

The Truth about Publishing

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The biggest problem for beginning fiction writers is that no one tells you how the system works. Becoming an author, and even a successful one, is therefore a series of shocks as your assumptions are punctured one by one. So here, distilled from my experiences with a dozen publishers all over the world, and conversations with many professional writers over the years, is the truth about fiction publishing. Well, popular fiction anyway – the stuff that sells.

You won't find any whingeing here. Publishers take most of the risk in the book industry, since authors keep the advance even if the book doesn't sell, while booksellers can return unsold copies for a credit. Publishers are besieged on the one hand by retailers demanding ever greater discounts and 'marketing contributions', and on the other by corporate owners expecting a return on investment that, historically, the industry has rarely delivered. They're generally doing their best in a difficult and competitive market and successful authors work with their publishers, not against them. After all, both parties want the same thing: to sell *truckloads* of books.

And if you're just writing for the money, or the glamour, ha!, you're in for an awful shock. Get hold of *Mortification: Writer's Stories of their Public Shame* (Ed. Robin Robertson, Harper Perennial, 2003) and read it from cover to cover. The book details the public humiliation and ignominy heaped on 70 well known writers while trying to promote their books. And then, reconsider whether you *really* want to be a writer.

PART 1. GETTING THERE

Lesson 1: Got expectations? Lower them

Feel free to write the most beautiful, thought-provoking words in the English language. The public will feel equally free to ignore them.

Here's the sad truth: most people who write a book will never get it published, half the writers who are published won't see a second book in print, and most books published are never reprinted. What's more, half the titles in any given bookshop won't sell a single copy there, and most published writers won't earn anything from their book apart from the advance.

So don't *expect* anything from your writing apart from the personal fulfilment of having learned your craft and created a work that didn't exist before. By all means *hope* to get published, and *dream* of having a bestseller or even a long string of them – people do, after all. But writing talent isn't nearly enough; thousands of people have it. To succeed, you have to write the best story you possibly can, for the genre you're writing in, and be professional in every other way. It's the writers who work hardest at every aspect of their craft, and *never* give up, that get there. And when you do, enjoy the adventure while it lasts, but don't expect it to last forever. It probably won't.

A rare few will ignore all this and succeed, but they're the lottery winners. Everyone else has to work at it. Just don't *expect* success or you're bound to be disappointed. Publishers are in business for the long term and they have to make a profit. If you write books that sell, your publisher will love you. If you don't, it's goodbye, no matter how much she likes your writing.

Lesson 2: Anyone can do it, hah!

Writers often meet people who assume that writing is easy. "I'm going to write a book one day when I get the time," or "I'm going to take six months off and write a book and then I'll use the advance to write full time/go round the world/pay off the mortgage."

Writing *isn't* easy and, even after you've been doing it for a few years, you're still a novice. If you want to be a successful writer, be prepared to work as hard, and as long, as if you wanted to be a violinist in an orchestra, a professional cricketer or, God forbid, a lawyer. Rarely, someone will write a book and get it published straight away, but that's pretty unusual. I was once in a roomful of writers when that question was asked, and only *three* writers raised their hands. Most writers work for 5-10 years before getting their first book published (my first took 9 years.) See also my [Writing Tips](#) on this site.

Remember the 10,000-hour rule. That's roughly how much work and practice it takes to become accomplished in *any* field, whether it be sporting, creative or professional. 10,000 hours is 5 years of full time *hard* work. To become a virtuoso, triple that.

Lesson 3: Skiing across the slush pile

In this country, the big publishers each receive 4-5,000 unsolicited fiction manuscripts a year. That's around a hundred a week. The situation is much the same in the UK, Canada and the US – the only difference being that the bigger countries have more publishers.

Publishing is a competitive and low profit business, and no publisher can afford to pay people to read manuscripts. Some publishers no longer look at unsolicited manuscripts – they simply return them if postage is provided, or shred them if it isn't. Where they do look at manuscripts, it will only be the professionally presented ones – perhaps half the total. Of that 2,500, say, 90% will be rejected on the first page and 98% by the end of the first

chapter. That leaves 30-50 manuscripts, and they're the only ones which will get any kind of serious consideration. In a good year, ten of those might be published. In a bad year, less than five.

Most published books come through agents these days, but no agent can afford to spend a lot of time reading manuscripts from unknowns either. Most agents won't even look at an unsolicited manuscript and again, most manuscripts an agent does consider will be rejected on the first page.

The lesson is obvious: your story has to start in the first paragraph, with an interesting character facing some kind of problem that captures the reader's interest or concern, and your very best writing has to be up front. Once you've done that, work on your contacts because agents get most of their manuscripts from referrals – it's the only practicable way to filter out the few good books from the vast morass of manuscripts that aren't publishable. Before you send your work off, make sure you present it in standard manuscript format, as set out in my Writing Tips. If you don't, it's likely to be discarded without another glance.

But how do you get your work in front of that agent or editor in the first place? Make contacts at book fairs, writers' workshops and festivals, and other places where the industry gets together, then *use* them. Write to your contacts with your idea and perhaps a couple of sample pages (the first pages, obviously). If they like what they see, your manuscript is now a *solicited* one. It still won't be published if it's no good, but at least it's at the top of the queue to be read.

Lesson 4: What to do when you're rejected

Once you've done all that, and been rejected, send your work to another publisher right away. After all, it's just one editor's opinion and what one editor hates, another may love. If you've sent it to ten publishers and they've all rejected it, it's time to rewrite it. If you've sent it to twenty, chuck it away and start again. If forty, assuming you can find that many publishers, write something else and change your name.

To experience the extraordinary diversity of opinions any work will get, check out the reader reviews, for any book you know well, on Amazon.com. For a laugh, take a look at what sixty-odd readers say about my first book, *A Shadow on the Glass*. One reader will attack the book, the author, editor, proof-reader, publisher and everyone else associated with it, as if mere publication of this book was a personal insult. The next reader will say it's the best book they've ever read.

Don't take rejection to heart. I once had my editor knock back a manuscript as 'unpublishable'. A fortnight later my agent sold it to another publisher for lots of money,

they offered me a three-book contract into the bargain, and the book went on to get nice reviews in the UK and US.

Lesson 4a: Why most writers will *never* get published

If you're continually being rejected, it's time for ruthless self-analysis. These are the most common reasons that fiction manuscripts are rejected:

- The writer simply can't write;
- The writer has written a first draft and submitted it without bothering to edit it. No professional would submit a first draft;
- The storyline and characters are directly recycled from well known novels, TV shows, movies or computer games;
- It's not a story, just a series of unrelated events; or it's a polemic or rant, or a poorly disguised religious tract
- It's grossly violent, libellous, pornographic, depraved or offensive, or off-the-planet weird;
- It's not appropriate for the publisher you sent it to, or their publishing schedule is already full; or
- The public simply aren't buying that kind of stuff at the moment.

Listen to what people are telling you about your work. If you *do* have talent, take the advice of professionals and you'll immediately have an edge over most of your competitors, because few unpublished writers are *really* willing or able to act on criticism.

Lesson 5: Wow, you've actually been offered a contract

As a beginning writer, if a respectable publisher offers you a book contract, *sign it*. The chance may not come again. As a novice, you're not worth much to a publisher, so you have little power to negotiate. If you demand a lot of changes to a contract, or cause interminable delays, the publisher may withdraw the offer and go to the next writer on their list. After all, a writer who causes trouble before the contract is signed is bound to be an even bigger pain afterwards.

