

# Novel rejected? There's an e-book gold rush!

(David Zaitz/ FOR THE WASHINGTON POST ) - Book Lovers Convention in Los Angeles, April 2011. Author Bella Andre with cover model Jimmy Thomas at the RT Book Lovers Convention in Los Angeles.



**By Neely Tucker, Published: May 6 | Updated: Saturday, May 7, 7:46 PM**

Sonoma, Calif. — In the winter of 2010, the cheerfully effervescent romance novelist Nyree Belleville suffered the same fate as many a scribe — she was dropped by her publisher. The most any of her 12 spicy romances, penned under the name [Bella Andre](#), had earned was \$21,000.

She was, in her Cali-girl vocabulary, “bummed.” She was 36. She had two young children, a husband and a little house in the hills above this picturesque wine-making region.

The Washington Post's Anqoinette Crosby sits down with Neely Tucker to discuss one author who didn't give up when her publisher did, and Ellen Nakashima digs into the past of Bradley Manning.

A thin, pretty brunette who majored in economics at Stanford, Belleville had been a singer in her 20s, but that career died, and now her writing career was so flat line that one of her old publishers had even given her the rights to her first two novels.

So, out of sorts and feeling blue, she sat down one morning and figured out how to self-publish one of those novels, "[Authors in Ecstasy](#)," on Amazon's e-reader, the Kindle, just to see what would happen. It was a pain. She had zero graphic-arts skills. She had to create a cover, write her jacket copy, figure out formatting and set a price. She did it and forgot about it.

A few weeks later, she checked her account. She had sold 161 copies. She'd made \$281. She was astonished.

She rushed to a lunch with three writer friends, with the numbers scrawled on a sheet of yellow paper, and slapped it down on the table. "That moment is burned in everybody's mind now," she says. "It was not a tipping point. It was a turning point."

She put her other old book online and figured out how to place both on other e-readers — the Nook, the Sony Reader, the iPad, Kobo. The next month, her royalties bumped to \$474. Giddy, she self-published a new e-book in July. She made a jaw-dropping \$3,539. It was like the best thing *ever!*

"Every day, as the numbers ticked by, my husband and I were floored," she says.

She got the rights to two more old novels. She feverishly wrote another e-novel, "[Game for Love](#)," about a bad-boy pro football player and his unexpected marriage. She popped it online Dec. 15.

Earnings for that month? \$19,315.

In January and February, she e-published a trilogy of young-adult novels she'd written years earlier. She called the first one "[Seattle Girl](#)" and chose a new author name, [Lucy Kevin](#), to distinguish it from the sexually explicit Andre books.

Here's what her first quarter looked like: 56,008 books sold; income, \$116,264.

Perched on the edge of a couch in her tiny writing office, which doubles as a playroom for her kids, Belleville says: "Isn't this just *awesome?!?*"

## **Self-publishing frontier**

There is no good comparison for what's happening in the frontier world of self-published e-books, because there has never been anything like it in publishing history.

Since Johannes Gutenberg developed the printing press in the 15th century, publishers have pretty much owned the presses, the means of mass production and, therefore, of distribution. Save for tiny "vanity" printings, for the intervening 500 years or so publishing houses have controlled who was able to publish, how many copies were printed, the price and the percentage of profits paid to writers (in modern America, usually about 10 to 15 percent of the list price.)

But riding the crest of the digital revolution, powered by blogs and tweets and social media, and delivered by the explosive sales of e-readers in the past two years, some authors are sidestepping that business model.

They can write, publish, advertise, create covers, set and change prices — and haul in up to 70 percent of the sale price. It is possible for writers marketing a \$4.99 self-published e-book to make more per copy than authors with a \$24.95 hardcover.

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It's gold-rush crazy, and it has exploded in the past 12 months, the past six months. It's happening right *now*. You hear wild stories about novelists — who are supposed to be enduring lives of artistic gratification but monetary penury — blowing past your tax bracket.

