

## Introduction

The impetus for this report is the strong error signal I experienced when, in November 2015, Tim Carey assured me that *Controlling People* would be “reasonably priced” but by the time it got published I found its pricing (especially in the U.S.) to be anything but.

Later, when I spoke with Rick, he told me that he had avoided talking with any of the existing PCT publishers because he wanted a **REAL** publisher, by which, as I understood him, he meant one that would promote the book.

Marken and Carey write in the chapter on *Freedom and Control*: “PCT shows us that there are three main ways that control (and thus freedom) can fail: *overwhelming disturbance, ignorance, and conflict.*” Ignorance is discussed on pages 128 and 129. To me, Marken and Carey make an excellent point that got me thinking about ignorance with regard to publishing. There is much to understand about this rapidly changing field. Therefore this report.

Time has passed. It is now September 2017. My intent here is to provide what understanding of publishing I have arrived at, hoping that my perspective and some detailed pricing information about numerous books may be useful to PCT authors and editors pondering how to publish their works themselves or how to approach a publisher.

## My experience / understanding

Phil Runkel asked me at the CSG conference in Boston in 2000 to review his forthcoming manuscript for technical accuracy. I worked with him for two years, working with his ASCII text. I undertook to lay out his work in PageMaker (the leading desktop publishing program at the time), which made his text much more inviting to read. As a result Bill read it and contributed comments. I provided prints for Phil to share at the 2002 CSG conference in Cherry Hill, which I did not attend. Phil was gratified with the response. We had discussed publishing along the way and Phil had told me that he would rather not submit his MS to 30-odd publishers one at a time as he had done with *Casting Nets and Testing Specimens*, and I had asked him to consider me when the time came. In the fall of 2002, Phil asked me to be his publisher.

I had the book laid out as a 6x9 inch trade book. It ran 1,000 pages, which would be hard to manage. I studied up on readability regarding column width, font, font size and such and told Phil I would create a few alternatives for him to choose from. Phil said no, you are going to show me what you suggest and I am going to say that it is fine.

So I laid it out in 8.5 x 11 inch letter size, two columns, 539 pages and Phil said it looked just fine. (I relate this because for me this was a lesson on the importance of letting others control as much as possible; not to micro-manage.)

I had purchased and read several books on publishing and marketing, purchased a set of boiler-plate contracts for various publishing situations and selected one that appeared appropriate. I offered Phil 15% of net sales. Phil said he would have accepted 10%.

I purchased 10 ISBN-numbers from Bowker, the U.S. agency. (U.S. is expensive, other countries less so. I have since purchased another 100 ISBN numbers, so now I have plenty.)

I had seen Ed Ford's garage, stacked floor to ceiling with boxes of books, and had no intention of filling my garage with a web-print run, even though the cost per book drops the more you have printed.

Searching the web, I found articles that said that HP laser jet model 5Si, now available used for about a tenth of its original price, was ideal for book printing. Through eBay I bought three, which allowed me to print efficiently. I also recharged toner cartridges myself to keep costs down. For some specifics, see CSGnet archive (20020916 22:00)

I had 3,000 covers printed and laminated. I printed 100 book bodies at a time, brought them to a binder along with covers, and picked them up a few days later paperback bound and trimmed. Altogether, I produced 300 this way.

This is what I brought to the 2003 CSG conference in Los Angeles. Phil was able to autograph and give away numerous copies, such as to our guests from China.

My cost for materials and binding were just over \$10 each. Never mind about \$2,000 for printers, \$2,000 for covers, plus lots of personal labor.

I priced *People as Living Things* at \$65, in line with advice in books I had read about a suitable multiple between cost and list price. (Following my move to LSI, I have steadily reduced prices. *People as Living Things* is currently priced at \$34.95)

Hoping to generate publicity, I sent inquiries to 45 people I thought might care and be in a position to write a review. The American Psychological Association got three books as specified. My result: nothing. I also worked with ereleases.com to compose and distribute a Press Release through PRnewswire (a REAL press release distribution which reaches a multitude of news outlets), and mail to an extensive list of journalists. Again my result: nothing.