By all means ask your agent about the contract before you sign, then *take her advice*. Be very wary about taking the contract to your solicitor. Few lawyers know anything about book contracts or the realities of publishing. If they get involved, they'll probably lose you the contract then bill you for most of the advance you didn't get.

If you haven't got an agent, get one now; it's easy once you have an offer from a publisher. Publishers have to be hard-headed businessmen, but they tend to think of authors as amateurs who should be grateful to be published at all. If you're equally hard-headed they may see you as aggressive and hard to deal with, which is counterproductive to a good working relationship. Let your agent do the hard-headed stuff while you be the nice,

creative one who is, after all, giving them the product they require to stay in business, and everyone's happy.

Agents normally take 15% but she'll earn back her commission so she costs you nothing, and she may negotiate a few small extras. Once she's done a deal for you, she's entitled to her percentage of all income earned from that deal for as long as it lasts, even if you subsequently change agents. For foreign rights or special deals (eg movie rights – *as if!*), she'll work through other agents who also get a percentage.

Once you've got an agent, *never* talk directly to your publishers or editors about contractual matters. You could disastrously undermine negotiations your agent is having with them, eg your agent is negotiating hard for a \$20,000 advance and you've just told your editor you'd be happy with \$10,000. Bad move!

Lesson 6: Understanding your advance

Every new book represents a risk to the publisher, who is gambling tens of thousands of dollars that it will sell enough copies to earn a profit. Most books barely cover their costs or at best earn a small profit, and this is particularly the case with books by unknown authors. Therefore, publishers have to keep costs down by offering small advances.

An advance is just that – *an advance against future royalties* – and the author doesn't get any money from book sales until the advance has been earned back by royalties from sales. The advance is seldom more than half to two-thirds of what the publisher expects the book to earn in royalties, insurance in case it does badly. As an example, say the book retails for \$20 (plus tax), the author's royalty rate is 10% and the publisher expects to sell 5,000 copies. If it does, the book would earn the author $\$20 \times 0.10 \times 5,000$, i.e. \$10,000 in royalties. The publisher would normally offer an advance of between \$5,000 and \$7,000 and the balance would be paid in royalties at a later date.

Despite that policy, a lot of books don't earn back their advances. A few years ago, two of the biggest international publishers had to write off tens of millions of dollars in unearned advances.

Most book advances in Australia, the UK and the US are less than \$10,000. Surprisingly, *most* advances in the UK and US aren't a lot higher than here, despite the much bigger markets. Why not? There are a lot more titles published, a lot more competition and, in the case of the US, much more fragmented markets.

If you're writing children's fiction, advances are typically lower than the figure I've quoted, despite the Harry Potter phenomenon. The reason – kid's books sell for a lower price. Partly offsetting that, the ones that do well can stay in print for a long time. For

literary fiction, which may get the reviews and the awards but doesn't sell well, expect advances to be lower again: maybe only \$1,000 – \$3,000.

When you finally get the advance, don't spend it on something wasteful like food, clothing or rent. You're going to need every penny to promote your book, because the chances are that no one else will (see Lesson 13).

Lesson 7: Why you *don't* want a huge advance

We all dream about the million dollar advance but, believe me, if you're unknown you're better off with a moderate one. Huge advances create huge expectations and as an unknown author there's a good chance your sales won't meet expectations, in which case you're probably doomed. Once booksellers get a whiff of declining sales, they'll start returning your books, and if they're not in the bookshops no one will be able to buy them. Then, because your first book flopped the bookshops won't order many of the second (if there is one), guaranteeing that it'll sell even less.

Example. Suppose the publisher gives you a \$50,000 advance for your first book, thus expecting it to sell at least, say, 40,000 copies. Unfortunately, despite lots of promotion, it only sells 10,000 copies. The publisher has done their dough and they and the booksellers will see you as a loser. You'll find it hard to sell a second book to that publisher. If another publisher does pick up your second book, you'll be lucky to get a \$10,000 advance and orders will be much lower.

Instead, suppose the publisher advances you \$10,000 for your first book. If it sells 6,000 copies they're in the money. If it reprints a few times and sells 15,000 copies they'll love you and offer a much bigger advance for your second book. The bookshops will increase their orders and display your books prominently, and there'll be a small buzz about you in the industry. Do that two or three times and you're a rising star.

Lesson 8. Why you don't want a tiny advance either.

A tiny advance is a vote of no confidence in your work; it means the publisher isn't risking much on you, and therefore won't need to spend a lot of money on promotion. The promotional budget for your book is, generally, directly related to the size of the advance.

On the other hand, you have the opportunity, by your own clever promotional initiatives, to have a significant impact on sales. If the publisher is hoping to sell 4,000 copies and you can get that up to 6,000, they'll be very impressed. Publishers love authors who work hard to sell their books, and you'll get a better deal next time, and more promotion.

Lesson 9: Your editor is wise and you are foolish

Don't believe all that nonsense you read about books not being edited any more. My editors put many weeks of work into each of my books, and always have. One of the best

things about being published is having the opportunity to craft and polish your work with the aid of an experienced, sensitive professional.

Editors are overworked and underpaid, but they know a lot more about writing and the marketplace than you do, and they're usually right. Consider carefully every point your editor makes. Where you reject an editorial suggestion, make sure there's a good reason for it. I would agree with 9 out of 10 suggestions my editor makes. If you're rejecting most of them, *you've* got a problem. In rare cases an editor may be wrong for your book, but more likely the problem is that *you* can't accept criticism. In that case, kiss your writing career goodbye.

Beginning writers have less leeway than established ones. An established writer can ignore most of her editor's suggestions and still be published (though few would be so unprofessional). A novice who does so may *never* be published. If your editor tells you to cut your 1000 page manuscript to 500 pages, *do it*. Cutting a long book almost invariably makes it better. Big books cost a lot more to edit, print and distribute, but a publisher can't charge much more for them. That's OK if they're by a bestselling author, but it's a recipe for losing money if they're the work of a novice.

Once you've had a few books published, your editor's comments will fall into a familiar pattern – an introductory paragraph of effusive praise followed by many pages of detailed comments and suggestions. Don't let the praise go to your head – she's not going to rubbish a book the publisher has already paid good money for. Neither get too downcast about the cumulative effect of all those critical comments (my last book, *The Life Lottery*, had 28 pages of them). They're intended to make the book better and, after all, the publisher *has* paid good money for it, and must think it's a goer.

Your manuscript will generally go through two stages of editing. The structural edit largely looks at the big picture, after which you do your major revisions, then there's the copy edit (or line edit), which attends to the line by line details. Some publishers frown on the author making significant changes at the line edit stage. Get the book right during editing, because major changes at the proof stage (ie, after it's been typeset) are very expensive. If you insist on rewriting your proofs, you may have to pay for the changes and they won't be cheap.

If you're published in more than one country, you may have to deal with a number of editors. British publishers are often happy with Australian editing; American publishers will want to change the spelling, at least, but may also re-edit the story to suit the sensitivities of the US market, or their own editorial concerns. This can cause problems if they're undoing changes you've made to suit your original editor. On the other hand, it's better than not being published there at all.

