow greater access to the marketplace, independent publishing has surged in popularity.

Most of the information in this guide will be relevant to those interested in starting a small independent press, as well as authors interested in starting their own company to self-publish their work. Chapter 4 includes a section on working with authors and literary agents, as well as other sources of material for publication for those would-be publishers who are not writers and wish to publish works by others.

## 1.1.2 Industry Trends and Statistics

R.R. Bowker’s *Books In Print* database indicates that more than 1 million new titles were published in 2009. Perhaps of even greater significance to would-be new publishers considering entering the field is the fact that over 700,000 of these were “non-traditionally published”. Non-traditional includes print-on-demand and self-published titles, as well as e-books.

According to statistics compiled by the Association of American Publishers (AAP), book sales in the U.S. were estimated at \$23.9 billion in 2009. While this figure represents a slight decline overall from 2008, it also includes enormous growth for e-books, with sales increasing 176.6% to \$313 million, overtaking audio books for the first time. This is

encouraging news for new publishers poised to take advantage of new technology.

Despite the continued dominance of The Big Six, new publishers continue to join the ranks in growing numbers, encouraged by trends such as these. Self-publishing guru Dan Poynter's online compendium of publishing industry statistics (<http://bookstatistics.com>) indicates that approximately 8,000 to 11,000 new publishing companies are started each year, with over 85,000 book publishers currently in existence (as of 2004).

## **Growth of E-Books**

While electronic publishing and POD still account for a relatively small percentage of the market, there is no question that investment in new technology holds the key to the growth and profitability of publishing. In the 2nd quarter of 2010, Amazon indicated that they sold 143 e-books for every 100 hardcover books sold. And check out the current "off the charts" figures for U.S. trade wholesale e-books as represented by this bar graph utilizing statistics compiled by The International Digital Publishing Forum in conjunction with the AAP: [www.openebook.org/doc\\_library/industrystats.htm](http://www.openebook.org/doc_library/industrystats.htm).

Cost savings and increased profit margins like these hold appeal not only for new self-publishers, but for many larger and indie companies that have relied on traditional print publishing in the past. For example, according to a recent article in *Publisher's Weekly*, mass market romance publisher Dorchester Publishing is dropping its mass market retail print business in favor of an e-book/print-on-demand model for 2011. This eliminates the expense of returns, warehousing, and other financial drains represented by a traditional print business.

## **Consumer Reading Habits in the Current Economy**

Despite the encouraging growth of e-books, the publishing industry is not quite ready to pull the plug on traditional print publishing yet. While mass market and trade paperback sales have dropped, data from Nielsen BookScan shows hardcover book sales increased at a rate of .3% from 2009 to 2010. While incremental, this reinforces results from a re-

cent Book Industry Study Group (BISG) “Consumer Attitudes Toward E-Book Reading” report, which indicated that even consumers who read e-books continue to purchase hardcovers and paperbacks as well.

The current economic situation has impacted the publishing industry not only in terms of overall book sales, but in the categories of books people are buying. While 2009 figures from Bowker’s *place* show a continued decline in fiction sales and topics related to discretionary spending, such as travel, sales of titles relating to workplace success and budgetary management showed growth ([www.prnewswire.com/news-releases/bowker-reports-traditional-us-book-production-flat-in-2009-90862344.html](http://www.prnewswire.com/news-releases/bowker-reports-traditional-us-book-production-flat-in-2009-90862344.html)).

## 1.2 Benefits of Being a Book Publisher

Whether you’re seeking a new full-time career as an independent book publisher or just looking for a part-time venture as an outlet to get your writing into the marketplace, starting your own publishing company has many potential benefits.

### Making a Positive Impact on Others

“To create a book publishing business, you need a very strong entrepreneurial spirit, an abiding love of the written word, an unflinching desire to create great books, and a passion to use your talents as best you can for the betterment of society.”

