



**John B. McHugh**, Publishing Consultant  
PO Box 170665 • Milwaukee, WI 53217-8056  
414-351-3056 • j.b.mchugh@att.net • www.johnbmchugh.com

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## Book Publishing Co-Publishing Basics and a Questions Checklist

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### CO-PUBLISHING BOOKS?

Are you considering co-publishing your organization's books? Association and society executives frequently receive proposals from commercial companies to co-publish. You speculate, "Is this a good deal for our organization?" First, let's answer the question, "What is co-publishing?"

### WHAT IS CO-PUBLISHING?

Co-publishing is a special type of rights agreement between organizations (one need not be a publisher) in which the partners agree to share the costs of acquiring, developing, and marketing new publications. The responsibilities of the various publishing functions—author acquisition, manuscript development, production, marketing, and fulfillment—are split between the publishing partners.

Typically, non-profit organizations such as associations and societies make such arrangements, as they are well positioned to attract authors and reviewers. Commercial book publishers seek out associations and societies for that reason.

Commercial book publishers are more risk-tolerant and usually have more capital to publish books. The benefit to the commercial publisher is that the association can deliver a qualified audience interested in the association's specialty. The result is that a "pre-sold" market is delivered in a co-publishing arrangement.

### THE DYNAMICS OF CO-PUBLISHING

In many instances, inexperienced staff members who don't know much about the book publishing business, attempt to negotiate a co-publishing arrangement. Inadequate knowledge of copyright and subsidiary rights, and a lack of an understanding of the economics of book publishing could put one co-publisher partner, your organization, at a serious disadvantage.

Another common scenario is that association executives are far too eager to divest book publishing without understanding the value of what they own. Such executives run the risk of selling their book program far below its market value.

Take your time before entering a co-publishing arrangement. First, understand the value of your organization's book program. Retain an expert to audit your book publishing and get an authoritative opinion as to what it is worth before you get too far down the road with a potential co-publishing partner.

Some executives mistakenly seek out only a single potential co-publishing partner. This can be a mistake as it puts the executive in a weak negotiating position with no competing offers to use as leverage. Therefore, if you are contemplating co-publishing, I suggest you research potential co-publishing partners, prepare a RFP (request for proposal), and send it to three or four companies. Then you will be able to make comparisons and pick the best offer for your organization.

Executives must make the decision as to whether or not to proceed with a co-publishing arrangement. However, proceed cautiously as the "wrong" co-venture can prove to be a nightmare. Read these pointers and answer these questions before you invest a significant amount of time investigating any possible new co-venture.

### ORGANIZATIONAL FIT QUESTIONS

The first series of screening questions deal with organizational fit. How comfortable will your organization be with your prospective co-publishing partner? If you are an executive director, has your board been informed of the co-publishing arrangement and given you approval to proceed? Also consider, how does the proposed venture fit with your:

- Mission?
- Core Competencies?

- Strategic Plan and Direction?
- Brand?

## QUESTIONS ON ACQUISITIONS AND PRODUCTION

These questions get down to operational level. Precise answers are needed to ensue a smooth co-publishing arrangement for both parties.

1. Who will function as the acquisitions editor in this arrangement?
2. What percentage of this person's time will be dedicated to acquisitions?
3. What do you understand to be the editorial responsibilities of the respective parties under this agreement?
4. Who will handle the production and distribution of the books?
5. Who is responsible for delivering the developed manuscript ready for production?
6. Who will compensate the authors? Will the authors be paid advances against royalties? What will be the royalty rate?
7. What will be the average net price of the co-published book?
8. How many copies will be printed?
9. What will be the projected number of copies sold the first year? Over three years?
10. Will an advance equal to the anticipated first year royalties be available to the acquiring publisher, most likely the nonprofit organization?
11. What information will be reported? How often will this information be reported?
12. What are the promotion plans?
  - Number copies sold?
  - Number of free copies distributed?
  - Inventory?
  - Returns?
  - Sales?
13. Who will handle subsidiary rights licensing?
14. How much subsidiary rights income is anticipated? From what sources? How will the subsidiary rights income be split between partners?

## FINAL ADVICE

To the uninitiated, book publishing appears to be a pretty cut and dried business of printing a manuscript into book form and then selling it. Publishing books is a complex business with endless details upon which a company's success and profit depend.

"The devil is in the details" when it comes to co-publishing. The specifics of who does what, rights, and financial information must be documented in an agreement between the partners. Therefore, if you are contemplating co-publishing, I suggest you do two things.

First, assign someone who has had actual executive book publishing experience to advise you as you evaluate your options and to evaluate the pros and cons of any agreement you enter. If you are not familiar with book busi-

ness, there is a high probability that the deal you make will be one-sided, favoring the other party.

Secondly, retain the advice of a licensed attorney who specializes in publishing law and copyright and has experience working with book publishing clients. There are too many legal questions and possible red flags in a boilerplate co-publishing agreement. The party who drafts the contract writes it in language favorable to himself. This is all the more reason to retain a qualified attorney to vet the contract.

#### **OTHER McHUGH PUBLICATIONS OF INTEREST**

- *Starting An Association Publishing Program: 20 Questions to Ask*, 3 pages, 2003, B-13, free at [www.johnbmchugh.com](http://www.johnbmchugh.com)
- *Publishing Divestiture: A Practical Guide for Book Publishers*, 5 Pages, 2003, PM-10, \$8
- *Optimizing New Product Development in Nonprofit Organizations: Overcoming Roadblocks*, 8 pages 2003, PD-13, \$8
- *McHugh's Rights and Publishing Glossary*, 11 pages, 2001, R-8, \$8
- *Subsidiary Rights: An Introduction: Key Definitions And Management Checklist for Tracking Subsidiary Rights*, 2000, R-11, \$10
- *Co-Publishing: A Special Type of Rights Arrangement*, 9 pages, 1998, R-5, \$6