Lesson 10: The book production line

There's a lot goes on behind the scenes that you don't know about and publishers like to have the manuscript ready for editing 9-12 months before the publication date. Your publisher won't schedule the publication date until she has the manuscript in hand, because late changes to the schedule are inconvenient, embarrassing and expensive. If your book is scheduled for October, say, to take advantage of the pre-Christmas sales period, and you deliver a month too late, publication is likely to be delayed for months. The publisher's schedule is set at least six months in advance and there may not be an available slot for you to be published in November. Few books are published in December or January, and February is the slowest sales month of the year. Furthermore, promotional opportunities such as space in booksellers' catalogues may already be booked up, so if you miss your chance you may not get another.

About 20 milestones have to be met in the production of your book, including:

- book design (including cover design, layout and typography)
- editing (several stages)
- typesetting and proofreading (3 stages)
- cover brief and preparation of cover art (3 or more stages)(sometimes a number of cover roughs will be produced. It's not uncommon for a cover to be rejected during this process and a new cover concept formulated, or even for a new artist to be commissioned)
- several program meetings to keep key people up to date
- cover copy
- marketing
- sales brief
- cover proof and printing
- text printing and binding
- delivery to warehouse (usually a month before publication date)
- delivery of initial orders to the bookshops in time for publication date

In an emergency, eg for a really topical book or a blockbuster author who delivers late, all this can be done in two months. For everyone else, where a book is to be published in, say, October, this process would begin in January or February, after the manuscript has been accepted and editing is underway, and be completed in late August when finished books are delivered to the warehouse. In a publishing house, decisions to approve these milestones are normally made in meetings, not by individuals.

Australian and British publishers will generally consult you about the covers, though they won't necessarily adopt your suggestions, which is fine. They ought to know what constitutes a good cover in their marketplace. American publishers may not consult you at all, which isn't as bad as it sounds. American covers are so different to Australian and

British ones that you may not have anything useful to contribute. eg, American fantasy covers without people on them rarely succeed, whereas to the Australian and British eye such covers often look cute or twee. Australian or British publishers may ask you to provide copy for the blurb. American publishers will probably write their own and may change the title to suit their own sensibilities or markets.

Lesson 10A: You're not published until you're in print (and sometimes not even then)

Deals fall over for all sorts of reasons, so don't count your chickens until they're roosting in a thousand bookshops. Here are some of the most common problems.

- There was a 'misunderstanding' when the publisher made your agent an offer for your book. You don't get a publishing contract after all, or you get a contract but a worse deal than originally offered.
- The publisher goes bankrupt before your book is published. If they've paid the advance, you keep it. If they haven't, you're back in the queue.
- Your editor leaves or is fired and her replacement hates your book and decides not to publish it. You keep the advance though.
- The publisher is having a tough time and decides that they would lose money publishing your book, so cans it. You keep the advance and, if you're lucky, they *might* pay you a small sum in lieu.
- The editor loves your book and offers a terrific hardcover deal and great promotion, but the sales department or the major book buyers don't agree that it has big sales potential. You get downgraded to paperback, with little or no promotion, and your potential income and sales are massively reduced.
- Your book is found to be libellous and the publisher doesn't want to get sued, so they cancel publication, or if it's been printed, withdraw the book and pulp it. You've violated your contract and have to pay back the advance, and they could even sue you for their losses.
- Your non-fiction book is proven to be fraudulent, ditto.

Lesson 10B: Putting your money where your manuscript is

If all else fails, and you're *really* sure that you've written a good book, there's one resort left – publishing it yourself. This isn't easy, and it definitely isn't cheap, but if you've got months to spare and at least \$10,000 lying around with nothing to spend it on, you could consider self-publishing. Two of Australia's best selling writers began that way, and many other writers have in other countries.

But the vast majority of self-publishers do their dough, so if you *are* going to do it, do it right, and get the right advice, otherwise you might as well tear your money up and flush it down the toilet. You *must* employ a professional editor, a professional cover designer and have the book typeset. This will cost you \$5,000 - \$6,000, or more if your book is long and requires a lot of editing. Printing will cost you another \$4,000 - \$6,000, or more if it's long or you have a lot of copies printed.

Don't print more than 500. The biggest problem of all is distribution, which is why publishers have invested millions in it. It takes the most monumental effort for an individual to sell more than 300 - 400 copies, even if you get some good publicity and a few bookshops stock your books. Print too many and they'll still be rotting in your garage in a decade.

PART 2. SURVIVING PUBLICATION

Lesson 11: Is that all you're printing?

Your favourite author gets a 200,000 copy print run, but don't even dream about doing the same. He's spent 20 years building his name and sales. And besides, he got in first, and lots of other authors in your chosen genre have prospered since, so there's not much room in the market for newcomers these days.

Print runs are surprisingly low in Australia and other English speaking countries – in fact everywhere. The initial paperback print run for a popular fiction title by a new author in Australia would typically be 3,000 – 8,000 copies. For literary fiction, it might only be 1,000 – 2,000 copies. In the UK, initial paperback print runs for popular fiction by new authors are typically 10,000 or less, and in the US, 25,000 or less. Again, for literary novels, print runs can be considerably lower. If you sell translations, print runs for European countries, except the largest, are likely to be in the range 1-4,000 copies.

In Australia, only major bestsellers are published in hardcover because consumers are reluctant to pay for them. It's much the same in the UK. A lot of authors are published in hardcover in the US, where it's a sign that your publisher is enthusiastic about your book. Even there, typical hardcover print runs are 10,000 or less.

Lesson 12: It's just been printed and you can't bear to look at it

Rare authors fall in love with their book once it's published, but more common are feelings of self-consciousness, embarrassment or even mortification. The tiniest flaws now appear gigantic, while the typos, errors and inconsistencies that no one noticed during editing and proofreading are numerous and glaringly obvious.

Don't expect adulation. The public has a curious attitude to authors – those who know how small most book sales are will display a pitying admiration for you, because you're doing what you love even though you can't make any money at it. Others confuse 'published author' with 'famous author' and assume you're stinking rich. Either way, take what pleasure you can – after all, you *are* doing what you love and thousands of people are just aching to get there themselves.

Don't expect your brand new book to be stocked by every bookshop, much less displayed prominently. If it's in the shop at all, there's a good chance it'll be shelved spine-out and practically invisible. Neither expect bookshop staff to recognise your name when you drop in to say hi. Hundreds of books will have come in that month and they probably won't recognise yours, or know what to say to you. It'll be different once you've got a few books out and your name is familiar; they'll be glad to see you then because few writers drop into bookshops to say hello. But take some leaflets showing your book cover anyway, as a reminder.

And if you have a book launch or a signing, don't expect a lot of people to come unless you round up all your friends and relatives. The average number of people at a book signing in the US is four, and it's much the same here (though you'll generally do a lot better in towns than in the capital cities). That doesn't mean book signings aren't worthwhile; your books get good display space and promotion, and the shop will sell quite a few of them over the next few weeks (especially if you sign them).

Lesson 13. But I thought you were going to promote my book?

