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Episode 143:

“How to Choose Between Publishers”

Mike Michalowicz:

Welcome back to the Don't Write That Book Podcast, where you can learn how to write your bestseller and own your authorship. Follow along with us as we give you an insider's view of the book industry. Now here are your hosts, myself, Mike Michalowicz, and AJ Harper.

Mike Michalowicz:

How many folks are in your community? Like, like, like the, there's the Stalwarts, the people that are always showing up, I assume, and then there's the secondary. How, how big are both of those, would you say?

AJ Harper:

Um, people who are actual paid people, maybe like 200.

Mike Michalowicz:

Okay. And so 200 paying folks and they're participating in different things like the Sprints, some of who works with -

AJ Harper:

So I have three membership communities. Yeah.

Mike Michalowicz:

So 200 collectively. That's a lot of people. How do you remember everyone's name?

AJ Harper:

I don't know, but I do.

Mike Michalowicz:

You do?

AJ Harper:

Yeah. I have about 90, almost 100 people in Author Collective that including John. Wow. Including Scott. Yeah. Um, they pay monthly fee.

Mike Michalowicz:

Yeah.

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AJ Harper:

And then I also have a membership community and that's a smaller group that I wanna expand. Um, and they pay a much higher monthly fee. And that's David Lawrence is in there. Mm. And that is, um, maybe 15, 18 people. They pay me about 500 a month. Wow. And then I have a sprint community and that's, you know, I don't remember how many people are in it, but that's the pay what you can.

Mike Michalowicz:

Have you had any, like, hookups or connections happen through your organization? Sometimes romantic, sometimes otherwise.

AJ Harper:

Zero romance. (Okay.) But lots of connections. Yeah. Where they work together on stuff.

Mike Michalowicz:

It always a- amazes me. I had a company, uh, back in the day, we had 20 employees and, uh, two, uh, a couple gotten together and they got married. Mm-hmm. And it's just wild how -

AJ Harper:

I mean, where are people supposed to meet? Yeah, exactly. They're at work all day.

Mike Michalowicz:

Exactly. It's through these communities, but I guess it's the like-mindedness. Yeah. Like you're more likely to find people like you. Yeah.

AJ Harper:

One of my favorite things is when my students meet up and then they send pictures, you know? Yeah. In our community.

Mike Michalowicz:

That's cool. Where's the most crazy, like, or unique picture? Or just a favorite that comes to mind? Like - They run into each other by accident, traveling.

AJ Harper:

No, I, I, it's usually pretty coordinated. They go and support each other all the time. Someone gives a TED Talk, someone gives a speech, someone has a book signing. They show up for each other.

Mike Michalowicz:

So that's what I admire about you when it comes to showing up. Remember Kasey Compton's launch?

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AJ Harper:

Oh, man. I love Kasey.

Mike Michalowicz:

Kasey is located outside Louisville. Did I say that correctly?

AJ Harper:

Outside is stretching it. It's like two hours. That's what I mean. Three or three, even more.

Mike Michalowicz:

I flew into Louisville, or Louisville. Louisville. And drove for hours, met my daughter, um, and then we drove another hour or 45 minutes from the hotel just to get to this event. It was a remarkable event. But what I thought was remarkable was that you showed up too.

AJ Harper:

I did.

Mike Michalowicz:

Um, and you, I guess you have a vested interest to some degree, but really it's about care. I had a vested interest because we're, we represent her in her work.

AJ Harper:

I didn't come for any other reason.

Mike Michalowicz:

Just to support her. Yes.

AJ Harper:

Right. And to be clear, I, I can't do that for all my students who live elsewhere, but she has a special place in my heart.

Mike Michalowicz:

Yeah. That's why I admire you. Uh, that you, you do extraordinary things for people. You show up.

AJ Harper:

Yeah, it was great.

Mike Michalowicz:

And, uh, it was a great event. I just spoke to her, uh, last week, I think it was two weeks ago. Oh, yeah. Yeah, yeah. So she's doing well. She's gone through it. She lost her parents. Uh, you know,

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she had a lot of challenges going on. Um -

AJ Harper:

She's also getting married. Yeah.

Mike Michalowicz:

Yeah, yeah, yeah, yeah. Yeah, yeah, yeah. Yeah. Yeah. So, uh, to Kelsey. Yeah. It's only for Kelsey, right? Yes. Yeah. So we were talking about that, um, and just raising her children and, um, th- they built a house and there's a so many -

AJ Harper:

They built a house.

Mike Michalowicz:

Things going on. Yeah. And then there was some business challenges she was navigating. And, uh, she's still laughing, smiling, and -

AJ Harper:

Yeah, she's so great. Busting chops. So, oh yeah.

Mike Michalowicz:

She love to bust my chops.

AJ Harper:

I'm sure she does. Oh,

Mike Michalowicz:

She's relentless.

AJ Harper:

She's great. All right. That's, that's a talented writer right there. Her writing - That's a, that's, that is a from birth gift.

Mike Michalowicz:

Yeah. Her book's called In Search of You. Mm-hmm. It is, it's an extraordinary read. I, I'll never forget the rose story. I mean, it was so good when she receives roses from her then husband and it's 11 roses. It's not even a dozen. And, like, just how she talked about it

AJ Harper:

And - What it represented. Yeah, what it represented. It was like a straw on, straw on the camel's back kind of situation.

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Mike Michalowicz:

Yeah, yeah, yeah. So well written. It was so immersive. All right, today we're gonna talk about how to choose between publishers. What inspired this?

