

Much ado About P.O.D. Publishing

The information below is all from the good folks at the Science Fiction Writer's of America web site, borrowed from their site in August, 2005. It contains a lot of information you should know before deciding to use a Print On Demand/Publish On Demand publisher. You can find it online at <http://www.sfwaweb.org/beware/printondemand.html#Independent>

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Print on Demand

Overview

What is Print on Demand?

Print on demand (POD) is a digital printing technology that allows a complete book to be printed and bound in a matter of minutes. This makes it easy and cost-effective to produce books one or two at a time or in small lots, rather than in larger print runs of several hundred or several thousand.

POD has a number of applications. Commercial and academic publishers use it to print advance reading copies or when they can't justify the expense of producing and warehousing a sizeable print run—for instance, to keep backlist books available. Some independent publishers use it as a more economical publishing method, trading lower startup costs against smaller per-book profits (due to economies of scale, digitally printed books have a higher unit production cost than books produced in large runs on offset presses). Last but not least, there are the fee-based POD publishing service providers, which offer a service that's similar—but not identical—to self-publishing.

The “POD Publisher” and the POD Stigma

Strictly speaking, “print on demand” doesn't describe a business model. Over the past few years, however, digital technology has become so firmly associated with a particular complex of business practices that the term “POD publisher” has taken on specific meaning.

What defines a POD publisher?

- **Inadequate selectivity.** Some POD publishers accept just about everyone who submits; others do more screening, but aren't expert enough to ensure high quality.

- **Inadequate editing.** Some POD publishers do no more than a light copy edit, releasing books that are essentially unedited. Others employ inexperienced or unprofessional editors, to more or less the same effect.
- **High cover prices.** As noted above, the unit cost for digitally printed books is higher than for books printed on offset presses. Cover prices, therefore, must be correspondingly higher in order for the publisher to make a profit. Depending on length, a POD book can cost more than twice as much as its offset counterpart.
- **Short discounts.** Booksellers expect discounts of 40% or more. POD publishers usually offer much smaller discounts.
- **Nonreturnability.** Booksellers expect to be able to return unsold books to the publisher for full credit. POD publishers rarely accept returns, or if they do, have such a limited returns policy that it's hardly more attractive than no returns at all.
- **Minimal marketing and distribution.** POD publishers don't want to cut into their profits by spending money on book promotion. They'll ensure that their books are available for order online and through a wholesaler such as Ingram, but they won't advertise, and will make little or no effort to obtain professional reviews and bookstore placement.
- **Other nonstandard practices.** These may include amateurish formatting, terrible cover design, hellacious contracts, and fees of various kinds.

Most of these practices are characteristic of the fee-based POD publishing service providers discussed in the next section. However, they're increasingly common among POD-based independent publishers, whose often inexperienced staff may not have the skill to rigorously select and edit (never mind market and promote) books, and whose shoestring budgets force them to keep costs as low as possible.

Not all POD-based publishers employ these practices, of course. Unfortunately, however, a great many do. This, together with the aggressive policies and poor-quality offerings of the fee-based PODs, has tainted print on demand in general. Many booksellers, reviewers, and readers are wary of POD just on principle, and may assume that a publisher that relies exclusively or mainly on digital technology is a POD publisher, even if the publisher is entirely professional. This POD stigma is something that anyone who's thinking of signing a contract with a POD-based independent publisher needs to take into account, because it can make marketing extremely difficult.

Fee-Based Print on Demand Publishing Service Providers

Fee-based print on demand publishing service providers (fee-based PODs for short) aren't publishers in the traditional sense, but purveyors of publishing services to writers. They charge a fee for publication, ranging anywhere from a few hundred to thousands of dollars. They don't screen submissions (except perhaps to exclude pornography or hate

literature)--anyone who is willing to pay will be published. They don't routinely provide editing, proofreading, or book marketing (though some offer these as add-ons to the basic publishing package--at, of course, additional cost). Income to the author comes in the form of a royalty on sales.

Many fee-based PODs call themselves self-publishing services. Some will even let you put the name of your own imprint on your book. However, there are important differences between the fee-based PODs and true self-publishing:

- **Control.** With self-publishing, the writer controls *all aspects* of the publishing process, from cover art to print style to pricing. With fee-based PODs, choice is limited to the package of services the publisher offers.
- **Revenue.** With self-publishing, the writer keeps *all proceeds* from sales. With fee-based PODs, payment comes in the form of a royalty (you are, essentially, paying the publisher twice: once upfront, and once with each book produced and sold).
- **Rights.** With self-publishing, *all rights* remain with the writer, who has full ownership of his/her books. With fee-based PODs, rights may go to the POD service, which has an exclusive claim on them for a set period of time.