In 2005 I worked with Tim Carey on *The Method of Levels*, published it in 2006 and printed the same way on my laser jets, but with a mere 500 covers this time. In 2006 I worked with Phil to resurrect *Casting Nets and Testing Specimens*. Praeger (Greenwood publishing) sold us (i.e. me) the last eight copies in stock at the author's discount of 50% off \$94 list and returned the copyright to Phil. Phil sent his errata copy and made a few changes to the text. Again only 500 covers. My laser jets produced 100. Press releases for these two books produced nothing.

When I switched to POD publishing with LSI in 2007, the remaining huge pile of 12 x 23 inch covers became obsolete. My grandchildren for years have been enjoying "Phil Runkel paper" for craft projects.

In the 2004 time frame, options for distribution I was aware of were either direct through an order form posted on the web, through fulfillment services, or through book stores. Book stores traditionally expect a discount off list of 40%. This provides a markup of 66%. To reach book stores, a publisher sells at 60% off list to a distributor (Ingram is biggest in the world per articles on the web), who then sells to bookstores at a 50% markup. The publisher pays shipping to the distributor. Bookstores may return unsold books for full credit. A publisher can also deal direct with a bookstore, of course.

The author is paid royalty on the net sale, i.e. 60% off list, so a 10% royalty translates into 4% of the list price.

At about this time, Amazon inaugurated a way for publishers to sell books on consignment called Amazon Advantage (Advantage: Amazon). Given a contract, Amazon would list your book and order a few at 55% off list. Publisher pays shipping, of course. I never signed up for this.

I joined two local associations, *Bay Area Independent Publishers Association*, BAIPA, and *Northern California Book Publicity and Marketing Association*, NCBPMA. Both provided insight and contacts with other publishers. The latter sponsored a panel discussion in January 2006 with David Ulin, Book Editor of *The Los Angeles Times*, and Oscar Villalon, Book Editor of *The San Francisco Chronicle*. They said that they each receive unsolicited books by the hundreds every week. To be considered for a review, a book must be of general interest, by well known authors and be available in bookstores everywhere. Small publishers and Print On Demand books hit the trash can right away.

The message: You have to promote yourself; newspaper book review editors will not help. To be sure, this was the message in all the books on publishing I had read: The author has to promote a work.

By 2007 I joined Yahoo.com/groups. Self-Publishing (now gone), and [https://groups.yahoo.com/neo/groups/pod\\_publishers/info](https://groups.yahoo.com/neo/groups/pod_publishers/info) (2,500 members). I learned of Aaron Shepard and his book *Aiming at Amazon*, which led me to cease running my laser jets and instead sign contracts in August 2007 with *Lightning Source*, LSI, for POD printing and inclusion in LSI's parent Ingram's database. Aaron later set up his discussion group of one, <https://groups.yahoo.com/neo/groups/Publishing-Update/info>, with 2,100 followers, and his personal blog, <http://www.newselfpublishing.com>. Much information is available in these Yahoo group archives and Aaron's blog. Highly recommended.

## Production / Distribution

Pretty much all books sold through bookstores and traditional distribution channels are web printed. There are a large number of printers in the business that will be happy to quote. The cost per book declines noticeably with order quantity.

**Laser Jets:** As told, I started out printing very small quantities using laser jets in my garage. Covers were web printed in color on heavy stock, and laminated. There are companies that produce small runs of books this way. You can order 100 rather than 2,000. Combine laser printing of individual books with distribution, and you get ...

**Print On Demand (POD)** publishing. Not the only, but no doubt the biggest is **Lightning Source** (LSI), a subsidiary of Ingram. At the time, their website said they print 1.5 million books a month, with an average order size of 1.8 each. I learned about LSI when I bought *Aiming at Amazon* by Aaron Shepard. This book lays out the rationale for not even trying to get into bookstores, but instead using POD to sell through Amazon. This book was followed a few years later by *POD For Profit*, which reflected the fact that Amazon made changes, introducing its very own POD operation called *CreateSpace*. *Aiming at Amazon* is no longer in print and *POD For Profit* is dated, so now Aaron offers the latter for free <http://www.newselfpublishing.com/books/PODProfit.html>

Note especially *Chapter 3: Working with Lightning*. Here is a brief para from page 64:

“For instance, if you set your Lightning discount at 40%, the bookstore’s discount from Ingram will be only 15%. To make sure the bookstore gets 40%, your Lightning discount would have to be a full 55%.”