— Leland F. Raymond,  
*Publisher, CyPress Publications*

Many self-publishers and independent book publishers are drawn to the industry because they have a mission – a sincere desire to use their life experiences, knowledge, and/or career skills and expertise to help others with informative nonfiction works; or a knack for producing or finding the kind of writing that can touch others in some way, entertain, or provoke thought and conversation about an issue. Most successful indie publishers and self-publishers choose a very specific niche area that has some personal meaning to them.

The ability to get your message out in book form, whether through your own writing or working with authors who share your vision, allows

you to reach a large audience and make a difference in the quality of their day to day lives through your books. Think about books you've read that have made a real difference to you – whether it was teaching you a computer skill that helped you land a new job, or just providing a laugh after a tough day. Books contribute a great deal to people's lives and to the world, and being a publisher allows you to be a part of that.

In addition, if you're publishing the work of other new authors, you have the ability to make a very direct impact on their lives, helping to make their creative vision a reality and perhaps making someone's life-long dream of seeing their work in print come true.

Independent publisher Kimberly Debus of Mélange Press, which publishes both fiction and nonfiction, counts seeing the look on a new author's face upon handing them their first freshly printed book as among the most rewarding aspects of what she does. "It is at that moment that the 'watch this space' sign comes off the billboard, as it were, and the book has entered the world," Debus explains.

## Creating a Lasting Legacy

"The closest comparison I can give for the feeling I get when I first receive a title from the printer is the joy of seeing a child born. After months of gestation, your creation has come into the world."

— *Leland F. Raymond,*  
*Publisher, CyPress Publications*

Seeing your books on the shelves of your local library, in bookstores, or on websites like Amazon can be quite a thrill. But publishing a book can also be a way to leave an imprint on the world and potentially reach future generations as well. Creating something tangible like a book enables you to preserve something that represents who you are and what you care about to the world.

## Creativity and Independence

The creative freedom to choose the types of books you publish, to manage both the content and the design, and to collaborate with talented and interesting people who take pride in the work they do provides an opportunity for the independent and creative-minded entrepreneur to

shine. This type of business also offers the flexibility to create a schedule that fits your lifestyle. The ability to maintain control and independence – over your business and the type of work you publish -- is what attracts many people to the idea of publishing their own books.

Book publishers may choose to work independently and retain complete creative and financial control over their final product, or may choose to hire a trusted staff or team of freelance professionals and experts to handle areas along the way where they lack expertise. There are also many associations and consortiums that help small publishers compete with larger companies by providing education, services, and a cooperative approach to marketing.

As a publisher, you also have the freedom to choose a niche in which you have a particular interest. You can use the connections and knowledge you already have, or use the opportunity to learn about a new subject you've always had an interest in. The options are unlimited.

## Challenge and Variety

“Running a book business, like any business, takes commitment, smart business sense, and the ability to understand what cultural, education and entertainment-driven content will inspire new and existing readers. And of course a little bit of luck, or magic dust is always helpful.”

— *Tina Jordan, Vice President,  
Association of American Publishers (AAP)*

Running a book publishing company provides the opportunity for an ongoing education. Because publishers may be required to wear many different hats at different times, from marketing and PR pro, to budgeting whiz, and creative artist, and because the publishing industry is evolving with the speed of light as new technologies are incorporated, keeping up to date on emerging trends and constantly updating skills is important. Attending professional conferences and trade shows, taking continuing education courses, and networking with other publishing professionals are all part of keeping your skills sharp and staying connected.

While there is a lot to learn along the way, author and publisher David Hooper warns that new publishers shouldn't let themselves become

overwhelmed by the challenges or let the perfect become the enemy of the good:

“Do it. Get your stuff out there and make an impact on people. Don’t worry about it being perfect. Write it, bring in a pro to edit it, and put it out. It can be polished, but it’s never perfect.”

— *David Hooper,*  
*MusicMarketing.com*

In terms of running your own business, there is the added task of keeping up with new marketing techniques and getting the word out about your titles, as well as interacting with distributors, authors, the media, and customers. For those who are easily bored with the same old day to day routine, being an independent book publisher offers a continued opportunity for learning and variety.