In practice, fee-based PODs more closely resemble vanity publishers—which is how they're generally regarded by readers, reviewers, and booksellers.

For writers who don't want to go through the submission process required by commercial publishers, or who feel they've exhausted the possibilities of the commercial publishing market, or who just want to produce a few dozen copies of a family memoir or recipe book for private distribution, fee-based POD can be an excellent solution. It provides an attractively-designed book at a far lower cost than traditional self- or vanity publishing, and offers many of the same benefits, including guaranteed publication and lack of editorial interference. Also, since the book is produced only when ordered, you don't risk winding up with a garage full of unsold volumes.

Fee-based POD also offers an opportunity to established authors seeking to bring their out-of-print books back into circulation at minimal cost. A number of fee-based PODs offer programs specifically targeted to such writers. And it can be a good option for the motivated self-publisher who's able to devote time and money to marketing his/her product—typically, a nonfiction author with a niche market s/he knows how to reach, or someone who tours and speaks extensively and can sell books at these occasions.

But if you're a new writer looking to establish a career, fee-based POD is probably not a good choice. As noted above, it's widely equated with vanity publishing; it's not likely a book published this way will be considered a professional credit. Too, fee-based POD companies' policies on pricing and marketing limit their books' availability, resulting in small sales and readership even for authors who diligently self-promote. While there have been some highly publicized successes, the average fee-based POD book sells only a few

hundred copies, mostly to the authors themselves and to “pocket” markets surrounding them—friends, family, local retailers who can be persuaded to place an order. In a 2004 press release, AuthorHouse, one of the largest of the fee-based PODs, reports that it has 18,500 authors in print with total book sales of 2 million—which averages out to around 108 sales per author. A 2003 *Wall Street Journal* article on Xlibris revealed that of the more than 10,000 books published by the company since its inception, 85% had sold fewer than 200 copies, and only around 3%—or 352 in all—sold more than 500 copies.

Here are some additional issues to consider if you're thinking of using a fee-based POD.

- **Booksellers don't like dealing with fee-based PODs.** In order to sell books in significant numbers, you need bricks-and-mortar bookstore placement. Don't believe the hype about the power of the Internet: less than 10% of all books are bought online. Bookstores are still where most people do their bookbuying.

Books from fee-based PODs are generally available through the POD company's website, and from Amazon and other online booksellers. Most fee-based PODs also list their books in the catalogue of a major wholesaler such as Ingram, which ensures they'll be available for order at just about any bookstore in the US. But “available” doesn't mean “stocked” (a fact that some fee-based PODs do their best to obscure). By long tradition, booksellers are accustomed to a particular set of buying protocols—discounts of 40% or more, 60- or 90-day billing, and full returnability. But many fee-based PODs don't offer industry-standard discounts, and most require that orders be pre-paid. And while some fee-based PODs do offer returnability if authors pay an extra fee, it's usually a pretty restrictive policy that booksellers won't find terribly attractive. All these factors make booksellers very reluctant to stock a book from a fee-based POD.

If stores won't stock the books, they should at least be willing to order them. But booksellers' policies on this vary. Some will order any book you ask for. Others are selective—Barnes & Noble, for instance, which owns a minority stake in fee-based POD iUniverse, at one point would only order iUniverse books—and some booksellers refuse to carry POD books in their computer systems at all. To make things more complicated, Ingram has just introduced a new ordering protocol for POD books, which means that many show up as out-of-stock. Some fee-based PODs are taking steps to deal with this, but others are not.

Authors who are willing to go door-to-door can sometimes be successful in persuading local stores to stock their books (though often they must sell them on consignment, or agree to buy back unsold copies). By and large, however, books from fee-based PODs, like e-books, are available only through online sources.

- **Books from fee-based PODs are expensive.** Fee-based POD services base their pricing on the amount of paper it takes to print the book. Some make an attempt to hold prices down with flat or negotiable rates, but in most cases your book will cost more—often a *lot* more—than a similar book from a commercial publisher. Readers may balk

at paying \$25 or \$30 for a trade paperback-size book.