An interesting feature of LSI is that you, their publisher customer, set the price and discount off list by market (US, UK, EU, AU). Following Aaron’s recommendation, I set the discount at 20% and specified “No Returns”.

LSI now operates printing plants world-wide. I signed contracts so they can report what they pay me to my country’s tax authorities. One contract for the U.S.; one for the U.K. I pay \$75 to set up a title (I use high-quality pdf files, one for cover, one for the body, exported from InDesign to LSI specs), \$40 to change either file, and \$12 per year per title to have my titles included in Ingram’s database. With this, my titles are listed by Amazon and Internet bookstores around the world. I handle no orders. LSI ships to Amazon (I suppose by the truckload), deducts its print charge from the net sale and deposits the rest in my checking account. Ingram has taken over the interface, now called IngramSpark. <https://www.ingramcontent.com/publishers/lp/lightning-source>. It has been extensively discussed in the mailing lists I linked above. It should not be difficult, so get your own account. Notice <https://www.ingramcontent.com/publishers/resources#tools>

**Amazon’s CreateSpace** is less demanding regarding file creation (you can use Word files) and their setup charge is zero. But discounts are higher, so net sales are lower. Discount off list is 40% for standard distribution (Amazon only) and 60% for expanded distribution. I have no experience with CreateSpace, <https://www.createspace.com>. If you want the ultimate in simplicity, are interested only in Amazon US and Amazon UK, and are happy to have Amazon assign and control your ISBN number, CreateSpace is a good option.

As with LSI, you can order books shipped to yourself at print charge plus shipping.

**Electronic books:** Amazon introduced Kindle and there are now several competing formats for e-books. Again, I don’t know all about it, but have read some and downloaded software to convert my titles to Kindle along the way. So far I have not tried. I understand that Kindle has about a 75% market share in the U.S. I have read that Kindle has Digital Rights Management (DRM) that supposedly prevents pirating. But googling “pirating kindle books” suggests that pirating is rampant.

Amazon pays a 70% royalty (less delivery charge) on Kindle books priced under \$9.99, but only 35% for books priced higher. To me, that suggests that a print book priced at \$40 should have its Kindle equivalent priced at \$40 just the same, in order to provide net revenue of \$14, rather than \$6.33. I just noted <http://apethebook.com/calculator/>. Looks like I should check out Google Play.

### Three stakeholders

To my mind, there are three classes of stakeholders to consider when thinking about publishing: The author, the publisher, and the reader. With this report, I want to advocate for the reader, urging restraint by the publisher when pricing a book on PCT so that it will feel good for any PCTer to recommend it to others, easy for newcomers to purchase it, and fair to the author.

### **The prospective reader**

I became curious about what makes people tick in the 1970s, read numerous books, one recommending the next, and listened to motivating speakers. I found William Glasser's *Reality Therapy*, *Identity Society* and more. By 1982 I read *Stations of the Mind* and actually lectured on its message to a group of managers in 1984. Of course I saw the Preface by William T. Powers, but *Behavior: The Control of Perception* was \$50 back then as best I recall. Today, that corresponds to \$125. (See <http://www.dollartimes.com/inflation-calculator>).

My disposable income in 1982 was not great so I passed on purchasing *B:CP* since its price was exorbitant. What if *B:CP* had been "reasonably priced" meaning comparable to other books you find in a bookstore? For sure I would have discovered PCT, the real version, in the early 80s rather than when I finally decided to spend the small fortune and purchase *B:CP* in 1988.

The high price of *B:CP*, set by the academic publisher Aldine de Gruyter, delayed my discovery of PCT by about seven years.

Here is my reason for this entire report: To make the PCT revolution happen, PCTers and their publishers will be wise to consider readers' perspective when pricing PCT literature.

### **The author**

Some PCT authors come from academia, where "publish or perish" is part of the culture. Authors create a work and just want it to be published. I have been told more than once that "it is not about the money", meaning authors may not care whether they have a contract, get reports or royalties or otherwise make money off their work.

Clearly, authors have a variety of backgrounds and motivations for getting their MS published. A most interesting article on academics publishing papers on the web appeared in Bloomberg BusinessWeek 2017-08-29: *Medical Journals Have a Fake News Problem*. Interesting \$ info on how academic publishers get free content from academics and sell it back to them at high prices. Google it. I have it as a pdf and can share.

