

This Business of Books

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# This Business of Books

A Complete Overview of the Industry  
From Concept Through Sales

4<sup>th</sup> Edition

*Revised & Updated for the 21<sup>st</sup> Century*

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## A Touch Of Reality

Few industries have changed as much as book publishing has over the past few decades. We have new printing, new graphics and new production technologies. Publishing houses have merged, broken up and been bought up by both American and foreign conglomerates. Nevertheless, the fundamental realities of the business remain the same. Buying and selling books is still the same utterly subjective, personal-to-the-point-of-intimate trade it has always been, a world in which ordinary people wield authority totally out of proportion to any reason, based purely on their own tastes and their ability, at least occasionally, to pick a winning title. Agents decide if a project is worth pursuing using the hardly scientific criteria of, “Do I want to?” and “Do I think anyone else will, too?” And despite his most informed, experienced guesses, any agent worth his salt will tell you he rejects all but two or three percent of everything he receives, can only put a full-court press behind maybe two-thirds of what he does accept and will end up selling less than half of those, most for modest advances.

Acquisition editors employ a similar yardstick—is the book worth it? Is it professionally prepared? Will the author be capable and willing to help market it?—then add some calculations and projections about what has sold in the past and what the editorial chief would like to sell in the future. Look in any acquisition editor’s reading pile, though, and you will see he’s had to reject some wonderful manuscripts he really loved simply because trends and budget constraints make publishing two shorter titles more profitable than one large volume. The marketing department often holds final

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sway over the entire process, basing its decisions on spreadsheets, surveys and statistics that may or may not accurately predict what the reading public will be interested in six months to two years from now—and hoping it's right at least thirty to forty percent of the time.

In short, the book business is neither mysterious nor objective. It is a game in which new players come up to bat every day, the competition is fierce and there are lots and lots of rules you need to learn well so you can judiciously ignore them, as appropriate. There is no science to it, no empirical evidence of what always works and what never does; no guarantee that a well-written, compelling book will land a publisher and catch the public's eye, or that a poorly written title won't. The only continuity exists in the day-to-day tasks of each individual's specific job. If, indeed, life offers no absolutes, the book business is a perfect microcosm of that reality.

This is an industry in which powerful but nevertheless poorly written books have won national acclaim and international awards. Sentimental volumes so dripping with sweetness as to choke a honey bee have nonetheless captured the hearts and minds of millions upon millions of American readers, crossing all age, race, religion and gender lines. Complex, intricate texts on esoteric topics that would seemingly appeal only to the educated elite have shot to the top of the bestseller list and stayed there for months. Yet, anyone involved in even the lowest phase of the business knows of at least half-a-dozen finely crafted, extraordinary manuscripts that will never get traditionally published, because the business of writing and the business of publishing remain miles apart.

And it has always been thus.

Unlike any other arena, being a success in the book business does not necessarily translate to making great gobs of money. Authors of run-away bestsellers often cannot afford to quit their day jobs because all their advance money went to

promotion and advertising costs. Genre writers may churn out one popular book after another, yet receive just enough compensation to live until the next deadline falls due. Of course, those with the right perspective and concentrated focus can indeed generate fortunes. Dan Poynter, the leading self-publishing expert, travels the country collecting speaker's fees and selling his regularly updated books by the case. Another self-publisher, who shall remain nameless, claims to earn millions of dollars every year by holding low-cost seminars on how to emulate the plain-design "how to" books he writes and sells through full-page advertisements and direct mailings. In other words, as in any industry, true entrepreneurs can develop successful, independent writing/publishing concerns that may not necessarily capture the general public's attention, but can certainly snag a large share of its disposable cash, especially if they don't rely on the profit-siphoning arena of retail bookstores.

We know about such cases because they are newsworthy; that is, they are sufficiently out of the ordinary to demand media attention. Most authors do not receive \$1,000,000 for their first book; most lawyers do not land \$4.2 million deals for penning a recap of a single trial. Yet when this week's bestseller drops off the Top-15 list; when the title that was going to revolutionize the self-help world has been edged off the market by a newer theory; when the latest marketing craze caves under to technological reality and that highly touted ebook winds up just another bunch of data bytes lost in cyber space, most of those authors will go back to their regular nine-to-five jobs while they try to snatch a few hours a day in which to write their next book.

This, too, has always been a book-industry reality.

### **Untraditional Tradition**

For hundreds of years, publishers were individuals and companies whose main concern was making good literature

and educational information available to the reading public. As a business venture, publishing has historically been just this side of a bust. A firm could only expect to break even on perhaps half its books, and make an actual profit on possibly a third. It made sense to pick and choose those titles that seemed to have the greatest appeal to the widest audience.