- **Books from fee-based PODs may be of poor physical quality.** POD books, when well-produced, can be almost indistinguishable from traditionally-printed trade paperbacks (though they are more fragile, because of the kind of quick-dry glue that must be used for POD). But some fee-based PODs skimp on paper and cover stock, and don't pay enough attention to production standards. Books produced by these companies can be shoddy in appearance, with covers that curl and pages that fall out as you're reading them. POD books are also often bound with a very narrow spine, so that they look more like pamphlets—this is something that will immediately say “unprofessional” to a bookseller. Be sure, if you're considering a fee-based POD, to order one or two of its books so you can assess physical quality.
- **Books from fee-based PODs are unlikely to be reviewed in professional venues.** Good reviews in major newspapers and magazines, as well as trade journals like *Publishers Weekly* and *Library Journal*, can be a boost to sales. But trade journals will only review in advance of publication, and fee-based POD companies rarely produce galleys or advance reading copies. Also (as pointed out above), reviewers in general are wary of fee-based PODs, which don't employ editorial filtering and produce large numbers of unedited, substandard books.
- **Your book will not be publicized.** As mentioned above, fee-based PODs aren't publishers, but purveyors of publishing services. Their primary interest is in selling their service to you. Selling your book to readers is of secondary importance. A listing on the company's website and with various online booksellers, as well as inclusion in a wholesaler's catalogue, is all the publicity most fee-based PODs provide. If you want more, you will have to arrange it yourself.

Some fee-based PODs offer marketing packages or media kits for an extra fee. But prices can top \$1,000, and packages tend to be based on minimally effective methods such as press releases, postcard mailers, and mass solicitation of media contacts. They're usually a complete waste of money.

- **There may be extra expenses.** The cost of fee-based POD can be substantially increased by additional charges not included in the initial package: renewal fees, extra charges for cover design, extra charges for obtaining an ISBN number or copyright registration, etc. Be sure, when you're assessing fee-based PODs, to check for these kinds of extra costs.
- **Your contract may be nonstandard.** In commercial publishing, contracts vary in their particulars, but tend to share a basic boilerplate. With fee-based PODs, there's no standardization. Many fee-based PODs offer pretty decent time-limited, nonexclusive contracts, but others can be very author-unfriendly.
- **Royalty income may be less than you think.** Fee-based PODs are likely to base royalties not on a book's retail price, but on its net price (the retail price less discounts

and/or the publisher's overhead--often not specified, so you're not sure exactly how much will be deducted). Depending on the discount (which for some online retailers is 55%), that 30% royalty may not work out to a lot of money.

- **Terms and conditions may be changed without warning.** One of the largest fee-based PODs has changed its operating model a number of times since starting up--eliminating its free service, raising prices for services, changing its royalty structure, increasing book prices. This company at least notifies its authors before changes take effect, but I've heard from authors with other fee-based PODs who didn't find out about changes until after the fact. This is a good reason not to sign a contract that ties you to the publisher for more than a year or two.
- **Delays are possible.** Some fee-based PODs have trouble with timeliness in book production and order fulfillment. Before choosing a fee-based POD, it's a good idea to contact others who've used the service to see what their experience is.
- **Last but not least: take the hype with a (very large) grain of salt.** Many fee-based PODs portray the service they offer as a revolutionary new publishing model that's going to open up a world of opportunity for writers locked out of the market by the narrow standards of the monopolistic commercial publishing industry. Heady terms like “paradigm” and “democratization” are tossed around. But there's nothing new about paying to get published—or about the opportunity it offers, which is mainly for the publisher to make a profit. Most of the traditional difficulties faced by authors who pay to publish are duplicated in the fee-based POD model.

Print on Demand-Based Independent Publishers

A growing number of independent publishers are relying mainly or exclusively on digital technology to produce their books. This saves money up front, by eliminating cash outlays for large print runs and removing the need for warehousing. The tradeoff is the higher unit production cost for POD books, which means that the publisher realizes a lower per-book profit, especially if it makes an attempt to keep its prices in line with those of larger commercial publishers. And of course any POD-based independent publisher has to deal with the POD stigma described above.

While there are POD-based indies that function very much like their commercial counterparts (rigorously screening and editing submissions, professionally designing books, marketing to the book trade), digital technology makes it easy and cheap for unqualified or unscrupulous people to set themselves up as publishers. These publishers come in several flavors—amateur operations run by people with abundant goodwill but little or no knowledge of publishing, vanity publishers masquerading as legitimate independent presses, and “author mills” that seek to turn a profit on enormous author volume—but the bottom line for writers is the same: no distribution, no promotion, and tiny sales.