AJ Harper:

PattiAnn Talbot, who's in my community. She's an alum of my workshop and retreat. And she asked me a question, how do you choose between publishers when you have multiple options? So this is not how do you choose a publishing path? Which I think it's important to know. We've done so many episodes on that. There's a little suite of them at the beginning. There's episodes nine through 12. Yeah. Where we break it down. But then we also did, I think the two most recent ones are great. Actually, the one I think everyone should listen to. Let's see. I think I wrote it.

Mike Michalowicz:

118, 135.

AJ Harper:

118. That's the one where I listed my new, um, decision factors - Yes. For choosing a publishing path. Yeah. That I didn't have when we first started this podcast. Yeah. Which I added direct sales and one other. And so, um, I would listen to that if what you're trying to do is figure out which path to take. This though is, let's say you are just choosing between companies, publishing houses. Yes. How do you make that decision?

Mike Michalowicz:

Yeah. And you also mentioned episode 135 in here as a resource.

AJ Harper:

That's where you and I talked, revisited the traditional versus hybrid decision from your perspective having just finished publishing with Top Tier Hybrid.

Mike Michalowicz:

Is PattiAnn facing this decision right now or she's preparing for the possibility of it?

AJ Harper:

I'm preparing for the possibility. Yeah.

Mike Michalowicz:

Yeah. Okay. So it happens more frequently than I anticipated. And the reason I think it happens more than I expected was because my experience was just with one publisher. Yeah. So the, the backstory is, uh, we finish off the toilet paper entrepreneur. It goes on to sell over 10,000 units the first year. Um, and substantial sold over, over six figures. And I get a call from David Moldower. Now, I didn't, I ran into David Moldauer, did I tell you? I ran into him, uh, about two,

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three

AJ Harper:

Months ago. You did tell me, and I was also at a dinner with him a few months ago. Oh. One of Alex's things.

Mike Michalowicz:

Okay. This was not an Alex dinner. This was, uh, Alicia Cohn. Alicia, Alyssa, Alyssa Cohn.

AJ Harper:

But he didn't know me because I was a stealth ghost at that time. So -

Mike Michalowicz:

Oh, wild. Wild. Yeah. Did you do a reveal? I,

AJ Harper:

The, I did explain that I'm your co-writer - Yeah. When they have you go around and, or maybe someone even said that I am. Okay. And, um, <laugh> he's commented how you, he was Mike's first editor. Yeah. Which is interesting because he actually didn't ed - he was just the acquisitions editor. He

Mike Michalowicz:

Was the... Yeah, he's true.

AJ Harper:

'Cause the first editor on the pumpkin plan, I can't remember her name. I'm so sorry. Um -

Mike Michalowicz:

Oh, I can picture Brooke.

AJ Harper:

Is it Brooke?

Mike Michalowicz:

Brooke. I can't remember last name at the moment.

AJ Harper:

So, but the thing is, I had no interactions with David. And he didn't know I existed.

Mike Michalowicz:

Yeah, so funny. And so he introduced... Did he introduce himself first before you did?

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AJ Harper:

No, I did. Okay. Yeah.

Mike Michalowicz:

Yeah, he, and it's true. He was the f - my first

AJ Harper:

Editor. But now he's an agent.

Mike Michalowicz:

Yeah. Yeah. And he also did ghost writing too. Uh, he's, he knows the industry and so

AJ Harper:

I know - And he's at a big agency.

Mike Michalowicz:

Uh, uh, Writer House, I think?

AJ Harper:

Yeah, he's - Yeah. Yeah. So - And I have to tell you this funny thing. He was talking about how he, sometimes he's the only one in the office. Okay. Because, like, these agents are, they're the kind of agents who have yachts.

Mike Michalowicz:

Oh, yeah. Wow. Right? I believe it. Yeah. I believe it. So, um, yeah, having dinner with him, and the story is, uh, after writing toilet paper entrepreneur, it achieved this magical number. If you sell 10,000 units in the first year, that's not guarantee any, doesn't guarantee anything, but that's a significant accomplishment. Yeah. And it can catch the eye in the self, if you're self-published, it can catch the eye of publishers. So I just assumed they're doing research and they find this book is working. So I go, we'll do some outreach. That's not the case. David's like, "No, no, no. John Jantz." I'm like, "John Jantz what?" He's like, "John Jantz." He, I, he, we represent him. And I was asking him, "Hey, do you know any authors that are doing well?" He's like, "Yeah, here's this toilet paper entrepreneur guy." He's like, "John Jantz turned this on to you."

AJ Harper:

You owe it to John.

Mike Michalowicz:

Yeah. John has been an indirect mentor and direct mentor at times of so many elements of my life. I built profit first professionals around John's model. He's the one who taught me, sat me

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down. Speaking engagements, the first main stage speaker I toured with was with John Jantz and learned skills and styles and techniques from him. Um, I've hired John to do marketing - <laugh>... For my company. Like, and he's retired and I still call him back. I'm like, "Dude, you're back in service, bro. Just give me, give me a month." He's extraordinary. His daughter, uh - She

AJ Harper:

Just published

Mike Michalowicz:

A book. Sarah Nay has, uh, also published a book. I interviewed her. Has now running the organization. But if I can get the old dog back in -

AJ Harper:

Is he coming to Nashville?

