

**DEMYSTIFYING**

**PUBLISHING CONTRACTS**

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# HIRE A LITERARY AGENT, ATTORNEY OR JOIN AUTHOR'S GUILD

*option one*

# WHY HAVE AN AGENT?

. . . .

- ▶ They know the industry, the market and the people needed to get your book beyond the publisher's slush pile.
- ▶ They are your advocate with your publisher and can be the bulldog if needed.
- ▶ They sell your sub rights for you in other markets including but not limited to translation, foreign markets, audio & performance rights.
- ▶ They negotiate your contracts so they are not only favorable in the short term but have long-term goals for your future.



- ▶ They provide career planning once your book sells.
- ▶ They review royalty statements to make sure you're getting what you've earned.
- ▶ They are “the most influential member of the editorial board of your publishing company.” — Richard Curtis, *President Richard Curtis Associates, Inc.*



**LEARN THE BUSINESS YOURSELF**

*option two*





# THE OFFER

- ▶ Acquiring editor calls to make an offer.
- ▶ Standard details of the offer may be discussed over the phone. Ask for everything in writing.
- ▶ Request a copy of boilerplate contract in writing.
- ▶ Deal Sheet or Deal Memo will likely follow call via email.

# LET'S DANCE

- ▶ Hard limits.
  - ▶ What's your deal-breaker?
- ▶ Do your homework.
  - ▶ Keep up with marketplace, subscribe to industry newsletters in your genre, consult with agents or other writers.
- ▶ Assume everything is negotiable.
  - ▶ “Out of every ten items on a publisher's negotiating agenda, perhaps seven are easily negotiable, two are negotiable with difficulty, and one is non-negotiable.” – Richard Curtis
- ▶ Strong argument versus leverage.
  - ▶ Propose counteroffers supported by facts.
  - ▶ “I'd like to propose that when sales reach X amount, royalty scale goes up.”



- ▶ Respect the publisher.
  - ▶ Listen with an open mind but don't lose sight of your endgame.
- ▶ Get it in writing.
  - ▶ Ask for a deal memo confirming verbal agreements.

# DEAL SHEET/MEMO

## ▶ Primary rights

- ▶ These define publisher's rights to print, publish, distribute, sell and license the work.

## ▶ Territory

- ▶ Traditionally the U.S., its territories and possessions, and Canada.

## ▶ Advance

- ▶ The down-payment against royalties and author's share of subsidiary rights income.
- ▶ Often it's a reasonable estimate of the minimum revenue an author can expect to earn from the work.

## ▶ Payout schedule

- ▶ How often the publisher will pay royalties.

You can agree with me or you can be wrong.



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## ▶ Basic royalty percentage

- ▶ Detailed for each publication type.

## ▶ Control of & participation in subsidiary rights

- ▶ Who controls subsidiary rights & how much say-so author has in said negotiations.

## ▶ Option clause

- ▶ Sometimes referred to as Right of First Refusal

# KNOW YOUR RIGHTS

- ▶ **Term** - What does “life of copyright” really mean?
- ▶ **Reversion of Rights** - When do I get my book back?
- ▶ **Royalties** - So what am I really getting paid? How often do I get paid?
- ▶ **Advance** - Is there one? Should I get one?
- ▶ **Option** - How many books am I contracting here?
- ▶ **Subrights/Ancillary Rights** - How are these different from primary rights? Should I keep any of these?

# TERM & REVERSION OF RIGHTS

- ▶ Most publishers use “Life of Copyright” in their contracts as the amount of time they will own the rights to a book.
- ▶ Make sure you have a “Get out of Jail Free” card in your contract to avoid losing the rights to your book forever.
  - ▶ Request for an initial term to be indicated in the contract: 3-5 years from date of first publication
  - ▶ Request for a threshold of copies to be sold: if sales do not reach 100 units in two reporting terms
- ▶ Ask for the rights to revert to your survivors should anything happen to you before the term is up.



“If you put a recently published book and a recently picked tomato side by side on a shelf, there’s a good likelihood that the book will rot first.”  
— Richard Curtis

# THOSE RIGHTS ARE MINE ..

- ▶ **Subrights/Ancillary Rights** include audio, translation, foreign market/territory, merchandise, performance/TV/film.
  - ▶ If you choose to retain these, you should contact an agent to license these out for you.
  - ▶ If you choose to allow your publisher to license these, find out how much your percentage will be and who will pay any fees associated with these.
  - ▶ Audiobooks are a hot commodity today and if you're signing with a small publisher, chances are you can produce the audio on your own for a higher royalty rate than what they can do with it.

# OPTION & SUB RIGHTS CLAUSES

- ▶ The Options clause, aka Right of First Refusal allows the publisher the opportunity to obtain an author's next work without encumbrance.
  - ▶ Make sure the publisher only options the next book in the series featuring the same primary characters or world of the same title or is a continuation of the work.
- ▶ Subsidiary rights or licensed by the publisher to export a title to another territory or to have it produced in a different language.
  - ▶ Agents license these rights directly either for the author or the publisher.