Some tips to help you evaluate POD-based independent publishers:

- **Is there a fee?** Many indies can't afford to pay advances, but they don't ask for money. A fee, *no matter where you encounter it in the publishing process*, is a sign of a vanity operation, or of a publishing service like the ones described above.

Fee-charging publishers are often inventive about hiding their fees. Sometimes the fees are buried in the contract's small print, so it's not until you actually read the contract that you realize you have to pay a "setup" charge or make an "investment" in your book. Sometimes the fees are shifted to items unrelated to producing the book—for instance, you may be required to pre-purchase or pre-sell a large number of copies, or pay for editing, or sponsor your own publicity campaign, or hire cover designers the publisher recommends.

- **Is there an advance?** An advance, even of just a few hundred dollars, is a sign of a professional operation. Don't be fooled by token one- or two-digit advances—this is usually a marketing ploy designed to produce an appearance of legitimacy, rather than a sign of legitimate practice.
- **How long has the publisher been in business, and has it actually published any books?** POD-based independent publishers spring up and wither like mushrooms. This can work out badly for you, because a publisher that liquidates or goes bankrupt can tie up your rights, or may pass them on to third parties without your permission. This is a possibility with any independent publisher—small publishers' finances are often precarious. But if you go with a publisher that's just starting up, or has been in business only a few months, you are really taking a risk.

Look for evidence that the publisher has been in business for a year or more, and that it has a backlist of published books. This indicates at least some stability, as well as the capacity to take a book all the way through the production process. You'll also be able to obtain a book to check physical quality, and you'll be able to judge by the existence of professional reviews and/or bookstore presence whether the publisher is marketing to the book trade.

While you don't want to choose a publisher that hasn't proved its ability to publish, there's risk at the other end of the spectrum—namely, the “author mills.” An author mill is a publisher that bases its business model on author volume (selling small numbers of books from a very large number of authors) rather than on book volume (selling large numbers of books from a limited number of authors, as commercial publishers do). Some of these publishers' catalogues include thousands and thousands of authors, most of them first-timers. Author mills don't charge fees, and often misleadingly present themselves as “traditional” publishers (see Deceptive Terminology, below)—but in practice they more closely resemble the fee-based PODs, with the same open acceptance policies, high prices, bookseller-unfriendly business practices, and minimal marketing support.

- **Are the books professionally-produced and of good physical quality?** Order one or

two. Has it been edited? Does the print look good? Is the formatting uniform? Is the text free of errors? Bad writing, sloppy formatting, and large numbers of typos or grammatical errors indicate a less-than-professional operation.

Questionable or amateur POD-based publishers also often produce shoddy, badly-designed books and ugly, unprofessional-looking covers. Good physical quality and attractive covers are no guarantee that a publisher is legitimate, of course, but their absence does indicate a lack of professional expertise, and won't enhance your book's appeal.

- **Is the pricing reasonable?** As noted, POD has a higher unit cost than offset, and prices can be correspondingly higher. This can be a substantial discouragement for readers—who wants to pay \$30 for a trade-size paperback? A reputable POD-based publisher will make an effort to keep prices at least generally comparable to traditionally-printed trade paperbacks, which run between \$12 and \$18.
- **Does the publisher accept returns?** Again, this is a sign of a more professional operation, and gives the publisher a better chance of selling its books into stores. Beware, though—some POD-based independents put so many restrictions on their returns policies (for instance, limiting the return period to three months, or offering returnability only on volume orders) that booksellers won't be any more likely to order.
- **Are the books reviewed in professional venues (*Booklist*, *Publishers Weekly*, *Library Journal*, etc.)?** Reviews in these venues, which are read by booksellers and librarians and can increase sales, indicate that the company is sending out advance reading copies--a sign that it's marketing to the book trade. (Note: amateur book review websites don't count, as their reviews are rarely of professional quality.)
- **Is there any bookstore presence?** Not all indies are able to get their books into stores, so lack of bookstore presence doesn't necessarily mean the publisher isn't reputable. If there is store presence, however--even if it's only local availability--it's another indication that the publisher is actively marketing its titles.
- **Can you order the publisher's books in a bricks-and-mortar bookstore?** Even if a bookstore isn't willing to stock POD books, it should at least be able to order them. Publishers whose books can be obtained only from the publisher's website, or from online booksellers like Amazon, are further limiting already limited availability.
- **What's the focus of the publisher's website?** Is it designed to promote the publisher and its publishing services, or to promote the publisher's books? A reputable publisher's marketing will be book-focused—it will publicize its authors, and try to attract readers. A questionable publisher's marketing will be service-focused—it will promote itself, and try to attract writers. Be wary of any publisher whose website contains large amounts of verbiage about how closed-minded the “traditional” publishing industry is, or tells scary stories about how hard it is for new writers to find publication, or touts itself as providing revolutionary opportunities for overlooked