Mike Michalowicz:

Yeah, yeah, he'll be there. Okay. He'll be there. So, uh, okay. So that's the, the background. So m - all that to say, I've only experienced one publisher. Once I went with Penguin, stay with Penguin. Yeah. But once we started representing other authors through Simplified, or I'm sorry, through Penn with Purpose, which is our agency organization effectively, we help with writing proposals and so forth. We started representing authors, um, Melissa Dugalecki, Kasey Compton, um, uh, Dr. Amy Opigian. Um, we're now working with Ryan Pink. What's interesting is, um, how many publishing opportunities they are, particularly when there's a bite from one. It seems like the, the fish start getting hungry and there's a bite from

AJ Harper:

Many. Yeah. I, if someone else wants it. Yeah.

Mike Michalowicz:

Yeah. H- how often do you see that occurrence? Not

AJ Harper:

That

Mike Michalowicz:

Often. Okay. I- is it usually n- none or many, or is it usually none or one?

AJ Harper:

I don't know how to... I, I don't have the stats. Okay. I don't have the stats. What I, I can have, I have anecdotal -

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Mike Michalowicz:

Okay.

AJ Harper:

Examples. Okay.

Mike Michalowicz:

So let's pretend you're in that scenario. Say Patti gets multiple offers. Um, do, should we break it down, like, if you get multiple traditional offers versus multiple hybrid offers? Or does that matter? Just how, how do you consider the offers?

AJ Harper:

I would, um, I came up with some considerations and I think they apply to everyone. Okay. So let's just go with that. Okay.

Mike Michalowicz:

Yeah. So say you've got multiple offers. Let's pretend she gets two traditional, one hybrid offer.

AJ Harper:

Whatever. It's, it's about the company. It's the

Mike Michalowicz:

Company. Yeah. So what, what do you do to evaluate the best choice for yourself?

AJ Harper:

So, uh, these are the, these are in no particular order. So this is based on your own priorities, but distribution. So even if you have a traditional deal, it doesn't necessarily mean that that company has trade distribution. Yeah. And so it's important to find out, do they have it? And then who is it? So for example, when we, when I had a publishing house, when we first started, we could not get trade distribution. We were just this baby little house. It took us, uh, four years to get it. So anybody that signed with us in the first four years knew we didn't have trade distribution. And when we did get trade distribution through IPG, that changed everything. So it makes a big difference and I, I think it, you should have it. I personally think you should have it. And so you wanna find out, do you actually have it?

AJ Harper:

And a lot of times, um, some hybrid publishers will say they do, but they don't actually have it. So you've gotta just ask who?

Mike Michalowicz:

So the distribution, a common thing I hear from publishers, um, the smaller publishers is, "Oh,

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we have pub - distribution through Ingram." Yeah? And Ingram covers everything. It's, it's why here. Yeah. I don't think that's really the

AJ Harper:

Truth. That's not trade distribution.

Mike Michalowicz:

Yeah. So give clarity on what Ingram is versus trade.

AJ Harper:

Well, Ingram Content Group is the largest distributor in the world. That's true. But it doesn't mean that you have a sales team that's out there trying to get your book on the shelves. That's right. So that's the o - let's just make that distinction. There's other distinctions, but we don't have to get super geeky about it. We can do a whole episode on distribution sometime, but - Yeah,

Mike Michalowicz:

But I think what's important is when, because some of these publishers, and I've heard them say it, say, "Oh, we have Ingram, we got everything covered." That means they have a pathway to get the book to all these different locations, but they're not going to push the book forward.

AJ Harper:

No. It's like, I always say it's, there's distribution that fulfills demand and then there's distribution that fulfills and creates demand. Okay.

Mike Michalowicz:

Right? I love that. That's a big differentiator.

AJ Harper:

And that's to me the difference.

Mike Michalowicz:

So what's the question to ask if I'm considering multiple publishers, I wanna find the publisher that's gonna help create demand.

AJ Harper:

Well, part of it is do they have the distribution mechanism and the sales team that has the contacts that they have people they, you know, they have the relationships. This is all about relationships. Yeah. So in a sales team, you could have 20 people, you could have, you know, the McMillan sales team I think is like, well, the last I heard, 140 people. It's massive. They each have their sections, they have their specialties, and they know when they are, when they are pitched a book who they can talk to about it, who's gonna want it, how to pitch it. If you don't have that, then, you know, that's a different experience.

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Mike Michalowicz:

One thing I, I ask, and not that you'll get, but I asked to meet with the sales team. And when it came to Penguin, we talked about this before, Penguin's like, sorry. Um, when I asked Page Two, um, McMillan is a distributor. They said, "Yeah." And I met with the sales team members. Yeah. Not all of them. I didn't meet with 140, but I met with seven. I met with the Amazon rep, the Barnes & Nobles rep. Yeah. But I met with some of the indies. Yeah. That's a big deal.

AJ Harper:

I also pushed, you know, Roseann Copana Hodge is one of my students and she's a Page Two author and she is going for the, for the big deal. And she, she can make it. So I told her, "Please ask page two if you can get in front of the sales team yourself." Because I know she can convince them about what she's trying to do. Like, she just has that personality that they're gonna get it when they see her talk about it. Yeah. So I said, "See if page two." And she did a 20 minute, 20 minute presentation to MacMillan sales team. Wow. Herself. Wow. Because I t - I suggested she ask. And that's not always a guarantee, but, um, by the way, you're not gonna get that. So you can, that's one of the things you could ask your publishers. Would I have an opportunity to meet the sales team?