Facts you should know about sales and promotion:

1. Sales and marketing are both very expensive, and most books aren't going to sell enough copies to justify much more than the minimum expenditure (i.e. an entry in the monthly sales catalogue).
2. Promotion doesn't increase the size of the market – all it can do is influence people to spend their money on your book rather than someone else's.
3. The most effective form of promotion is in-bookshop, so the first aim is to get as many of your books as possible into the shops, prominently and enticingly displayed. If your publisher can't get the bookshops to stock them, the chances of the public buying many are low.
4. It takes a lot of work (and money) behind the scenes to get bookshops to stock a new author's book in quantities – this includes good book design, an attention-grabbing cover and blurb, quotes ('puff pieces') from relevant authors, reviewers or celebrities and, if you're lucky, a well-thought-out marketing and promotional campaign to draw the public's attention to the book. If you're really lucky, the publisher might do a limited run of proof copies in the hope that key book buyers will make big orders and influential reviewers provide flattering quotes before publication.
5. Fiction is much harder to promote than non-fiction, and for every author whose name has been successfully promoted, there are several for whom promotion (sometimes heaps of it) has simply failed to capture the public's imagination.
6. Advertising will help if it's properly targeted, but it's *very* expensive and needs to be repeated a lot to make much difference (the Rule of Seven applies, ie people need to be reminded about seven times before it sinks in). Word of mouth is king. That's why, when a new movie comes out, by Saturday night everyone in the country knows whether it's hit or a dog. It's the same with your book, though it normally takes months to get word of mouth going. More often it's years and a number of books.
7. It's really difficult to promote an author that no one has ever heard of and if you do get some free publicity, it won't sell many books. For a new author, even a feature article in a capital city newspaper would be lucky to sell a hundred books. (The same-sized article about a big name author might sell a thousand copies plus a swag

of backlist.) Ditto with radio interviews – it's important to do them, but even if you do twenty or thirty it may only sell a few hundred books. Do them anyway – those sales could be the difference between success and failure, and it all helps in the essential task of building awareness about you – the vital recognition factor.

8. To become a successful author, you have to establish your name as a brand that the reading public can trust. If they spend twenty bucks on your book, they expect to get their money's worth of entertainment. If they don't, your readers will feel ripped off and tell their friends what a rotten book it was.

Lesson 14. Do it yourself promotion

The publisher will generally produce some kind of a sales and marketing plan (which may include a promotional itinerary) for your book, but probably won't tell you about it unless you ask. Ask nicely but don't have a fit if they're not doing much. If the market for your book is small, there's no point in the publisher spending a lot on promotion. And ask to see their media release as well. You can usually improve it a lot, but remember that people in the media get dozens of press releases a day, so you've got about *20 seconds* to attract their attention.

It's hard to know what's going to work and what isn't, and the secret of successful promotion is to do a lot of different things in the hope that some of them will be effective. A sales and marketing plan could include a number of the following, if you're lucky, though remember that they all cost money and often serious amounts of it:

SALES (by publisher's sales team)

- a featured book in your publishers' sales catalogue and web site, or even a special web site for the author, book or series; sales pitches to: the trade (i.e. book chains) as well as mass market (discount stores, supermarkets, newsagencies and airports), telesales, backlist sales to existing customers as well as book clubs and party-plan customers (i.e. home selling), export sales etc;
- educational sales and marketing;

ADVERTISING (publisher's marketing group)

- book chain advertising, eg as featured book in book chains' monthly catalogues or special or Christmas catalogues, or even as Book of the Month or Author of the Month (all these on publisher-pays basis);
- consumer advertising (print media, rail posters, competitions etc);

PROMOTION (publisher and yourself)

- retail promotion (introductory offer price, '3 for 2' or '2 for \$30', and other price promotions; book chains' genre promotions);
- point of sale material (posters, dump bins, etc, though it can be hard to get bookshops to take these);

- publicity (typically radio and press interviews, book signings, launches, literary lunches, conference and literary festival appearances, school visits etc. Rarely, TV appearances, though only if you're gorgeous or famous);
- giveaways for radio and print media competitions; and/or
- mail out of review copies to list of reviewers (can be 50 or more of these).

If the publisher can't afford to promote your book, get stuck into it yourself. You can't sell to bookshops and you can't afford advertising, but you can promote very effectively. After all, no one knows more about your work than you do, and all you have to do is talk enthusiastically about it to people who love books.

Since you weren't expecting publication, the advance should be treated as a windfall and spent promoting your book. Spend it wisely, but quickly. To have a chance of succeeding, your book has to sell a critical mass of copies *in the first two months*, to ensure that:

- bookshops will be re-ordering and there'll be a positive buzz in the industry, rather than returning with it negative feelings; and
- hopefully, word of mouth from satisfied readers will keep your sales going long after the initial sales period.

Don't leave it too late. You've got to start at least a month before the books come out and be ready for your biggest push as soon as they're in the bookshops. For more on self-promotion see my semi-tongue-in-cheek [Guide to Success](#). And whatever you're planning to do, make sure to keep your editor/publisher/agent/publicist informed. They need to know. It's also an important part of promoting yourself to them as an energetic author who really wants to push the books they've invested so much in.

Lesson 15: How come my books *never* get reviewed?

If you expect your shiny new book to be reviewed in a major newspaper the week it comes out, or even in the six months after that, you're going to be cruelly disappointed. Most books *never* get reviewed, and it's easy to see why. Australia has more than 20,000 books published a year (10,000 being local titles), the UK around 120,000 (more than doubling in the past 25 years), and the US around 175,000 a year (though 150,00-odd also went out of print, thankfully). The major newspapers and periodicals have space to review only a tiny fraction of those books. Take out the duplication and only a few thousand books would get mainstream media coverage a year, of which most would be non-fiction, or by well-known novelists, or worse, celebrities.

That leaves hardly any space for novels by beginning writers and it's not going to change. Newspapers are written for a particular audience but a novice writer doesn't have one. The same goes for feature articles and TV appearances, only more so. If you're young, female and beautiful, you've got a chance. Writers in other categories only get that kind of

coverage once they're successful (for TV, *really* successful and articulate). The downside of being YF&B is that you tend to get dismissive, condescending publicity, often suggesting that you only got published because of your looks.

The good news is that one review, even a big, glowing one, won't make a big difference to your book sales (and neither will a really bad one). To significantly bump sales up, you need reviews and articles in a good cross-section of the media, and that's unlikely before you've sold a truckload of books. One average-sized review in a big city paper might sell twenty or thirty books – a hundred if you're lucky. Besides, most people who read popular fiction don't read reviews. And don't expect to get glowing reviews – they're very rare. Don't get too upset about the stinkers, either. Ignore them and use the good ones – quotes on book covers do make a difference.

Lesson 16: What's a good sale, anyway?

Books are generally sold to bookshops on a 'sale or return' basis, meaning that any books they haven't sold after a specified period (typically three months or more) can be sent back for a credit. Unsold books aren't necessarily returned. Since this costs time, labour, freight etc, sometimes the bookshop may prefer to discount if they think the books are going to sell in a reasonable time. If not, back they go. Returns start coming in around the beginning of the fourth month (earlier in some cases) and most will have come back by 6-8 months, though some returns can still come in over a year later.

Returns in Australia average around 35% of *initial* orders, so if your returns are much lower than this you're doing well. If significantly above this figure your publisher will be worried. Returns in the UK and US are similar or higher (though the shelf life is likely to be shorter and, in the US, mass market paperbacks are such cheap editions that unsold copies are not worth returning).

Sometimes your publisher will do a deal to sell a new title to a book chain on a non-return basis, in exchange for a higher discount. These are guaranteed sales and therefore the bookshop will make extra efforts to shift them. They're easy to pick – the ones that have been marked down several times.

With trilogies and longer series, which are the rule in fantasy and some SF, the subsequent books will always sell less than the first. Readers who don't like the first book won't buy any more, while those who buy the second book will probably purchase the whole series. In a successful series, sales of the second book will typically be around 70% of the first. If the second book sells only half as many as the first, the series is in trouble. Somewhat lower percentages prevail in the UK and US, where there are a lot more titles available and hence more competition.