### **Publishers**

Publishing is a business, but for some it is a labor of love. The publisher sets the terms of a relationship with an author. The publisher sets the price the reader is asked to pay.

Seems to me that the publisher is key to a fair balance between the interests of all three stakeholders.

**A REAL publisher:** I discovered a most interesting publisher last year as a young lady resurrected NCBPMA briefly with a meeting in the Oakland offices of Berrett-Koehler Publishers. I picked up more than one copy of their printed catalogs and pamphlets and can share some of that. Bookshelves around their office displayed books they publish.

More interesting perhaps is their website: <https://www.bkconnection.com> and especially <https://www.bkconnection.com/blog/posts/berrett-koehler-publishing-documents>

Note especially **Publishing Documents**

*What Good is a Book Publisher?* by President Steve Piersanti

*The Ten Awful Truths about Book Publishing* by President Steve Piersanti

*The Ten Awesome Truths about Berrett-Koehler's Marketing* by President Steve Piersanti

*BK Author Bill of Rights*

*BK Author Publication Agreement*

*BK Author Publication Background Memo*

*Subrights Agreement Contract Template*

*BK Author Tip Sheets* (Marketing and Digital Community Building)

*Proposal Guidelines*

Here you can learn that there are some 70,000 titles published every year in the U.S., that the standard royalty rate is 10%, and that this REAL publisher will not even review a manuscript unless the author also submits a plan that spells out how the author will promote the book.

**Academic publishers** of books and journals offer minimum royalties, aim at academics and academic libraries, and price publications “sky high”. Depending on your personal references, you might consider this good business or a rip-off. The Bloomberg BusinessWeek article mentioned before is all about this.

**Routledge, Taylor & Francis Group** publishes *Principles-based Counselling and Psychotherapy: A Method Of Levels Approach* (2015) by Carey, Mansell, and Tai. This 6x9, 184 page volume is web printed and targeted at psychotherapists who subscribe to Routledge publications. Thus I think you can fairly say that Routledge promotes the book. The paperback was priced at \$44.95 but now, two years after publication, is discounted at Routledge to \$31.47 and available for \$20.99 from Amazon. \$20.99 is more reasonable for this slim volume. The Kindle edition is priced at \$44.95. The hardcover is priced at \$160 but now discounted at Routledge’s site to \$112. Amazon features it at \$160. Both listings feature two five star reviews; by Pfau and Nevin.

Routledge also publishes *A Transdiagnostic Approach to CBT using Method of Levels Therapy* (2013) by Mansell, Carey, and Tai. Slightly smaller, also web printed. The paperback is priced at \$29.99 but now, four years after publication, is discounted at Routledge to \$20.99 and available for \$20.38 from Amazon. The Kindle edition is priced at \$29.99, but discounted to \$20.99. The hardcover is priced at \$120.00 but now discounted at Routledge’s site to \$84. Amazon features it at \$120. No reviews at Amazon U.S. Four in the U.K.

## **PCT publishers**

When I started preparing this report a year and a half ago (my, have I been procrastinating, but now I am getting it off my chest), and examined books such as Rick Marken’s *Doing Research on Purpose*, which on the very last inside page shows when

and by whom it was printed, I noted that it is printed by LSI, just like mine. So on a lark, while logged in to LSI, I opened their Publisher Compensation Calculator, plugged in the ISBN, and to my amazement, LSI displayed book details for this ISBN. Book size, number of pages, paper color, List price by market (US, UK, EU, AU) discount set by the publisher, print cost, and money sent to the publisher for each copy printed and sold. LSI was displaying details for any and all books in its database. I took advantage of this lack of security or privacy to make screen shots and created Excel files for each work of interest. Late last spring, LSI revamped its website as Ingram set up IngramSpark. This display is now available for your own account only. I can share my findings and will discuss briefly below.

I expect that some will be upset by my sharing this info, but I hope letting it all hang out will turn out to be good for PCT. To start with, I will be transparent about my own ten titles. I offer detailed cost and pricing information.

One detail I want to mention is that while I have set discount to 20% for ten years, last spring Amazon started playing games with availability of LSI titles. Mine were suddenly listed as available from third party suppliers only. While Aaron Shepard has reported that he has worked with LSI reps to get Amazon to again list titles properly at 20%, I found that with a small price increase and now 30% discount, Amazon listed my titles properly, with appearance the same as MSOB, for example. Setting a discount higher than 30% means leaving money on the table.