[Amanda Hocking](#), a 26-year-old assisted-living worker and fantasy novelist in Minnesota, has made more than \$1 million from self-publishing e-books about vampires and trolls and the like. In March, she signed a \$2 million, four-book deal with St. Martin's.

Going the other way was [Barry Eisler](#), a former CIA covert agent and thriller author, who turned *down* a \$500,000, two-book deal from St. Martin's imprint of Minotaur to self-publish e-books.

[Joe Konrath](#), a 41-year-old thriller and horror writer out of Chicago, started self-publishing his books online at cut-rate prices in the spring of 2009. That April, he made \$700. In April 2010, he made about \$4,000. A screen shot of his Kindle account for a period ending in late April of this year showed him netting \$78,231.16 in six weeks.

“What's happening now, with authors able to go directly to their readers without the approval and support of a large publishing house, is a huge game-changer, which will weaken corporate publishing dramatically over time,” says [Scott Waxman](#) in an e-mail. Waxman, a literary agent in New York, created Diversion Books, an online e-publishing

house, to help self-published writers navigate the cyber market. “In the short run, the change is going to happen quickly but not at all painlessly.”

“The world is changing in interesting ways,” says Jeff Belle, Amazon’s vice president of books. The company has set up three imprints to promote and e-publish writers. “We’re very flexible in the way we work with authors.”

The explosive growth, so far, has primarily been in commercial fiction — particularly such genres as romance, thrillers and horror — but [Seth Godin](#), a New York-based marketing guru, is doing well with “[Poke the Box](#),” his latest business book.

He eschewed traditional publishers to set up his own publishing venture, the Domino Project, and partnered with an Amazon imprint, Powered By Amazon, to sell the book in digital and print editions.

“Self-publishing used to be for folks who were going to spend their own money to bring a book that no one else believed in to the world,” he says.

“Now it’s an appropriate economic response to a changing landscape, particularly considering publishers who are stuck in 1995.”

### **A word of caution**

WE NOW INSERT THIS PUBLIC SERVICE ANNOUNCEMENT BECAUSE WE DO NOT WANT YOU CALLING US WHEN YOUR e-BOOK TANKS:

Don’t sprint to e-pub that novel you wrote on vacation that time but never sent to anyone because your wife said it stinks and what does she know? Well, maybe a lot.

The overwhelming number of self-publishing e-authors are consigned to the same fate as their print counterparts: oblivion.

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“We have less than 50 people who are making more than \$50,000 per year. We have a lot who don’t sell a single book,” says Mark Coker, founder of [Smashwords.com](#), a Web site that helped launch indie publishing.

“When I load all our numbers on a spreadsheet, it’s the typical power curve,” he says. “On the left, there’s a skinny area of the chart where people are knocking it out of the park. And then we have a very, very long tail off to the right, where some titles sell very few at all.”

Belle, the Amazon veep, adds, “There are a lot of books, even low-priced, on Kindle that are not selling at all.”

Also, even the most successful of indie authors will say they have discovered that publishers do a lot of stuff that isn’t much fun to do yourself. Designing covers, solving layout problems, finding freelance copy editors, contacting umpteen hundred bloggers, looking up ad costs on Facebook: You know what all that is? Time away from writing.

Hocking, the self-pub phenom, signed a deal with a mainstream publisher because, she wrote on her blog, “I do not want to spend 40 hours a week handling emails, formatting covers, finding editors, etc.”

END OF PUBLIC SERVICE ANNOUNCEMENT.

### **Market share**

If you’re looking for one of the epicenters of the indie-publishing earthquake, you might go just south of San Francisco, to Smashwords’s offices. Smashwords is run by Coker, a Silicon Valley techie. His 2008 start-up was one of the first to format raw copy for an array of e-readers, as well as publish and sell works from the site. He also decided to give writers a wildly rich share of the wealth.