## **Income Potential**

“The monetary rewards from book publishing can be big, but it’s an uphill climb. You’re unlikely to be successful with only one title in your catalog, and it takes years to build a catalog.”

— *Leland F. Raymond,*  
*Publisher, CyPress Publications*

In addition to having more creative freedom than you would if you published your work through a traditional publishing house, you’ll also keep a greater percentage of the financial rewards as publisher. Authors working with a traditional publisher might expect to receive royalties of about 6 to 15%, depending on the type of book (hardcover, trade paperback, etc.), with 7.5 to 8% being about average for a paperback. Subsidy publishers will also take a significant chunk of your profits, in addition to the upfront fees.

Publishing is no get rich quick venture, and you probably won’t make a mint on your first title. But while wholesalers, distributors, and retail outlets may require a significant discount in order to carry your independently published books, you can still come out ahead by utilizing effective and economical marketing techniques and knowing where your budget is best spent for maximum impact.

## Flexible Start-Up Costs

Print runs, hiring freelancers, distributors, and launching marketing campaigns; let's face it -- it can be a potentially expensive and risky proposition to start a book publishing company. While it's important to go into this business knowing you'll need to have a budget to spend in order to make a real go of it, there is also plenty of opportunity for cost savings.

The good news is that publishing offers a great deal of flexibility in terms of start-up costs – there are many tasks you can do yourself in order to save money. Publishing e-books and POD printing can also save you some money up front and on inventory storage costs. Working with a professional association to market your books collaboratively can provide additional cost savings, as can working from a home office.

### 1.3 Inside This Guide

The *FabJob Guide to Become a Book Publisher* will take you step-by-step through the process of publishing a book, whether you're interested in publishing your own writing or the work of others. The guide is arranged as follows:

Chapter 2, *Getting Ready*, will help you discover the many opportunities, both formal and informal, that exist for learning and practicing the skills you'll need to be a successful book publisher, from writing to business skills. This chapter covers suggested areas of study for those interested in pursuing a college or university degree or certificate program in publishing, how to learn from other publishers, and lots of free resources to help you learn at your own pace.

Once you understand the basic skills you'll need to develop, Chapter 3, *Starting Your Publishing Business*, explains the importance of choosing a niche and how to choose the right one for you. You'll also find practical business plan resources and suggestions on how to find financing, as well as information on the key legal points to consider as a new publisher and business owner.

Being a successful publisher doesn't necessarily mean doing everything yourself. Chapter 4, *The Publication Process*, will provide you with in-

formation on where to find material if you're not a writer, and how to hire the right people to help you produce your books. This chapter also covers how to register and protect your material, and examines your various printing options. We'll also help clear up some of the confusion about POD, and discuss the pros and cons of e-books.

Starting a new business venture can be exciting, but the financial aspects can also be intimidating, especially for the more creatively inclined. Chapter 5, *Business Operations and Finances*, will provide you with guidelines for pricing and selling your books, including selling online through your own website, through online retailers like Amazon, and how to get your books into brick-and-mortar bookstores. Once you're selling your books, you'll need to know how to handle your finances, so we'll cover the basics of financial management as well, including basic bookkeeping and Title P & Ls.

You don't need a degree in marketing or a big publicity budget to create a buzz about your books. Chapter 6, *Marketing Your Books*, offers lots of ideas on how to reach out to the target market you identified in Chapter 2. There are many free and low cost options for designing and hosting your web site, and writing and distributing press releases – this chapter will show you where to find them. Chapter 6 will also offer some tips on how to make the most of book signings and trade shows, and help take the anxiety out of networking.

Each chapter also contains relevant practical advice from the many publishing experts, who generously shared their time and insights with us, including small press owners, successful self-publishers, heads of professional publishing associations, literary agents, and experienced book marketing pros. You will learn what challenges and rewards you can expect to face as you grow your business, and what steps you can start taking today toward becoming a book publisher with the thriving business of your dreams.