In Australia, sales of roughly 2,500+ in trade paperback are respectable and 5,000+ are good. In A-format (ie mass market paperback) the approximate figures are 4,000+ and 10,000+. Less than 200 books (in all formats, non-fiction as well as fiction) would sell more than 20,000 copies in a year.

In the UK, sales of 5,000+ in trade paperback are respectable and 10,000+ are good. In A-format the approximate figures are 8,000+ and 15,000+. Not very high, are they?

In the US, sales of 5,000+ in hardcover are respectable and 10,000+ are good. For mass market paperback, the approximate figures would be 15,000+ and 40,000+.

Lesson 17: I have to wait *how* long for the money?

One of the most bitter lessons of publication is how long you have to wait for the money, starting with the advance. Publishing is organised so that money advanced to the author is recovered as quickly as possible, while money owed to the author is retained as long as possible. The advance is normally paid in two or three stages:

- one-third 'on signing' (can be a couple of months after)
- one-third on 'delivery' of the completed manuscript (which actually means when your editor accepts it – this can be months of revisions later)
- one-third on publication

If you do a multi-book deal, the publisher may front-load the advance onto the first book's sales rather than spreading it across all three. Your agent should resist such contracts.

Should your books earn royalties or money from sales of various rights, you'll be paid these twice a year, three months after the end of the royalty period (ie for January to June sales you'll be paid at the beginning of October, and for July-December sales, at the beginning of April. Normally 20% of your royalties will be retained by the publisher in a 'reserve against returns', in case a lot of your books are returned by bookshops. Even if the initial print run has sold out and your book keeps selling, the publisher will retain this money for three royalty periods (18 months) because that's how the contract is written. However you may be able to negotiate a top-up advance, to be paid in the event your sales earn back the advance within a short period.

Where income is earned from sales of other rights, foreign royalties etc, the publisher will normally retain your share until the next royalty period, though you can request that they pay it earlier.

Lesson 18: Sales you don't get much for

High discount sales done for promotional purposes

To introduce you as a new author, eg if you get picked up by a major book chain as Author of the Month, the publisher may sell your books to that chain at a high discount in return for a large order, and guaranteed publicity and shelf space. In this case you may only get 80% or even 60% of the normal retail royalties, but it'll be worth it because it can double your initial sales and get your name exposed to the public quickly.

Export sales

Export sales are worth a lot less than local sales, so always try to sell your book to a publisher in your own country first. If you sell your book to an US or UK publisher and they export them to Australia, you'll get, per book, about a third to a half of what you'd get from a book published in Australia and sold here (and a local publisher would sell a lot more copies). But if you can't sell your book to a local publisher, the export sales are better than nothing.

Book clubs

Sales to book clubs are made at a very high discount, 75-80% of the normal retail price, and you'll receive a correspondingly reduced royalty, typically about 45 cents for a trade paperback and 30 cents for a paperback. Such deals are worth it because they're sales you wouldn't otherwise get, and book clubs produce massive quantities of promotional leaflets which will help to gain you regular bookshop sales.

Readers Digest

A sale to Reader's Digest for their condensed books could be worth it because of the kudos and exposure for your name, and the sales you wouldn't otherwise get. They'll print 100,000 copies of your book in this country, maybe more. The royalty rate is very low, however, around 5 cents per book.

Special editions/omnibus editions etc

Occasionally your publisher may make a deal with a particular book chain to do a special printing of one or more of your books as an 'introductory offer', or other specially priced deal to increase your sales. You might only get 50-80 cents per book but you'll get good front-of-the-shop exposure, extra sales and hopefully it'll also increase the sales of all your non-discounted books.

The same applies with omnibus editions of your books. You may only get 50 cents per book but you'll get thousands of extra sales. These promotional editions may increase your overall sales, or may come at the expense of your full-priced books. You won't know for at least a year.

Remainders

If your book is remaindered, you'll typically get 10% of the publisher's receipts, which will be around 30 cents per book (a bit more for hardcovers or trade paperbacks). However, if remainders are sold at less than the cost of production (about two dollars a book) you won't get anything. Your publisher should offer remainders to you at the remainder price first, so buy as many as you can afford. They make great give-aways.

Reprinted to be remaindered

If your out of print book has an enticing cover, it could be picked up by a book repackager and reprinted for the '3 for \$10' bins at the front of the bookshop. They'll do a big reprint (25,000 copies or more) a swag of which could be shipped overseas. The royalty rate will be about 5 cents per copy, but it *may* be worth it for the exposure of your name.

Lesson 19: Check your royalty statements against your contract

Every publisher's royalty statements are different and some aren't very informative. Some are almost incomprehensible, and rarely will any publisher's statement give you *all* the information you need, even though they have it at their fingertips. This is what your royalty statement *should* tell you, so you can be fully informed and manage your writing business properly:

- Actual number of books received from the printer (usually a few percent higher than the nominal print run);
- Stock at the beginning and end of the royalty period;
- Sales in various categories, price received and royalty rate applied (eg for retail, discount, book club and other special sales, export sales);
- Returns, promotional copies and other giveaways, faulty or damaged stock destroyed;
- Income from foreign rights and royalties, and other rights sold (with exchange rates applying on the day of conversion);
- Balance of your royalty account for each title (ie advances debited from it, and income from foreign rights, royalties or other rights' sales credited);
- Amount of reserve-against-returns deducted and when it's to be repaid.

Check your royalty statements carefully. Mistakes are not uncommon and they'll rarely be in your favour. Some typical ones I've heard about:

- The wrong royalty rate used (invariably lower than the applicable rate)
- Advance or other contracted payments not made when due
- Royalties not paid even though advance has been earned back
- Advance for a new book or multi-book contract applied to your royalty account for an existing book or multi-book contract, thus ensuring that you're not paid royalties owed

- Reserve against returns incorrectly subtracted from foreign rights income or from more than one edition of a particular book (unless contract allows the latter).

But don't *you* make mistakes either, eg, don't complain that you've sold, say, 22,000 copies and you're not getting the higher royalty on sales over 20,000 K, without checking the contract first. It will almost certainly say that the higher royalty rate applies on *full-priced* sales. Books sold at a high discount, ie where you get a reduced royalty rate, don't count towards the total.

Lesson 20: Other income from your books

PUBLIC LENDING RIGHT/EDUCATIONAL LENDING RIGHT

In Australia, as in many other countries, you can be paid a small sum per book for copies of your books held in public libraries (PLR) and educational libraries (ELR). You have to register for both by filling in the form that your publisher will send you when your book is published. Payment is at a fixed rate for PLR (currently \$1.37 per book held) and a reducing scale for ELR (average about \$0.50 per book), based on a census of books in these libraries. Payment is deposited to your bank account in May and June respectively. Most writers would get from a few hundred to a few thousand dollars a year, but a rare few will get tens of thousands of dollars. Quite a few children's authors, however, who have written a large number of small books, will earn five figures from these rights.

By all means register with the Copyright Agency (CAL), which distributes payments for photocopying in institutions, though if you're writing popular fiction you probably won't earn anything from it.

CULTURAL GIFTS PROGRAM

Australia, also in line with a number of other countries, has a Cultural Gifts Scheme to encourage creative artists in all fields to donate their works to Australian institutions rather than selling them on the world market. The scheme is administered by the Commonwealth Department of Communications, Information Technology and the Arts. First you need to find an institution that's willing to accept your works, which shouldn't be too hard if you're an established writer. A writer's works could include the various draft manuscripts of a work, plans, outlines and synopses, correspondence related to the work, emails, promotional material, copies of overseas editions etc.