By the end of 2008, he had 90 authors and 140 books.

By mid-March, he had 16,000 authors and 40,000 titles. The company’s “meatgrinder” formatting technology could publish a book in five to 10 minutes last year. Submissions are coming in so fast that there’s an eight- to 10-hour backlog, Coker says.

The company reached profitability last September, he says.

[Barnes & Noble](#) set up its self-publishing e-venture, [PubIt!](#), on Oct. 4. The site has 14,500 authors and 90,000 books (some are duplicates from Smashwords and other sites). That’s the equivalent of half its bookstores’ stock — created out of a void in seven months.

No one expects digital books to do anything but multiply, but they are still a very small part of the overall market.

E-books were .05 percent of the trade-book market in 2002 and 3.2 percent in 2009. Last year, they shot up to 8.3 percent of the \$5.3 billion market, according to the [Association of American Publishers](#), totaling \$441.3 million in sales.

But online, e-books are taking charge. Amazon sold more digital copies than hardcovers in July. In February, digital copies passed paperbacks on the site. (There are no comprehensive statistics for self-published digital books.)

E-books are going to change the publishing industry is a foregone conclusion, says Thomas Allen, president and chief executive of the AAP.

“How,” he says, “is what remains to be seen.”

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### **Transition to e-books**

On a soft spring morning in March, Belleville is sitting at a spindle-legged writing table with a laptop and some papers atop it. It's in the back corner of the family's playroom/office. There's a window facing a front yard with a white picket fence and a gravel driveway.

Her husband, Paul Andre Belleville (she used his middle name and a slight corruption of his last for her pseudonym), is a consultant for semiconductor companies. He works at home, on a laptop at the kitchen table. Hunter, 6, is at school, and Julia, 4, is at pre-kindergarten.

This morning, she's doing everything publishing houses usually do for writers.

She's come up with a marketing idea — repackaging the Kevin trilogy (“Seattle Girl,” “[Falling Fast](#)” and “[Sparks Fly](#)”) as a digital boxed set, hoping to lure readers into buying three books with a single click of the mouse. She decided to call the set “[Love Love Love](#)” and list it at \$4.99, cheaper than if readers bought all three individually.

She is making the cover on her computer and is toying with colors and fonts, trying to get the look and attitude she wants. She is talking about raster graphics editing systems and open-source office software suites and things like [shutterstock.org](#).

She is slightly obsessed with these covers because she is at a loss to explain how the books took off. “Falling Fast” reached No. 4 on Barnes & Noble's Web site. “I have no idea how people found them,” she says. “My guess is that the cover brought them in.”

The trick to the cover, she thinks, is to remember that you're not creating a standard hard-bound copy. The digital image that readers see on bookselling sites is tiny. So that blip has to really *pop*, she says, with bright colors and big, sparse type.

When the cover for “Seattle Girl” worked — a flirty, girly sketch of a heroine in a short skirt and high heels, rendered in bright colors — she decided to make that the visual theme for the trilogy.

For this new cover, she picks the same bright orange background she used on the cover of “Falling.” She picks a saucy drawing of a young woman in a short white dress, high heels and an anklet, her skirt billowing up a la Marilyn Monroe, from a stock-image Web site.

Such considerations are not what most novelists picture as part of their job description. For years, she didn’t, either.

She grew up on the campus of Stanford University in a house where everyone read lots of books. Her father, Alvin Rabushka, is the David and Joan Traitel Senior Fellow (emeritus) at the Hoover Institution at Stanford and is widely recognized as a pioneer of the flat-tax concept. Her mother, Louisa, was a homemaker. She majored in economics.

Naturally, she became a sensitive singer-songwriter.

That dream lasted half a dozen years (you can find her album “Bare” on iTunes). She had always been a big fan of romance novels, so, in 2003, when a college roommate invited her to a regional [Romance Writers of America](#) conference, she went on a lark.