# ROYALTIES & ADVANCES

- ▶ An advance is a down payment against royalties and subsidiary-rights income that publishers may provide.
- ▶ It represents the publisher's reasonable estimate of the minimum amount of money an author can be expected to earn from their book.
- ▶ Royalties are often calculated based on the list price of the book or the net receipts received.
  - ▶ These vary by publisher and format of the book.
  - ▶ If royalties are based on net receipts, these should be higher than those based on list price.



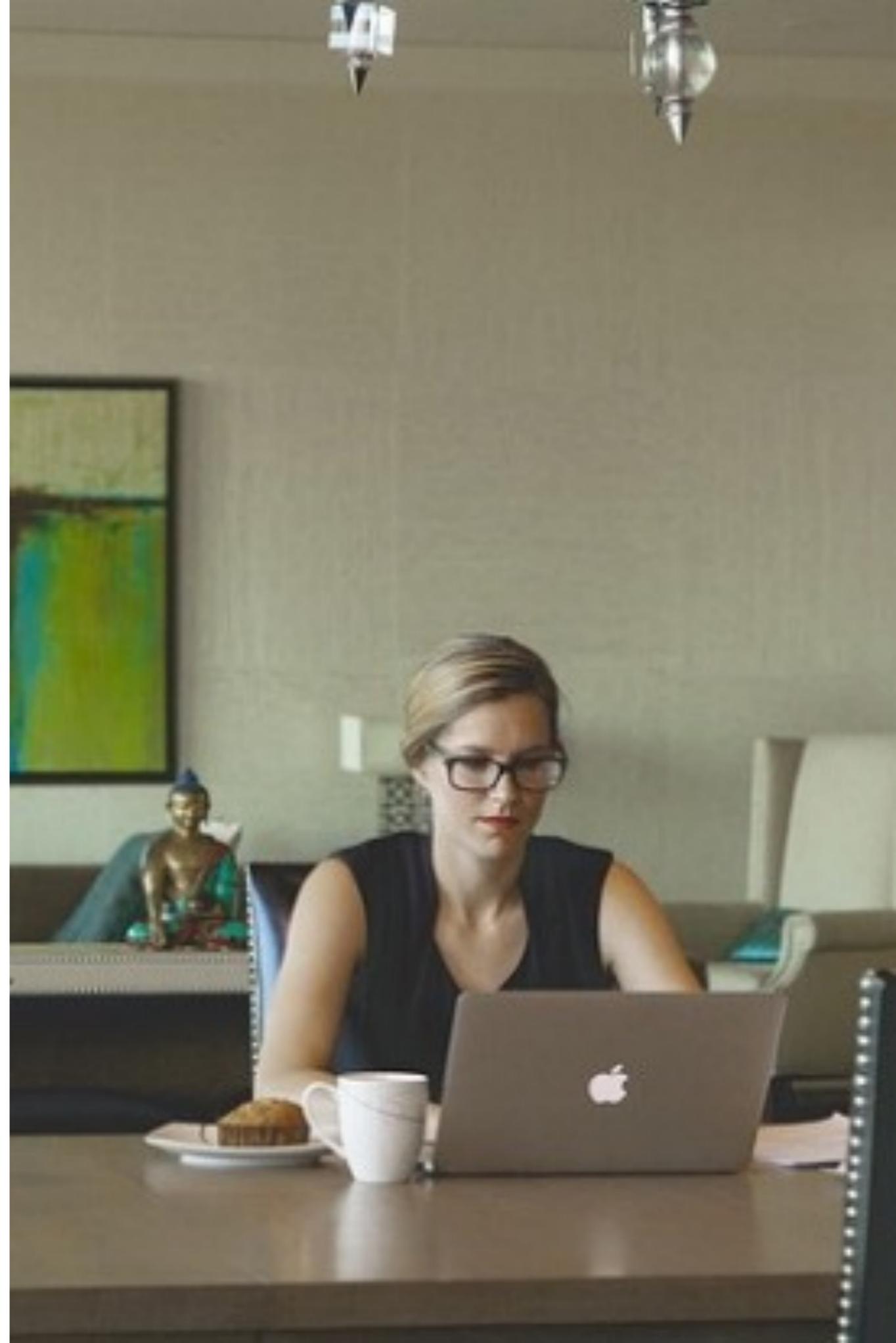


# WHAT IF YOU'RE SELF-PUBLISHING?

*option three*

# CONTRACTS FOR ALL

- ▶ Cover Artists
- ▶ Freelance Editors
  - ▶ Content Editor
  - ▶ Developmental Editor
  - ▶ Copyeditor
- ▶ Designer/Composer
- ▶ Audiobook Narrator
- ▶ Distributor
- ▶ Publicist/Marketer
- ▶ Co-Authors
- ▶ Accountant/Bookkeeper



# RESOURCES

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- ▶ *How To Be Your Own Literary Agent* by Richard Curtis
- ▶ *On Writing* by Stephen King
- ▶ *How to Write a Book Proposal* by Michael Larsen
- ▶ Author's Guild - [authorsguild.org](http://authorsguild.org)
- ▶ Writers Digest - [writersdigest.com](http://writersdigest.com)
- ▶ *2018 The Writer's Market*





#TEAMCORVISIERO

**CORVISIERO LITERARY AGENCY**

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