The library will collect the works and have them valued at what they'd fetch on the world market (by two independent valuers). You'll subsequently get a tax deduction based on the average of the two values. The value of the material would typically be in the range \$1,000 to \$10,000 per book for established mid-range authors, though this would depend on whether they've had international success and whether the international marketplace would be interested in the genre. For example, science fiction and fantasy, being world literatures, are probably worth more than books that are of only local interest.

For beginning writers, the program is worth little if anything. If you believe you're going to become a megastar, hang onto your material until you reach the peak of your career, when it may be worth a fortune.

ARTS COUNCIL AND OTHER LITERARY GRANTS

If you're a novice writing *popular* fiction, don't waste your time applying for a grant. Grants go overwhelmingly to literary fiction writers. The only exception is for children's fiction.

If you've a number of books published, won an award or two and have had good reviews by important reviewers, you have a *slim* chance of getting a grant if you're writing popular fiction. Grants are hard to get and even literary writers have less than a 20% chance per application.

Lesson 21: Help, I won an award and now I'm being remaindered

Your book had great reviews and won an award, but it only sold 1,200 copies and just two years after publication it's out of print. What's gone wrong?

There are two main kinds of awards – voted awards and judged awards. The former are voted on by the members of an organisation (or at least by the 10-20% of members who actually vote). A number of SF awards are voted awards, eg the Hugo and Nebula Awards and, in Australia, the Ditmars. Such awards, like the Oscars, are given partly for quality and partly for popularity, so it helps to be well known and likeable (and to round up all your friends to vote so that you get on the shortlist. It can take surprisingly few votes to do this).

Judged awards are generally assessed by a panel of judges, usually from academia or literary figures. They tend to be looking for literary qualities, originality and themes that are of concern to them. These are often *not* the qualities that would appeal to the reading public.

The really big awards, such as the Childrens' Book Council Book of the Year, the Miles Franklin, Carnegie Medal, Booker Prize, Hugo and Nebula Awards etc will make a big difference to your sales, and publishers will usually put out a new edition to capitalise on the win. Lesser awards, such as State literary awards, or genre awards like the Aurealis, won't have a significant impact on sales (and winning them may indicate that you're writing is at the literary rather than the popular end of the spectrum). By the time your book is announced as the winner, there probably won't be a lot of copies left in the bookshops. If it *is* still available, stickers on the cover could sell a few hundred extra

copies but you're unlikely to get a reprint out of it. You'll just have to be content with the warm glow of approbation from your peers.

PART 3. COPING WITH SUCCESS

Lesson 22: It takes years to become an overnight success

Success as a novelist requires you to establish your name, just like any other brand. That's going to take years of building sales by word of mouth from satisfied readers, so don't have unrealistic expectations about becoming a brilliant success overnight. Building a successful writing career requires you to keep selling your backlist and, for *most* writers of popular fiction, that means writing some form of series that your readers can identify with and keep following over the years.

Series can have a variety of forms, such as:

- Independent or loosely linked novels featuring the same character or characters (common in crime fiction, action/adventure, thrillers, military, children's fiction, some SF);
- Novels with the same general kind of story and setting, but with different characters (eg much romance writing; courtroom dramas);
- Multi-volume novels (trilogies, quartets and longer series) featuring a core of common characters engaged in a long project or quest (eg much if not most fantasy and some SF).

If you can write a compelling series with engaging, developing characters, each new book should build sales of your backlist. The big problem comes when you want to write something different as, sooner or later, you almost certainly will.

Lesson 23: The perils of success 1 – being typecast

No matter how successful you are in one genre, don't think you'll be able to transfer it to another. Few writers can. Your loyal readers want more of the same and they'll be unhappy if they don't get it. Switch genres and you can expect to lose 90% of your readers, no matter how good you are in the new genre. Why? The bookshops will be reluctant to order your new gritty thrillers if they know you as a writer of historical romances, your present readers won't buy them because that's not the kind of stuff they like to read, and new readers either haven't heard of you or know you as a romance writer, and they *hate* romance.

In any case, your present publisher is most unlikely to buy your new book, because she knows how difficult it will be to sell. Another publisher might – even 10% of your existing sales may be worth having if you're big enough – but won't pay much. If you really want to write in a new genre you may be better off changing your name to avoid confusing everyone.

Even writing a new series within the same genre can lose you sales, if the style or characters are very different from the old series. But hey, you're not in it for the money.

Alternatives:

- You can slowly evolve your writing and hope to take existing readers with you. Some writers succeed, many do not.
- Or write in other styles or genres early in your career, before you're typecast (if you can get them published).
- Start a new series before you've finished the old one, to ease the transition.

Lesson 24: The perils of success 2 – staying successful

Many writers have only one or two books in them and, while a few writers have been successful writing the same book over and over again, most fade away once they've nothing left to say.

Tastes change and styles date. What's quaint and quirky, or dazzlingly original, one year will be passé the next. Even genres boom and bust: westerns have practically disappeared, horror goes up and down like a roller coaster from decade to decade and SF seems to be in long term decline. And it's remarkable how few of the really big names of 20 years ago are still big today.

Luckily, one kind of writing never goes out of fashion – a good story well told, with well-drawn characters that the reader can identify with (if not *necessarily* like). But always remember that you're competing with all the other writers in your genre, in the world, and you're only as good as your last book.

The other thing you have to do is be productive. Most successful popular writers produce a book a year, if not more. One of the most successful of all, Nora Roberts, writes eight books a year but she is, of course, a phenomenon. New titles are the fuel that keep your backlist sales going and, once you stop writing, even if you're a bestselling author now, your books will soon go out of print.

Lesson 25: What's a bestseller anyway?

Until recently, if a book made a bestseller list anywhere, anytime, the publisher would plaster 'Bestseller' across the front, but overuse has devalued the currency to meaninglessness. Furthermore, many bestseller lists excluded popular fiction in favour of literary works, and were widely manipulated.

Recently, with the advent of BookScan which gathers point-of-sale data from 1000 retail outlets nationwide, the weekly bestseller lists have become a more reliable guide to what's actually selling. (The same company produces bestseller lists in the UK and US.) Strictly speaking, however, these aren't bestseller lists so much as 'fastseller' lists – books which sell a lot of copies in a short time. Some may go on to become genuine bestsellers, though many will have disappeared within a year or two. In most weeks of the year, you can get to

No. 1 in Australia with sales of 3,500 copies, though the biggest title just before Christmas might sell 40,000 copies in that week.

The annual lists are a better guide to the true bestseller. In Australia, for adult hardcovers, full priced sales of 7,500 copies in a year are required to make the annual APA bestseller list. For adult trade paperbacks, it's 10,000 copies and for mass market adult paperbacks, 15,000 copies. Roughly 100 titles make each annual list. The biggest selling title in each of these categories would sell around a quarter of a million copies in the year (lifetime sales would be rather higher). The Harry Potter books sell around 800, 000 copies+ in a year.

In the UK, a new paperback can make the annual *Guardian* Fastseller Top 100 list with 175,000 copies (this generally includes substantial export copies) and the top seller will sell around a million copies in the year. The writers on this list are almost all British, Irish or American. While Australian writers do make the list from time to time, none has ever made the annual Top 100 consistently. The only other writer who does is Wilbur Smith (South Africa).