writers. Be suspicious also of a publisher that solicits for authors, either in print, online, or by direct mail.

- **Is the contract standard?** The Internet- and POD-fueled explosion of startup publishers has resulted in a proliferation of atrocious publishing contracts. A reputable POD-based publisher will try as much as possible to adhere to basic industry standards (an example of a standard—though out-of-date—contract can be found [here](#)). A questionable or amateur POD-based publisher, on the other hand, can ask you to sign your life away and then some.

Typical problems include demanding all rights for the full term of copyright without an adequate reversion clause, claiming subsidiary rights the publisher isn't capable of marketing, basing royalties on net rather than gross income, retaining a financial interest in the author's work even after the contract has terminated, claiming the right to edit at will without seeking the author's permission, tying next-book option clauses to current contract terms, tying rights reversion to purchase of overstock, and offering a contract that's not negotiable.

An important point to look for in a POD-based indie's contract: a limited term (3 years maximum—preferably with a renewal option) and/or a clause that allows termination at will. Digital technology is developing very rapidly, and you don't want to be stuck in one place for too long. Too, if the publisher isn't marketing your book, or there are signs of financial trouble, you want to be able to get out.

- **Is the publisher forthcoming?** Will it answer your questions promptly, fully, and without evasion? A publisher that refuses information, or scolds you for asking questions, is a publisher to avoid.

Deceptive Terminology

Whether through ignorance or an active desire to deceive, POD-based independent publishers often use misleading terms. Below are some you may encounter.

Print on Demand vs. Publish on Demand

Some unscrupulous POD-based publishers that charge hidden fees or otherwise operate according to a vanity publishing model attempt to separate themselves from fee-based POD publishing service providers such as iUniverse by claiming that there's a difference between "print on demand" and "publish on demand."

"Print on demand," they say, is the digital technology that allows books to be printed as the market demands. "Publish on demand," by contrast, defines a vanity publishing operation--one that publishes (for a fee) at the author's demand. "POD publisher," they claim, means the latter. Despite their use of digital technology, therefore (and despite the fact that they employ many of the same bookseller-unfriendly business practices that vanity publishers do), they are not a POD publisher.

In fact, this is a meaningless distinction. The two terms are used interchangeably throughout the industry, and aren't considered to have different definitions, or to describe different operations. Nor is the distinction recognized by booksellers—for whom, unfortunately, the POD stigma is usually reason enough to avoid any publisher that uses the technology exclusively, no matter what its business policies.

Be wary, therefore, of a publisher that makes a show of denying that it is “POD,” despite its use of digital technology.

“Traditional” Publishers

“Traditional publisher” is a term of very recent origin. It was invented by the first of the author mills in order to distinguish itself from the fee-based PODs (whose business model, except for the fee, it otherwise followed very closely). The term has no meaning in the publishing industry, which by definition doesn't include vanity and self-publishing operations. (“Commercial publisher” or “trade publisher” is more appropriate.)

Unfortunately, the term has come into common usage, and you'll often see a claim of “traditional” publishing on the websites of POD-based independent publishers. The implication is that though they're smaller, they're essentially just like Random House or Penguin. In fact, all you can count on is that the publisher won't ask for money on contract signing. Other components of the commercial publishing model are often missing (rigorous selectivity, standard discounts, a returns policy, competitive book pricing, effective marketing), and elements absent from the commercial model are often present (nonstandard contract terms and peculiar business practices).

Publishers that call themselves traditional may simply be inexperienced. Sometimes, though, they're dishonest, and are using the label in an effort to mislead authors. While it's not an automatic red flag if a publisher proclaims itself traditional, be aware that the term doesn't have an accepted definition, and tells you nothing about how the publisher selects, produces, and markets its books.