She met authors she’d read for years and was astonished at how lucrative writing could be. “I had just been to Nashville, where even No. 1 songwriters were struggling to pay the rent ... but there were a good 10 to 20 women in that room who were making phenomenal livings,” she says.

A writer at the conference mentioned a digital publisher of erotica, called Ellora’s Cave. Though she was “absolutely shocked” at how explicit the genre was, she went home and, encouraged by her husband, sat down to see whether she could write the stuff.

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“And I wrote three chapters!” she says. “They just like flew from my fingertips! The ideas just came to me!”

She wrote “Authors in Ecstasy,” now just named “Ecstasy,” all 40,000 words (that would be about a 130-page book) in a week. Its digital-only edition got the highest possible rating from Romantic Times, the genre’s trade magazine.

She started writing at a finger-numbing 20 to 30 pages a day. She discovered that she wrote well about action, emotions and sex. She wrote four books for Ellora’s Cave, and then got a series of contracts with big-time print publishers, including Simon & Schuster. She wrote steamy novels about alpha heroes and the women who loved them. “Take Me.” “Candy Store.” “Wild Heat.”

She was having “super ridiculous” amounts of fun, but sales were flat, and flat is not good (except, perhaps, for taxes).

So, last winter, when she proposed a three-book series set in the Adirondacks with a softer, small-town theme, her publishers rejected it.

She tried not to be depressed. Then, that day in March, she roused herself to make the first book she wrote, “Ecstasy,” available on the Kindle.

### **Dynamics of book-buying**

E-readers have been around in early formats for nearly two decades, but they have been drastically dropping in price and improving in quality during the past 36 months.

One of the first groups to embrace them were readers of romance fiction. These books were part of larger genre-based markets, such as thrillers and horror, that were populated by avid readers who chain-read books. They were avid fans, communicating with one another in any number of ways, including blogs and book clubs. Romance was tailor-made for the webs of social media.

“Romance novels are leading the way in e-publishing because romance readers are incredibly prolific,” says Malle Vallik, Harlequin’s director of digital publishing. “They understood [e-readers] immediately: ‘Oh, my God, in my purse, I can have 50 books.’ You like one writer, you can get their complete backlist immediately.”

New marketing patterns of lower online prices and impulse buying created a perfect dynamic for authors like Belleville: Genre authors who were prolific but who had not been too successful. This peculiar level of accomplishment meant they had written books for print publishers, seen sales vanish and had the rights revert back to them, and even had completed manuscripts that publishers had rejected.

This left with the writers with just the right recipe: a small but devout core audience; a readily available backlist for new readers to discover; a knack for writing fast; and an inherent appeal to a fan base that read voraciously.

Meanwhile, online booksellers were changing the dynamics of book-buying.

Algorithms that track customers viewing and buying habits (“Customers who bought this book also bought ...”), the explosion of bestseller lists in specific categories (history, biography, thrillers, sports) , online reader reviews, the catalogues that enable readers to see an author’s other books — all began giving readers more options and information than they ever had before.

And many indie authors started doing something publishers would never do: Giving books away for free in an effort to lure readers to check them out. “They know once they get readers hooked, they’ll pay for the rest of their books or the rest of a series,” says Coker at Smashwords.

That pricing has been crucial to the explosion in sales, indie authors say.



Readers may balk at shelling out \$23.95 for a hardcover or even \$12.95 for a trade paperback. But, it has turned out, mid-list authors who don't have success at those prices may be runaway bestsellers at, say, \$2.99.

Because royalties paid for e-books range from 35 to 70 percent (compared to 15 percent or so on paperback and hardcover titles), and because self-published writers don't have to pay an agent (typically another 15 percent bite out of their profits), these little-known but self-published writers can take home about \$2 on that \$2.99 title — nearly double what they would earn on that \$12.95 paperback.

Think price and format don't matter?