Mike Michalowicz:

I think it's a big qualifier. Yes or no? It's a big qualifier. I would ask, tell me about the sales team. If they don't have one, that's a,

AJ Harper:

Something - Okay, but let's have an asterisk here. You have got to be ready for that. I mean, you can't just be like, "I'd love to meet the sales team. This is not a social deal." Oh, no, no. This is like, you better be on your game. You better have everything ready to go. You better have, you know, major selling points. You better have a marketing plan in place. You better know exactly how to answer their questions. And you're gonna maybe have... I was shocked that she ended up with 20 minutes. Yeah. Because as publishers, you might have 20 minutes for your whole season. Yeah. Let alone one book. Yeah. So, but you have to be prepared to go long, to go short, all of it. I mean, you, uh, you know. So I don't, I don't -

Mike Michalowicz:

Can you give you context? I, with Penguin, got zero time with the sales department, uh, with six titles or seven titles we did through them. With page two, McMillan distribution, I also got 20 minutes and I decided to go in person. So I was there in fa- face-to-face in their New York offices. Many people called them virtually, but - Yeah. I was meeting with the team. It was hard to get 20 minutes. So the fact that Patti, uh -

AJ Harper:

No, Roseann.

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Mike Michalowicz:

Oh, I'm sorry. The fact that Roseann got 20 minutes, um, is remarkable. But, but you can ask for it and see

AJ Harper:

What - I think they were asking her questions. Yeah, I love that. Which is good.

Mike Michalowicz:

That means engaged. Yeah. All right. So factor one is distribution. What would be the next factor in considering between multiple

AJ Harper:

Publishers? Editorial. What's the process? Yeah. So don't assume that every publisher is just gonna be doing what needs to be done. Yeah. Ask them. Yeah. How much, what, walk me through the pro - just ask them. Walk me through the process. So you wanna make sure that you're getting your substantive editor also sometimes called developmental editor that's gonna be doing at least two passes. Yeah. Then you want a separate copy editor, a separate proofreader. This may sound very basic to some people in the industry listening right now. Yeah. Like, of course you'd get that. No. It's not always the case. People cut corners all the time in all, all sorts of houses. So just ask. It's worth, it's just worth asking.

Mike Michalowicz:

Ask and I would invite you to talk with other authors. A publisher will refer you to other authors they worked with. If they keep that secret, I'd be super concerned.

AJ Harper:

Well, they shouldn't keep it sec - shouldn't keep anything secret. That's what

Mike Michalowicz:

I'm saying. So say, "Hey, can you tell me some other authors that you've published? And I'd like to talk to them."

AJ Harper:

So yes, that comes with the next thing reputation. You should always talk to other authors. I actually think you should reach out on your

Mike Michalowicz:

Own. That's the better way too. And, but ask them about the editorial process. There's been some authors I talked with that, um, I was sh- shocked what their editorial experience was

AJ Harper:

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Like. This is why I'm trying to change that with editor certification. Yeah.

Mike Michalowicz:

I was, I was shocked and they were shocked too. And they spoke about very candidly. And this was, this was not penguin. This was a different major - Yeah, I

AJ Harper:

Know.

Mike Michalowicz:

Major publisher. And it was like, good gosh.

AJ Harper:

It's common. It's more common than you would think. Here's the challenge with that though. One author's experience not enough. Yeah. Because editors are all different. 100%. But here's the tip about the referrals. Don't go for someone who published with them a few years ago. Publishing is transient. Oh my gosh, is it? Okay. So I'll give you an example. When we were at Penguin, uh, our last editor was Noah and he had a person working under him. And that person, I'm not, uh, remember - I'm not remembering that person's name right now. I'm embarrassed. Oh. This is perimenopause, okay? This is not - No, it's not. Because they're not significant. It totally is. I've been losing

Mike Michalowicz:

Words. There's a thousand names that roll through though

AJ Harper:

In this industry. No, but I, I... Anyway, that person was at Penguin under Noah. Yeah. It's a junior editor. And that's how people learn in publishing is they're come up the ranks and they work under and are apprenticing basically. That person since then, since what, how long have been gone from Penguin? Three years? Yeah,

Mike Michalowicz:

About.

AJ Harper:

In three years, because I've stayed in touch with that person. That person has been to three houses. Yeah. So I went to McGraw, McGraw Hill and another place and now is at Simon & Schuster. Wow. So it - And

Mike Michalowicz:

That's kind of normal.

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AJ Harper:

It's totally normal. Yeah. It's also normal for editors to become agents and agents to become editors. Yeah. And so the reason I say is look at the most recent books that were published and go with some, someone that's been published within the last six months to a year as opposed to someone who was published years ago because it's not even the same organization at that point. That's

Mike Michalowicz:

Great. Yeah. So that, that's lean to reputation. That's one of the fa- factors you put in here. So you said you check out the distribution, check out the editorial work, reputation. Any other -

AJ Harper:

Well, when reputation, let's be clear, it's not just among authors, it's among, say, booksellers. And, you know, that includes also, you know, value system. Who are they? One of the reasons that I love page two is because we have an absolute alignment on our values. 100%. And on values that almost no other publisher even expresses.

Mike Michalowicz:

100%.

AJ Harper:

So, you know, I'm gonna be hardc - I'm just gonna be ride or die for them. So

Mike Michalowicz:

Because they're ride or die for you. It's total reciprocity.