Don't be fooled by sweet-talking scam artists—it still does.

Today's publishing world is divided into a number of layers that regularly encroach upon each other: traditional publishers, epubublishers, vanity publishers, self-publishers and a murky group of entrepreneurs who claim to be part of one group (publishers) but are actually part of another (self-publishing service providers). Conventional wisdom tells us traditional publishers still produce between 50,000 and 70,000 books every year with self-publishers making up the balance of the approximately 120,000 titles released annually. One knowledgeable source, however, contends that small and independent publishers now account for some 78% of all published books. So which is the truth? Well...

If you are trying to get published by one of the major publishing houses, it feels better to think they still control at least half, if not most of the industry. If, on the other hand, you merely want to get published by a good firm, it makes sense to accept as reality that the major houses are constantly inundated with submissions, that cream cannot always rise to the top if it is overwhelmed by sheer volume and that a smaller publisher will be just as eager and committed as you are to making your book a popular and financial success.

It's all a matter of perspective.

### **New Options, Perpetual Order**

Today, new publishing formats make dealing with a stack of technical or business manuals virtually hassle-free. The number of major publishers may have decreased, but most of

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their imprints are still intact, if relocated. Self-published titles are certainly more readily accepted in the marketplace. And while Barnes & Noble, Borders Books, Books-a-Million and Amazon.com may have driven thousands of independent booksellers out of business, more titles are now available to the general public at affordable prices than ever before in history.

Yet, though the old traditions of the publishing game have rearranged, expanded and adapted to new technologies, economic conditions and population demands, some aspects have remained indelibly the same, despite all the new names and merging phases. Contrary to dire predictions and hi-tech hoopla, books as we know them are not about to go out of style any time soon. We may have updated publishing formats, redirected distribution networks and creative new revenue streams, but hardcover and paper-bound books are still the most satisfying way to exercise the imagination and personalize any fantasy or drama. Paper-and-ink volumes that open with a fresh-book smell and can be fingered, hugged and tossed into a briefcase or purse without concern for battery discharge provide a tactile comfort and pleasure that pixels on a screen can never match. Books are not just knowledge or entertainment; they are personal items, intimate companions, precious possessions. The human animal has always had and will always have an insatiable desire to read, learn, grow, imagine and collect books.

## Welcome To The 21st Century

**T**ime was, only those who had a “calling” sat down to tackle the arduous task of writing a book. Their reasons for setting pen to paper were varied and heartfelt:

- To communicate.
- To chronicle their times.
- To preserve their heritage.
- To share a story or advance an idea or prove a point.
- To touch other human beings.
- To have an impact on society.
- To leave their mark in the world.
- To make some money.

The pursuit took time, skill and dedication. Each page had to be handwritten, scribbled over and rewritten. Those with “natural” talent worked with their agents and editors to tune every word, every idea, every plot twist and turn. Promising writers studied and read voraciously to hone their craft for decades before finally getting their first volume published, and accepted that as the due course of the business. The pure labor involved in generating three hundred pages of clean manuscript literally took years of writing and copying. It was a solitary, lonely, locally, emotionally and spiritually taxing occupation.

But not anymore!

Today, Microsoft® and Intel® have effectively removed the drudgery from writing. Writing is now prepackaged and compartmentalized; you can purchase by-the-number literary kits that provide you with ready-made story lines, plots and characters on floppy disk, CD-ROM and via online download. An energetic writer can whip out a three hundred and fifty-page manuscript in a couple of months, if not less, and clean it up with the help of Spell Check, Grammar Check, AutoCorrect and AutoFormat. Writers in the most remote areas of the world sport at least one or two writers’ groups, and for those who cannot find a bunch of compatriots within driving distance, the Internet has more chat rooms, webinars, online courses, bulletin boards, message centers and news groups than any human could ever exhaust.

Yes, thanks to personal computing and the World Wide Web, all it takes is a little cash and a computer, too, can see your book in print, or at least in pixels. Not up to bucking the established system.

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publish. Not enough cash or credit? ePublishing costs less than the price of a good book-release party. Still too much money? Post your work for free on a writers' group or bulletin board or your own web site. Promotion? Heck, anyone with enough chutzpah and perseverance can enjoy his fifteen minutes of fame on one of the hundreds of network, cable, regional or local TV or radio shows. Can't talk in front of a live audience? Let one of the thousands of online bookstores host a special-event "meet-the-author" chat for you.

Does all this mean that millions of people will read your words, get your message, and give you lots of money?

Oh my, no.