Konrath, the guy knocking down \$78,000 in six weeks, wrote a techno-thriller in 1999 called "[The List](#)." No publisher wanted it. He self published it in 2009, in print and digital editions.

At 2:45 p.m. March 24, the e-book was at No. 50 on the Kindle paid bestseller list, selling at \$2.99, with 28 days on the list. His Kindle account shows he sold 3,771 copies that week at that price.

On the same day, the same book was offered in paperback at \$13.95 on Amazon's books page. It was ranked 102,526.

Eisler, the thriller writer who turned down the \$500,000 contract, is another convert to digital indie publishing.

The dynamic of book purchasing is proving to be vastly different for e-readers than it is in the bricks-and-mortar world of bookstores, he says.

Eisler's theory, which is widely shared in the field, holds that a typical bookstore browser might pick out six or seven books they want, but the sheer weight and the price of such purchases causes them to winnow their selections to one or two. There's also the mental block of having stacks of unread books at home.

But digital sales are convincing him that online purchasing behavior is different — people can buy six books for, say, \$20, and have nothing to weigh them down while shopping in the mall or getting on a plane.

"The price is so low, the gratification is so instant, and there no 'to be read' pile about to tip over on your night table," he says. "The limiting factor isn't time or cost. It's interest. In a paper world, shelves can only hold so much, towns can only support so many bookstores."

"Low-priced digital," he says, "is just a completely different animal."

Godin has been in publishing and marketing for two decades. He's sold on the idea that digital is the new frontier. But, he says, the success stories — Hocking, Konrath, Belleville — have spent years writing, blogging, communicating with readers online and building their audiences one painstaking member at a time. "You have to earn [an audience]," he says. "You can't buy it. It's not for sale."

Belleville, for example, had saved every piece of fan mail from readers who liked her most popular book, "Take Me." When she wrote the digital-only sequel, "Love Me," last summer, she wrote the news to every person who had written her about the original. Then there was the blogging, the newsletter on her Web sites, her Facebook pages, her Twitter accounts and so on.

In between, she writes as much as 6,000 words per day for her novels. That's nearly 20 pages in standard hardcover format.

"I am working," she says, "harder than I ever have in my life."

### **A good story is key**

The day after putting together her latest book cover, Belleville gets up just after dawn to drive an hour and a half to Berkeley to speak to the local chapter of the Romance Writers of America.

Despite her wild success in the past year, she doesn't think that print publishers are going anywhere, and she doesn't want them to. Last spring, while her digital books were beginning to take off, she got word from her agent that her Adirondacks trilogy under the name "Bella Riley" had sold to a new print publishing house — for a modest \$7,500 per book. She was geeked out about that, too.

Meanwhile, the grand dame of her pseudonyms, Bella Andre, has been dramatically rescued from an untimely demise, even without an alpha male in sight. She's selling terrifically online, and Belleville has mapped out an eight-book Andre series.

The Romance Writers meeting is a loud, spirited talk shop of about 25 women in an upstairs room of the Pyramid Breweries Alehouse. Writers announce their latest adventures in publishing, and Belleville and two friends give a short workshop on creating alpha male heroes.

There's the swashbuckling alpha, the wounded alpha, the bad-boy alpha, the extreme alpha, the chief alpha, the gentle alpha and, of course, the warrior alpha. Your alpha can be a dominant guy, they say, but his love interest has to be a strong woman, too, or else he'd just be overbearing. The heroine, in fact, is almost always the one chink in his armor.

“One thing alphas do not say,” Belleville says, “is ‘I don’t know what to do.’ ” To connote her heroes’ take-charge manner, she’ll cut the first word or two out of his dialogue; “Are you going to town?” becomes “Going to town?”

It’s an odd little moment in the breakout days of one of the hottest digital writers in America: During her presentation, there was almost no talk about digital publishing. The discussion was just about stories and why readers like some characters and don’t like others, the dynamics between men and women, and what they find moving and worthwhile in literature.

It was almost like 1995.