AJ Harper:

Right, but I also really believe in their focus on representation. I love that it's a woman-owned company. Yeah. I love that they're so focused on respecting and celebrating and nurturing indigenous artists. As a, especially as a, um, in, in their, in, in Canada. Um, I love the way that they do business. All of it. All of it. It just speaks to me. It's just a total value love match.

Mike Michalowicz:

Yeah. How do you find that out?

AJ Harper:

It should be on their website to start. Yeah. And then ask them. Yep. But also look to see if any of the founders are, have done a speech recently. You know, they should be sharing this information.

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Mike Michalowicz:

The biggest determining factor of why I went with page two, maybe it wasn't the biggest, because you were recommending them highly. Uh, Michael Bungay Stanier, who I know well, was recommending them. Uh, Alan Dibb was recommending them. So I was getting recommendations was the stick to it - nes, the candor. So I started talking with Trina mostly and then Jesse about potentially -

AJ Harper:

I know, because I connected you. I was like, remember with Get Different? I was like, why don't you think about this?

Mike Michalowicz:

100%.

AJ Harper:

I feel like you should go have the conversation. And you did have the conversation. .

Mike Michalowicz:

100% Yeah. And it wasn't the right time -. For me. Right. And they said, "Then it's not the right time for us. Let's do this next go around."

AJ Harper:

That's a good thing. No pressure. That's another thing.

Mike Michalowicz:

That's, that was the biggest thing. Yeah. And so I was like, "Okay." I said, "I, I can come back to her. Yeah. Yeah. It's not now or never. It's now or later." So I came back later. The next one I said, "Not yet." And they said, "Okay." Yeah. "But we're still interested." The fact that they were sticking around and wanting to have a dialogue over and over again, I was like, "These are my type of people. " Other places I spoke with were like, "You're with us or you're not. " So there's a very - Yeah, so

AJ Harper:

That's, that's another factor when making your decision.

Mike Michalowicz:

There was a very famous author, I won't mention this person's name, who's working with a very famous publishing house. I won't mention their name who was asked by the publishing house to do another book because their prior book is so successful. So, uh, they, the author says, "I don't know if I really want to do another book. Um, but, but I, I think I will in the space that they're already writing. Um, so, so may, so maybe an offer," and they come back and it was mid,

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actually upper six figures. And this author goes, "You know what? I'm just not feeling it. Let's pass on it." So they go, "Well, we wanna change our offer. We now make, make it 1.2 million." And the author goes back and says, "It's interesting. You don't, you could've made that offer the first go around. <laugh> You're now upping the offer because I don't know if I'm feeling it."

Mike Michalowicz:

"She goes, 'I, I don't like this vibe here at all.' They call this author and say, 'I thought we're friends. I thought we're friends.' And she's like, 'We are absolutely done. Done. And I will never publish with you again.' It was very bizarre. But that also shows the transactional nature of this industry for some publishing houses."

AJ Harper:

So the right response would have been, "Tell me, hey, can we get lunch? I want to hear what you mean by you're not feeling it." Right. That would have been like, "Let's talk it out. What do you, what do you think?" And if a good editor, a good acquiring editor would have been able to actually suss that out and see how they could actually help the author feel it. 100%. Or if it still didn't work, they would have said, "Look, let's take six months. Let's revisit. See if anything changes for you. I'd love to keep this conversation open." Yes. That's how you handle that."

Mike Michalowicz:

And I think even with the changing offer, I think you could say, we all mean to insult you. This is our accounting department comes back and they say, "Here's the numbers." And now I'm embarrassed that's the way it played out. Yeah,

AJ Harper:

You could have saved it too, but I mean, initially it should have just been, "Hey, let's get coffee."

Mike Michalowicz:

That, that, always start that way. Always start that way. But hey, I thought, I thought we're friends."

AJ Harper:

'Cause they thought that I'm not feeling it was a tact negotiation tactic. Yeah. And it wasn't. No,

Mike Michalowicz:

It totally wasn't. It wasn't. And it's funny, as the offer got bigger, uh, it was only, I mean, it was just this one, one leap to 1.2 million. This author's like, "I'm disgusted now. I'm not feeling it once I disgusted."

AJ Harper:

Yeah. Um - I made a decision about my next book, by the way, s - yesterday. <laugh> Wow. In between when we recorded the last time and you said, have you made the decision? Is,

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Mike Michalowicz:

Decision -

AJ Harper:

Let's get through this and I'll, I'll tell you. Like where

Mike Michalowicz:

You're publishing it? Yeah.

AJ Harper:

Ah. I'll, I'll - Okay.

Mike Michalowicz:

I just, yeah. So, okay, factor one, distribution. Factor two is editorial. We talked about reputation. And you started talking about chemistry.

AJ Harper:

Yeah. I think this is a real thing. And I always tell my authors, if you're trying to decide, because I have one author, Jen Blough, and, um, uh, her book is Beyond Compassion. She's a page two author. And, uh, this is for people who are in animal rescue or, um, people who are in animal care and they are having, um, compassion fatigue and sometimes severe depression and so serious issues related to trauma, dealing with hurt animals, abandoned animals. You know, it can be pretty gnarly and it gets really difficult for them. So, um, Jen Blau is a therapist. She has a big practice in Michigan. And she actually knows Kasey Compton.

Mike Michalowicz:

Oh, really? Okay.