**Living Control Systems Publishing (LCSP)** is my moniker, adopted with Bill's and Alice's approval way back when. My sales are modest indeed. Last spring I decided to no longer pay \$12 per year to keep hardcover versions in the Ingram database, because there was no demand. I offer them for direct drop shipment as shown at my website.

When pricing my titles, I use an Excel spreadsheet to analyze prices in each market.

This considers price (US, UK, EU, AU), discount, print cost in each market, royalty rate or net sharing, all converted back to US \$, using a factor for currency exchange I get from <http://www.xe.com/currencycharts/?from=GBP&to=USD&view=2Y>.

I have never seen a sale reported for the EU market so for simplicity I deleted that row from my Excel report. And I can only remember one single sale in Australia in all the years. The action is in the U.S. and U.K. That is where distributors buy their copies for worldwide distribution. But I have sent drop shipments to Australia, printed in Australia, using Australia's postal service. A pdf with my analysis is yours for the asking.

**Benchmark Publications** was Alice Powers (Bill's sister) long established publishing company, when in 1998 Alice took on the publication of MSOB, took over the Robertson/Powers book and the LCS I and II titles and later put together the second edition of B:CP and then LCS III. To the best of my understanding, the PCT part of her operation was a 50/50 partnership between Bill and Alice. While Alice has used web printing and Amazon Advantage, she is migrating to LSI.

MSOB is now supplied by LSI. My analysis of MSOB reflects this. Alice has set prices by market, reflecting currency exchange rates. Price could be reduced some, maintaining the margin, if the discount is reduced.



**new view** publishes PCT books by Tim Carey, Shelley Roy, and Rick Marken. Pricing of Rick's book *Doing Research on Purpose* seems to me high. I have talked with all three authors over the years. Shelley told me she has no contract. Each has told me that they have never had an accounting of sales, nor a royalty payment. (Neither did Powers and Robertson while new view took custody of the three books created by Greg Williams). Providing neither information nor payments makes some sense if there are no contracts. It also means that the authors are perfectly free to republish their works themselves. My info on Marken's *Doing Research on Purpose* shows that the price is set to the same 24.95 for all four markets, and the discount is set to 55%, which, to my mind, leaves 25% on the table.

**Australian Academic Press Group Pty. Ltd.** got me started on this report. I can't shake my conclusion that this husband and wife operation takes unfair advantage of both author and reader. Not so much of the reader, though the price for this slim volume at USD 26.95 is about twice what would make sense to me in the U.S. Pricing is more reasonable (but still high) in Australia, the equivalent of USD 18.70. What really irks me is that the publisher, who cannot possibly have put more than one tenth the effort into this work when compared to the authors, is keeping ten times what he shares with the authors. That makes for a 100 to 1 reward ratio in favor of the publisher. My analysis reports not only on this work, but on a few other titles as well. The pattern is clear, though the pattern of discounts by market seems strange to me. A press release for this work was simply parked on the web at a free site. With a 25% discount for author purchases, the publisher makes more from sales to the author than from sales to the public. Rick mentioned to me that the publisher rather quickly reported sales of 200 copies. Might this simply reflect the contract stipulation that the first 200 copies earn no royalty at all?

**Fred Nickols** is not a PCT publisher (yet) but shared details of his CreateSpace setup for his self-published book *Sea Stories* (USD 9.95), which is quite similar in physical size to *Controlling People* (USD 26.95). Many thanks!

**Well, that's it.** Contact me to tell me where my information is factually wrong so I can correct myself, and to request PDFs or Excel files to study.

### Going forward

LCSP is a sole proprietorship. LCSP has its own tax ID (EIN number) in the U.S. I am turning 77, am in very good health, and expect to be active promoting PCT and all of the PCT literature for at least another decade. (I am working on presentations aimed at people here in Silicon Valley; people interested in human relationships and capable of understanding an honest to goodness explanation). To assure continuity and expertise going forward, my daughter Karin (well known to Bruce Nevin) is privy to all my accounts and passwords. If something happens to me, she has the capability to carry on. Or she can chose to collaborate with some up-and-coming PCTer so that the PCT literature I handle stays in print for a very long time to come, along with the PCT websites I manage.