In the US, the number one adult fiction book of the year (on the *Publisher's Weekly* list) can sell as much as 5-6 million copies in hardcover. Thirty years ago the top figure was 300,000 copies; now more than fifty titles have hardcover sales over that figure. The top seller in trade paperback and mass market paperback is generally over two million each. Mass market paperback sales have declined significantly over the years, with loss of non-bookshop sales outlets, but hardcover sales have risen dramatically as the price differential has fallen. Childrens' hardcover and paperback frontlist and backlist top sellers tend to be around a million copies each per year, except for the latest Harry Potter whose sales will be around 12 million. In each category, the top 100-150 children's titles will sell over 100,000 copies.

Many books that sell steadily for years may never make the bestseller lists, though they can end up selling a lot more copies than bestsellers that shone briefly only to be out of print a year or two later. In the US, 18 hardcover novels sold over 100,000 copies in 2003 without once making the weekly bestseller lists.

Lesson 26: Foreign Rights

If your books are big sellers in your own country, there's a good chance that you'll be able to sell foreign rights, though this depends on genre. Science fiction and fantasy are easily sold internationally. Romance and thrillers are harder to sell: less so if they're set in Europe or America, or in historical times; much more difficult if they're set in Australia. Crime set in Australia has a limited international market, as do most other forms of Australian literature.

Foreign rights deals can either be done by your publisher (typically for 20%) or by a foreign agent (10%) working with your local agent (15%). If your name isn't well known and your publisher is energetic, you might be better off with the publisher marketing your foreign rights. Your publisher has the resources to hawk your books at Frankfurt and the other big book fairs, and will already have relationships with agents in many countries. This can also avoid foreign tax issues and payment problems (i.e. getting the money out of your foreign publisher). Some Australian publishers are extremely good at selling foreign rights, while others have little experience. Find out before signing a contract that allows your publisher to do these deals.

There are about 198 countries in the world, and thousands of languages, though only the literary superstars would be published in more than 20 countries. In general, foreign publishing rights aren't worth a great deal of money to the developing or mid-range novelist, although if you sell enough of them they can be very worthwhile. Typically the US, Germany and the UK are the most lucrative, though *only rarely* will you get a bigger first advance than you're currently getting in Australia as an established, successful novelist.

Here are the kinds of advances that a successful mid-range author can expect for a first publication offer in another country, per book. Some people will get more, and occasionally a lot more, but don't expect it.

Britain	£1,000 to £5,000
USA	\$US5,000 to \$US25,000
Germany	€2,000 to €10,000
Eastern European nation	\$US500 to \$US3,000
Russia	\$US500 to \$US5,000
Western European nation	€1,000 to €5,000
South Korea	\$US1,000 to \$US4,000

Some developed countries are difficult to sell to unless you're a major bestselling writer. These include France and Japan. Italy is idiosyncratic – it's difficult to be sure what will sell there.

Royalty rates in most overseas countries tend to be lower than here, eg, for mass market paperbacks the following are typical for new to mid-range authors (rates may be lower for children's):

Australia	10% to 10-25K	12.5% above 10-25K
Britain	6-8% to 20,000	8-10% above 20,000
USA	6-8% to 100,000	8-10% above 100,000

Other countries 4-10% (though where initial royalty rates are very low, it's common for them to rise in 3-4 steps to 8-10%)

Trade paperback and hardcover rates are typically higher:

UK hardcover	10% to 5,000	12.5% above 5,000	
US hardcover	10% to 5,000,	12.5% to 10,000	then 15%

Don't be surprised if you never see your translated books, or indeed a royalty statement for them. Some small foreign publishers just don't get around to sending them. It's not uncommon for your books to be pirated, especially in Russia, Korea, China, India and various other countries. Do a Google foreign language search on your name and books, and you may be able to discover pirated editions for sale. Whether your agent's foreign agent can do anything about it is another matter, though if your foreign rights are sold by a big multinational publisher *they* may be able to.

In these countries, even if the advance is paid on time, don't expect to receive any royalties, no matter how well your books sell. You may be lucky, but some foreign publishers simply refuse to pay, or won't acknowledge demands for payment.

Lesson 27: Sold some foreign rights and think you've struck it rich? Oh dear

There's a widespread misconception that if you've got a British or US deal, you're going to make a fortune because the market is so much bigger. Nothing could be further from the truth.

These markets *are* a lot bigger, but they're also savagely competitive and as a foreigner you're at a disadvantage. In your home country you have the edge because you can help promote your books, so your publisher has a stronger incentive to develop your career. In the US and Britain, where the markets are so much bigger, and you're an outsider, there's little you can do on your own even if you frequent the big festivals and conventions, and put up a great web site. Without *significant* promotion by the publisher, you're unlikely to sell as many copies in either country as you have in your home market.

In the US particularly, unless your book appears in hardcover and/or your publisher brings you over to promote it, or it has a big promotional push in paperback, it's unlikely to do well. Not impossible – sometimes word-of-mouth will make a book a success without promotion – but pretty unlikely.

And in the US, if you've got three books out and your sales have been poor or declining, you'll probably have to change your name to get any more published. The book buyers don't look any further than the sales trend for your books.

Lesson 28: Movie rights and other fantasies

It's one of the questions most often asked of writers – when is your book going to be made into a movie? Sadly, for most writers of popular fiction, the answer is *never*. In any case, you'll rarely sell the movie rights, but rather an *option* to buy the rights. Movie rights are only bought outright when (a) the producer knows beyond any doubt that the movie is going to be made and has the money and stars lined up, or (b) the writer is a superstar, or (c) the rights can be bought for peanuts. Point (a) takes forever, and point (b) applies to Stephen King, Michael Crichton and their ilk, not you or me.

An option doesn't give the purchaser the film rights, just the option to buy the rights, within a specified period (often a year) for a specified price, or to renew the option once or twice for a similar sum as initially paid. An option ensures that no one else can buy the rights for the period of the option. It is worthless to the buyer unless it specifies the purchase price for the rights, which is why you see in publications that a big name writer has had movie rights to a book optioned for, say, \$250,000 versus a \$2 million pick-up price. If the movie isn't made the author keeps the \$250,000; if it is, he gets the rest, but not before the first day of shooting.

Many thousands of books are optioned every year, but 98% will never be made into films, because only a few hundred films are made a year and half of those aren't based on existing books anyway. A yearly option typically costs about a tenth of the price of the movie rights. A one-year option for a moderate selling book could be around the \$10,000 mark – less if you're a new writer or your sales are *very* moderate. If you have a modest *international* bestseller, its movie option could be worth \$20-50,000+ per year. In some cases, the option may be renewed for years, a nice little earner even if the movie is never made.

Your book may be based on a great idea, but that doesn't mean the rights will be bought. What matters is *sales*. Sell 5,000 copies of a book and your idea is worthless – no one's heard of you or it. Sell two million copies and there are two million potential customers for the movie, and that's worth a lot. With such sales you'll certainly sell the movie option for a tidy sum, and there's a good chance it'll get made as well.

Lesson 29: Other subsidiary rights

Check your contract to see which rights you've allowed your publisher to licence for you, for how long, what percentage of the income they get for doing so, and which rights you've reserved to yourself. As many as twenty distinct rights could be involved for any book, eg serial rights, TV or stage dramatisation, merchandising, digest, book club, electronic rights etc, and new ones appear all the time. Most of these will be worth nothing to most authors. Particularly, don't get excited about the recent hype over e-books. Even if you're a mid-range international author, you'll be lucky to make \$100 a year from e-book sales.