AJ Harper:

Yeah. Um, she did her whole whatever, what's it called? Million Dollar Practice thing, I think. You know, one of Casey's, um, brilliant businesses. Yeah, yeah, yeah. But Jen Blou is this amazing therapist. She came and did a editing retreat on Madeline Island to work on, on, um, Beyond Compassion Fatigue. And I had rec - she decided, "I'm gonna go top tier hybrid." And just in case anyone's wondering, that is my term. I'm hearing people use it now, but I actually created the term. It's not a fancy term, but I needed a way to distinguish between - Sure. The absolute drec that is low tier hybrid, as I would call that. It's not even low tier. They're a factory. Yeah. And they do not care if your book sells. They're only for the acquisition dollars.

Mike Michalowicz:

I gotta say that's misrepresentation by them. Like that, that's not low tier. That misrepresentation.

AJ Harper:

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Well, I call them low tier. Yeah. And the high tier would be Page Two, She Writes, Idea Press, some others. Um, for, so I did it so that my students could understand the difference. Because anybody can say hybrid. So she had decided I want top tier hybrid for her own reasons. And I recommended for her to send it to different places. And all three places accepted her. And these are highly selective places. Yeah. I was so proud of her and, and stunned. Um, but she chose, um, she chose page two in the end, but my note to her was, "Who do you have chemistry with? " Yes. "Who do you feel like I can... " 'Cause this is a collaboration. Yeah. "Who do I wanna work with? What, what feels right to me? " And she felt it was them. So you, you know, have a, have a meeting or multiple to see, are these my people or not my people?

Mike Michalowicz:

Yeah. There's no question about chemistry

AJ Harper:

And - Do you like their mission?

Mike Michalowicz:

Almost everything. Yeah. Yeah. Uh, the contract.

AJ Harper:

Tell me about that. Yeah. So, I mean, that's a factor, right? 'Cause then you're gonna get in top tier hybrid, you're gonna get a proposal because you're making an investment. Mm-hmm. But within the proposal is a bunch of stuff. Not just what you do, but what they do and also the bottom line on royalties and all of that. I have another author right now that was just offered a top tier hybrid deal, not with any that I just mentioned. And the royalties are only 15%.

Mike Michalowicz:

What?

AJ Harper:

Thank you. Thank you so much. And

Mike Michalowicz:

She was - I'm, I'm shocked.

AJ Harper:

I know. And she was check - texting me and saying, "Is this, is this normal?" Like, no. No. Not no. That

Mike Michalowicz:

Was a top tier?

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AJ Harper:

Top tier.

Mike Michalowicz:

Well, maybe it's not top tier anymore.

AJ Harper:

No, it is. I just don't know what they're doing.

Mike Michalowicz:

So what, what, did they reduce

AJ Harper:

The - I'll tell you the name when we're off.

Mike Michalowicz:

Okay. Did they reduce the fee substantially or something? Like Was the -

AJ Harper:

I don't think so. I said, "Send me the proposal when you get it. " But when you get a top tier hybrid, so the, by the way, if you're listening, go to IBPA and look up their, um, hybrid, um, crit - uh, hybrid criteria. Yeah, yeah. That will tell you what to look for in a hybrid. Yeah. But basically, you don't want anything less than 50% on your royalties.

Mike Michalowicz:

Well, 15%, to be clear, uh, I just wanna make sure I'm on the same page with you. If my book retails for \$30 - mm-hmm. 15% at \$30 is \$4.50 if I ran the math right. Yep. That would be what you get every time a book sells. That's 15%. Yeah. Okay. My experience is how the, um, hybrid works out is usually about double the earnings. Uh-huh. So I'm getting 30, not 50. So -

AJ Harper:

That's why I wanna see the proposal, because what I'm wondering is, are they including the cost of printing and it works out to be? So I don't know, but my point is - Yeah. You should be suspect of any hybrid that says you have a 15% royalty.

Mike Michalowicz:

Yeah. I, I would look for, if you look at a traditional deal to get in your royalties about double because you've also 100% flipped the money game. They're not paying you in advance. You're paying them in advance effectively.

AJ Harper:

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Right. I'm just saying the standards for the IBPA is at least 50%.

Mike Michalowicz:

50% of, of retail price? No, I can't be. N

AJ Harper:

No. It's a 50, 50% royalty. But Based on what? But they don't do the, they don't do lists the same way that, um -

Mike Michalowicz:

But 50% are based on what? Like, it's not 50% of MSRP.

AJ Harper:

No, they don't, they don't factor the royalties the same way with, with hybrid. Okay.

Mike Michalowicz:

So we gotta see what that is. Yeah. Yeah, I do some research. I wonder if it's -

AJ Harper:

In traditional, they do it based off list.

Mike Michalowicz:

You know, there's a thing called the 50% profit share and, and some traditionals do this now. I, I have all in is on a 50% profit share. And that's another model. I'm making, I would say, \$6 a book. Um, so it just gives you perspective. Um

AJ Harper:

At any rate, um, the contrary, that's something to look at

Mike Michalowicz:

Is - We'll go through it in detail. I wonder if you could use AI to your advantage here and say, compare this to what is a traditional, compare this to hybrid. Is this optimized? Yeah. Just to get a sense. Definitely join your workshops, your classes.

AJ Harper:

Well, get an attorney.

Mike Michalowicz:

Get an attorney. But, but talk with you guys. Like talk with peers.

AJ Harper:

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Oh, yeah. I mean, that, one of the things in my, uh, membership community that I think I probably don't even talk enough about is just people coming to me to figure out what to say to their publisher. I love that. What do I say about my cover? How do I handle this? I'm not hearing from them. What should I do? Yeah. And just the, just the language of, okay, do this. Oh, here's what's happening behind the scenes. 'Cause they don't actually know - Yeah. What's happening behind the scenes. Like I had one author, I've said this on the, this pod - uh, podcast before, but I had an author with a big five deal and, um, their editor said for, for her to start her pre-orders like a month out.