The brutal truth is, the number of ways for the untried, unproven aspiring author to get ripped off has increased tenfold. New scams arise daily for novice writers to waste their time, energy, money and hope. A beautiful website, an eBook or a POD (Print on Demand) novel or nonfiction book will still not reach significantly more people than if you had simply photocopied your work and handed it out to your family and friends. No matter how much money you spend, how quickly your home page loads or how professional your Adobe PDF file looks, your book will not rise above the fray; you will not have communicated, touched, chronicled or shared.

To understand why, simply imagine this scenario. You have read every medical thriller you could get your hands on since childhood. You've watched every medically oriented movie and TV drama since "Dr. Kildare." You know the buzz words, you've had the diagnostic procedures, you recognize disease symptoms. Now as you walk into a surgical theater in hospital scrubs, you're faced with tubes and wires connected from an unconscious patient to various monitors, plastic bags and breathing machines—just like on every TV show you've ever seen. You stare down at the draped body. A nurse hands you a scalpel and says, "Make your first incision, Doctor."

Where will you put the point of the blade? How much pressure will you exert to cut through the skin and layers of muscle and fat? What will you do when the blood starts to spurt?

How will any of this help the patient?

Unless you are medically trained, you would probably never consider attempting such an irrational, presumptuous act, even with all your reading and movie watching and terminological knowledge. Yet most people approach writing a book as if they can simply draft a bestseller with nothing than a love of reading, a desire to be an author or a degree in English.

Bluntly put, there is a world of difference between the catharsis of keeping a stream-of-consciousness journal and the labor and skill involved in crafting a viable book that appeals to the reading public. That difference can only be bridged by hard work, talent and the type of mentorship

inherent to every fine craft and trade. And yet, even outstanding books are not guaranteed on the bestseller lists in today's marketplace.

## Wheat and Chaff

The next time you go to a party, meeting, political or religious event or even community gathering, bring up the subject of writing a book. Chances are, you will find at least one person who has written about writing a love story, a tale of childhood, an opinion piece on some controversial topic or even an article about some field of expertise. According to a 2002 survey, almost everyone—81% of the general public, in fact— regardless of age, financial status, race, background, religion or life circumstances, has something they want to share with the rest of the world. *Eighty-one percent of the American public*. That includes housewives, attorneys, journalists, physicians, CIA agents, psychiatrists, teachers, psychologists, social workers, CEOs, clerics, truck drivers, celebrities, entrepreneurs, college students, accountants, postal clerks and even sanitation workers, aka garbage collectors.

Most of that 81% will never write a book. Fewer will get published, and only a handful will have their titles become successful. The truth is, the difference between the many and the few is not merely talent; many finely crafted, extraordinary manuscripts will never make it to the marketplace. Nor is it hard work and money, although you can certainly expend a good deal of both. No, what levels the playing field for writers in the book industry today is **knowledge**.

- Understanding the **ebb-and-flow** of the trade market;
- Recognizing when to **persevere** and when to be **flexible**;
- Appreciating the difference between fiction and nonfiction skills;
- And, most importantly, knowing better than to read only **nonfiction** but attempt to write **novels**.

Successfully published authors don't present themselves as authorities outside their respective fields of expertise, or try to pen self-help books while they are still in the midst of searching for answers to their own crises. They pattern their books on what they've read, not the movies or television shows they've watched. They realize that creating a viable manuscript is less a matter of pounding out hundreds of pages of text than crafting a marketable product. Few do it alone; if truth be known, fewer than 10%. Over fifty percent of all successful books today are worked on at some stage by a professional ghostwriter, book doctor or consultant *before* they are sent out for submission or formatting and publication. As Frederick Praeger, president of Praeger Publishers so succinctly put it, "A manuscript is good enough when we first see it, it doesn't get published."

Those freelance ghostwriters, book doctors, consultants and editors are part of a multi-billion dollar "Editorial Services" industry that barely existed a few decades ago, when all editing and d

was reserved for the book's publisher. Today, this unregulated, non-standardized industry covers a plethora of functional titles that have sprung up to explain exactly what part of the development/editing process will be addressed: rewrite, line editing, copy editing or proofreading. Titles get bandied about at each provider's discretion, often leaving writers confused. One person's definition of an editor, for example, is another person's concept of a book doctor; a third person's idea of proofreading is the same as someone else's understanding of copy editing. For the sake of brevity, this book will adhere to the definitions below.