On the other hand, you never know what rights may become valuable in the future. The estate of TS Eliot is one of the wealthiest of any deceased author, because the musical *Cats* was based on his 1939 book *Old Possum's Book of Practical Cats*. And rights that didn't exist when JRR Tolkien signed the contract for *The Lord of the Rings* have since earned his estate fortunes in royalties. Never give any of your rights away and be suspicious of anyone who wants them for peanuts – they probably know something you don't.

Lesson 30: Is that *all* I get?

Shocked that the sales on your royalty statement don't translate into nearly as much money as you expected? Here's what you can actually expect to get, in your hand, for the sale of a single book in various countries. It's calculated on the pre-tax retail price, for typical royalty rates, after your local agent has got her 15%, and your overseas agent her percentage. If most of your foreign deals have been done by your publisher, it'll take around 20% agent's fee. Sometimes, eg for sales in Eastern Europe or Asia, there could be a local agent involved as well, so after they've all got their share you'll only end up with 50-60% of the advances and the royalties earned. I've used the current exchange rates (June '04). If you sell enough copies to jump into the higher royalty rate category, you'll get more, of course. The dramatic difference in your share of the overseas mass market editions is due to lower price and/or royalty rates. In Australia you'll generally get 10%, in the UK and US more likely 7.5-8%.

Table 1: What you get in your hand after agents' cuts, per book

COUNTRY	HARDCOVER**		TRADE PAPERBACK**		MASS MARKET PAPERBACK	
	Pre-tax Price	Your share (\$A)	Pre-tax Price	Your share (\$A)	Pre-tax Price	Your share (\$A)
Australia	\$A40.50	\$3.44	\$A27.33	2.32	\$A18.13	1.54
Britain	£17.99	3.21	£12.99	2.32	£7.99*	1.07
USA	\$US25.95	2.52	\$US14.95	1.45	\$US7.99#	0.62

* Exch. Rate 0.38, royalty 7.5% to 20K, Aust publisher 20%, Aust agent 15%

Exch. Rate 0.70, royalty 8% to 100K, Aust publisher 20%, Aust agent 15%

** Trade paperback and hardcover royalties 10%

Lesson 30A: Writing as a business

Some writers think it's vulgar to go on about money – after all, they write because they love it. That's all very well if you have a job and only write in your spare time, or you're independently wealthy, or have a partner prepared to support you. But earning your living as a full-time writer has many challenges, not least managing your career so as to maintain that living. Writers' incomes can fluctuate wildly from one year to the next and, to survive, you need to be professional about every aspect of your career. This means running your writing activities like a business.

All businesses, whether incorporated or not, have costs, and they're considerable. Everything that people in publishing get from their employer (like a furnished office, equipment, travel and promotional expenses, sick leave, superannuation etc) is an expense *you* have to pay before you earn a cent in salary. Few of these expenses are optional – if you're a registered business you're required by law to have workers comp insurance, to pay superannuation at 9% of total salary, etc. Besides, if you're a full-time worker you *need* such things for your own protection. If an employee is sick they get paid sick leave. If you get sick, it delays your next advance cheque by the amount of time you're off work. Table 2 sets out the range of expenses for a typical writing business. Depending on what you write, some costs may be low, others high, but you can't eliminate them and run a viable business.

Table 2. Minimum expenses for a *viable* one-person writing business (\$A)

(after agent's fees and GST are paid, ie your NET income)

ANNUAL EXPENSE	\$
Accounting and other professional advice	1,000-2,000
Advertising & promotion#	3,000-5,000
Bank charges*	300-500
Conferences/conventions/book festivals etc	1,000-2,000
Depreciation on equipment & office fittings	1,000
Donations	300
Insurance (office equipment, public liability, workers comp)	700-1,000
Income protection (ie 'sick leave')**	1,500-2,000
Books, library & research costs	1,000-2,000
Car expenses [@]	3,000-4,000
Petty cash	400
Postage	400
Printing/stationery/office supplies	1,200
Rent	0-5,000
Repairs and maintenance of equipment	300-500
Subscriptions/professional societies etc	300
Superannuation or pension plan***	4,500
Phone/fax/internet/web site cost & maintenance	3,000
Travel expenses###	5,000-15,000
Contingency/unplanned expenses	2,000
<u>Subtotal, all non-salary expenses</u>	<u>29,900-52,100</u>
Your salary	50,000

TOTAL	79,900-102,100
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When times are bad, it pays to increase promotion rather than cut it. The same applies when times are good.

* Assumes that you have no borrowings or overdraft. If you do, interest could be thousands more.

** Depends on age/sex/amount of income insured/ smoker etc

*** Australia, 9% of total salary. Other countries could be more, and may have social security taxes as well.

@ Running costs and servicing only. Assumes car is paid for.

Or more if much overseas travel is involved.

So to run a viable business and pay yourself the moderate salary of \$50,000 a year, you must earn minimum of \$80,000 - \$100,000 a year from your writing. This may seem like a lot, but no one in any other kind of one-person business, such as your local plumber or computer consultant, or a freelance journalist, could stay in business earning less.

Don't think that kind of income is fantastic and unachievable. Hundreds of Australian writers earn such amounts every year, more than ever before, and thousands of overseas writers. But of course, many writers write full time while earning less, and if you *have* to write, or while you're building your career and your backlist, pursue the dream no matter what you earn from it.

Lesson 31: Changing publishers

An author's name is like any other brand, and publishers make their money from selling your name *as a brand, not a single book*. If you're a megastar you may well auction each book to the highest bidder and get away with it. For established mid-range authors, however, changing publishers to get a slightly better deal is gambling with your writing future. You could be better off; alternatively, it may backfire disastrously.

Loyalty cuts both ways and if you leave your publisher without a compelling reason, your old publisher will have little incentive to promote your backlist or contracted books that haven't yet been published. And if your new publisher doesn't promote you effectively, suddenly your career can be on a slide that it's difficult to get off.

But of course, if your publisher is doing nothing for you and you get a great offer from another publisher, the choice is obvious. To establish your name you've got to get a critical mass of sales and readers, so you have to make the most of your opportunities.

Lesson 32: Foreign and Local Taxes

There's a whole book in this one. Very briefly, if you're earning money from your books you need to get an ABN and register to pay GST. Your payments from the publisher will

include an additional 10% so don't spend it – you've got to pay it with your quarterly return.

Many countries (if not most) have withholding taxes on income you earn there. In some cases, if you go through the agony of discovering what forms have to be filled out, you can get this waived. In others, you just have to lose the money, though generally (where a double taxation agreement exists between that country and Australia) you can claim the tax as a deduction on your Australian tax return. If your foreign sales are made through your Australian publisher you won't have to worry about foreign tax; your publisher will be set up to claim it back, and you should be paid the tax-free amount. Check to make sure that you are.

Final lesson: Anyone who *can* be discouraged from writing *should* be

If all this is so disheartening that you plan to give up, you probably weren't meant to be a writer – you just don't want it enough. However, if it's only made you all the more determined, you've got a good chance of making it, for it's the writers who refuse to give up their dream that succeed. I hope you do – the literary world needs more people like you. Just remember that whenever you sit down to write, you're competing with every other writer in the world, in your genre. And when you get there, treat it as a great adventure for as long as it lasts. Don't bet your life on it, for what goes up almost always comes down again. Good luck!

Thank you to all the writers and others in the industry who kindly provided comments and information for this article.

Ian, January 2005