Mike Michalowicz:

That's crazy.

AJ Harper:

What kind of nonsense is that?

Mike Michalowicz:

That is absolutely crazy. I- I haven't - I started my pre-orders, I think, nine months in

AJ Harper:

Advance. This is what they're telling. And how are they supposed to be successful? Yeah. So that person's coming to me and saying, because they know, because they're in my community, okay, this is what they said. Yeah. "That's not right, is it?" I said, no. She said, "What do I do? Here's what you do." Yeah. So you need, you need... The problem is authors are at a total disadvantage. Totally,

Mike Michalowicz:

Because you just don't know what's coming. And, and there are some reason... I, I bet you that there's some reasons behind part of that argument. Like, uh, we, you, you do wanna get some pre-orders leading up to the sales for momentum and, and stocking reasons and there may be some reasons, but, but to take it at face value is very risky.

AJ Harper:

No, it was totally wrong because it should have been way earlier. And by the time - Yeah. She would've done that, that means that they had already made their decision on the print run.

Mike Michalowicz:

That's actually a great point too. Y you're not influencing the print run at all.

AJ Harper:

Exactly, but authors don't know they can influence the print run. Oh my God. They don't know.

Mike Michalowicz:

So if you go to ajharper.com -

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AJ Harper:

Seriously. That,

Mike Michalowicz:

Say, save your life. Go to ajharper.com

AJ Harper:

Now. I honestly feel like this is an un - this is something that I wasn't realizing people needed so much until I'm, people are coming all the time and saying, "What do I do? How do I do? " 'Cause they don't understand what's happening behind the scenes and publishers are not saying - Yeah. What's happening behind the scenes. Yeah. So by then, the time they figure it out, it's way too late. And then this is also, it's not in the publisher's best interest, by the way. Yeah. Because now they get a bad rap. And in fiction, the only thing anyone ever says - Yeah. Is publishers are terrible. Yeah. The only one that like, so and now with so much move toward direct sales, publishers are just gonna keep losing authors. Yeah. Because they, it could, all they would need to do is have good communication. It's really it.

AJ Harper:

Yeah. Sorry, you're getting my high horse right now. But it's the theme of the day.

Mike Michalowicz:

You need to, because you're gonna be another factor that you should consider when you have multiple offers coming your way.

AJ Harper:

I think one of the biggest is are they champions for your book?

Mike Michalowicz:

And what, how do you define that?

AJ Harper:

Do they really want it? Do they see the potential? Do they have ideas about how they're gonna sell it? Do they see where it fits in the marketplace? Are they so excited to have it? You know? Do

Mike Michalowicz:

You see indicators of that? Like certain things that -

AJ Harper:

Yeah, just energy. Like are they the way they talk to you about it? The way they've thought about it. Have they given it deep thought? And you can tell based on what they say, you know? Um, their plans for it. Do it sound like a canned thing that they're gonna do for every author? Yeah.

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Or does it sound like they really are excited about this title? I really want this title. Why do you want it? And what are you gonna do - Yeah. To champion it? You

Mike Michalowicz:

Know, something, and I know I'm, I'm lotting on page two a lot. We both do, and they deserve it, is they bought a copy of, they bought it of The Money Habit for every one of their employees. Like, talk about being a champion. They're instituting it into their own business. They're giving it to their teams. Yeah. So I think what I, you could do is have they been a champion for books prior to you? Sure. And that's a good indicator because history does seem to indicate

AJ Harper:

The future. That's a good point. And then just ask them, "Why do you want this book? Where do you see this book? What do you, you know, what would it mean to you to have this book in your catalog?" Yeah. You know, ask those questions.

Mike Michalowicz:

I think another factor to consider that you don't have in this list yet, but we start touching on it, is, is the money component is massive. Uh, you can get an advance. You may pay yourself upfront. <laugh>

AJ Harper:

Left the money off.

Mike Michalowicz:

Yeah. It - <laugh> So you're like, "Yeah." It actually says, uh, "Don't worry about the money. I got you. I got you. "

AJ Harper:

It doesn't say that.

Mike Michalowicz:

It say, "Don't worry about the money. I got you.

AJ Harper:

" I guess it was a fight contract. But gosh, we are so different.

Mike Michalowicz:

So considerations, considerations that we have is distribution. You know, who's got the best option for you? Yeah. Editorial work. Yeah. Reputation, chemistry, the contract, champions. What I wanna talk about money is, um, for some authors, it is not viable to pay upfront. Yeah. And that may negate them from doing hybrid work or self-publishing. Yeah. You can just can't

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afford it. And you can get an advance. So you may take a lesser deal in some of these other categories, but financially you can't choose - Yeah. Another option.

AJ Harper:

Yeah. Okay, so let's talk about the money then. For one thing, if you've worked really hard some of, some of my students who've worked with me, they can go in and negotiate with top tier hybrid and say, "I'm part of AJ's workshop. This is, I got my... Can you just look at my manuscript?" Mm-hmm. "I may not need as much help as you think. " Right? So they can sometimes talk down the editorial portion - mm-hmm. So that they're still getting editorial support, but the publisher recognizes it's not a heavy lift. Mm-hmm. So they have to price what they do based on the lowest common denominator. The person who's gonna need the heavy lift - Sure. For editing. So you can go in and say, "Is there a room here?" Because, you know? And then I think you can also look at those contracts. A lot of the marketing stuff, really be honest with yourself about if you, you actually need it for your book.