### **Author**

The **author** is that person whose ideas, stories, theories and so forth are the basis of the book, whether or not they\* actually write the manuscript. An author is fully invested emotionally and financially in the outcome of the book. In the traditional literary field, the author developed, researched, wrote and rewrote his own manuscript, and could expect his publisher to edit and proofread it for him. In the modern book business, however, the author can and often does outsource everything from development to publishing, even when self-publishing, and may finance but not control all stages of distribution and promotion. The author's name always appears first on the cover, title page and copyright.

### **Ghostwriter**

The modern **ghostwriter** begins with a book from its development stage, but is neither emotionally nor financially invested in the final product. The ghost takes either a flat fee or fee-plus-percentage. Some ghosts also take byline credit on their clients' books, but legally the ghostwriter's name is explicitly disallowed from appearing anywhere on the cover or copyright. Usually the ghost is merely noted or thanked in the book's Acknowledgements.

A ghost is one type of Editorial Services person to whom an aspiring author can outsource the actual labor of putting a book together, and may therefore also be involved with developing, writing, rewriting, doctoring and copy editing. The modern ghost's scope of responsibility stops there, however; ghosts adhere strictly to the aspiring author's material and voice throughout the book.

### **Traditional Ghost**

**Traditional ghosts** either seek out knowledgeable and financially viable parties to collaborate on a specific kind of book, or are sought out by celebrities, CEOs, socially prominent individuals or

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\* To avoid the awkwardness of he or she or s/he, this book uses "they" and "their" as (historically correct) gender and number neutral.

government officials. In exchange for a fee and percentage of the advance/royalties, the ghostwriter produces autobiographies, corporate white papers and “expert” books for their authors. In this class of ghostwriting, the ghost does all the research as well as the writing, rewriting, editing and self-publication work, turning out a volume that may or may not read in the aspiring author’s name.

Because traditional ghosts are so deeply involved in the book from its inception and often be the driving force behind the entire project, their emotional investment in the eventual success of the book may be as great as their authors’. High-profile clients have a significantly greater normal chance of having their books accepted by major publishers and bought by large segments of the public.

Traditional Ghostwriting can be quite lucrative and satisfying. In fact, traditional ghostwriting is what most people think of when they hear the term “ghostwriter.” As such, it comes with the limitation inherent in that definition: high-profile, deep-pocketed clients comprise only a small percentage of the millions of aspiring authors, winnowing your potential client pool down from millions to thousands, if not merely hundreds. What’s more, your competition is fiercer, since you are competing up against the elite group of established, well-connected professional ghosts who already write for the rich and famous. Nevertheless, if you have the skills, the knowledge and, most importantly, the connections or ability to make those connections, writing for the rich and famous is a secure way to secure your industry reputation and feed your KEOGH or IRA.

### **Book Doctor/Line Editor**

No one is quite sure where the term originated, but **Book Doctor** is the current version of the historical title “**line editor**,” or simply “**editor**.” Doctoring is a mid-range task that is more than simple copy editing but less intricate or involved than ghostwriting or collaborating. For a flat fee or per-hour rate, it requires no emotional investment in the book. Book doctors/line editors come to the project after the content has been fully developed, structured and written, and are concerned with everything from internal structure, to converting passive voice into active voice, and down to grammar and copy editing. A book doctor may get “edited by” credit on the cover page of the book, but is usually only recognized in the Acknowledgements, if at all.

### **Copy Editor**

When someone says a book needs to be edited, most people think about applying the “rules” English teachers advocate: correcting grammar, punctuation, word choice, and so on. This is the work of the **Copy Editor**. A copy editor generally charges by the hour or page, and is often freared at the same time if he is a cold reader—that is, someone who has not previously seen the book.

nuscript at all. Copy editors seldom get byline credit, although they may be recognized in the Acknowledgements.

### **Proofreader**

Proofreading is an often misunderstood but essential job, exclusively concerned with finding any lingering typographical errors in the final polished draft of the manuscript. Ergo, the **Proofreader** must be a cold reader to find minute errors; a familiar reader's brain will automatically "see" what it knows is supposed to be there.

### **Professional Book Writer™**

Professional Book Writers, or PBWs, can perform all the above functions, from author/writer to copy editor and proofreader.

Professional Book Writer™ is a trademark-pending designation that indicates the individual has completed a specific course of study and mentored training.

For information on becoming a Professional Book Writer, call 1-800-641-3936 or go to <a href="http://www.pbws.org">www.pbws.org</a> .
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### **The Phases**

One other aspect of the book business has remained the same throughout all the technological updates and expanding service markets. The life of any book still goes through eight distinct phases:

1. Concept
2. Writing
3. Submissions
4. Publishing
5. Distribution
6. Marketing
7. Author Promotion
8. Sales (Fulfillment)

The remainder of this book will examine each of these phases in turn.