AJ Harper:

Yeah. Um, but so the, so you can negotiate the fees.

Mike Michalowicz:

There's a, I would consider them a top tier albeit boutique hybrid called Inspired Girl. Jen Tuman.

AJ Harper:

Yeah. Yeah.

Mike Michalowicz:

Ex- extraordinary. Uh, they wrote scar tissue. This came out from Melissa Dugalecki.

AJ Harper:

They published it.

Mike Michalowicz:

They published it. They show up at the first conference she's doing and they, the publishing house is in the room saying, "We gotta help move this book."

AJ Harper:

Nice.

Mike Michalowicz:

Uh, it was amazing.

AJ Harper:

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And - So that's what I mean by champion.

Mike Michalowicz:

A total champion. Yeah. Um, why is bringing them up and I notice this with other hybrids too, is when we hear the fee... I'm just gonna pick a random number. Say \$50,000 because it's random number.

AJ Harper:

Yeah, it's getting up there.

Mike Michalowicz:

Okay. You can get a \$50,000 advance, 20 to 50,000 maybe on your first book. Good luck. It's hard to. Or you can pay 50, 50,000. But there's a misconception about both. When you get a, say, \$50,000 advance, it's not like the day you sign the contract, there's 50 grand in your hand. You get about \$12,000. Yeah. It's called the first tranche. Yeah. Then a year later, you get another \$12,000. Yeah. That's called you submit your manuscript. Then a year later, or six months or whatever it is, you get another tranche saying, "We accepted your manuscript and we're, and we're going to print. It's now in the print phase or publishing phase."

AJ Harper:

No, you're sc - no, that's the second one. The first one is signing. Yeah. The second one is accepted. Yep. The third one is publication day. The fourth one is either day.

Mike Michalowicz:

Oh, you're right. It's publication day. You're right. Yep. Publication... And the fourth one's a year after publication day typically. Yeah. Two

AJ Harper:

Years.

Mike Michalowicz:

Yeah. Two, two to three years - Yeah. That your tranche... Now the things are... So people misunderstand that around advances. What people misunderstand around hybrid deals is that's also

AJ Harper:

Tranche. Yeah, it's tranche. So you can... It's not 50 grand right up front. Yeah.

Mike Michalowicz:

So you're doing the same 12,000 on signing. Yep. 12,000... It's, it's almost the same frequency. So that 50,000 is paid out maybe over two years. Yeah. But something that Jen Tuma Young's company does, Inspire Girl, which other organizations support and do if they're tier one, is they

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show you how to get pre-order demand with receiving that compensation to offset those fees.

AJ Harper:

Yeah.

Mike Michalowicz:

So Melissa did, uh, Dugalecki a year prior to book coming out, did some kind of promotion which had a pre-order component. She delivered some value and then the book would be shipped to them on the day of release. Yeah. A year in advance, and this money was used to pay off our fees.

AJ Harper:

Like, like a private Kickstarter.

Mike Michalowicz:

Cor - like a private kickstarter. Yeah. And the, the tier one hybrids, in my opinion - Top tier. Know that. Top tier. Well, I call it tier- Tier one. You call it tier one. I, I actually - You

AJ Harper:

Always have to do it up.

Mike Michalowicz:

I was at an event with Robin Robbins. I talked about her. Uh-huh. And there's always people. And I said, "I wanna start..." This is before I started the Authors for Authors thing. Uh-huh. I said, "I wanna start an event where it's tier one authors and, um, because I wanna be amongst them." And Robin goes, "So what tier are you?" <laugh> I, I said, "I guess, like, tier three." She goes, "How do these tiers work?" <laugh> I said, "Well, tier one is, like, if the, if a reader knows you by name or by book title, uh, and anyone you approach in your space knows that, you're kinda tier one. Tier three is maybe there's some kind of awareness of the title, but you're trying to make your way, you know, up, up the hill." And she goes, "Okay." She goes, "So this group of, of tier ones, you wanna be a tier one, so you're a tier three.

Mike Michalowicz:

Why isn't tier five the tier? Isn't that more aspirational? Like DEFCON five?" By the end, she was making so much fun of me. She's like, "You know, you should have a tier like eight also." <laugh> Like, like all this, she's just like leaning into it. I'm actually meeting up with her in a few weeks. I'm

AJ Harper:

Glad that you abandoned that.

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Mike Michalowicz:

Yeah.

AJ Harper:

Well - It's like a D-list, A list, B list kind of situation. Yeah, I

Mike Michalowicz:

Guess it's stupid. I guess it was stupid.

AJ Harper:

Don't late. Yeah,

Mike Michalowicz:

No. But anyway, so the top tier hybrids also want to help you offset the fees you're gonna incur. They don't want it to be a financial burden for you. This is how they pay for their businesses, how they operate. They need the income, but they know if the author can't pay for it or struggling to pay for it, you can't be all in on your book. They will help you with strategies.

AJ Harper:

Yeah.

Mike Michalowicz:

I, I've noticed that throughout.

AJ Harper:

Yeah. And then when it... The last thing about money I would say is, you know, when I've, when our publishing house first started, we was literally the, you know, kitchen table publishing house. We had no money for advances. Yeah. When we did have money for advances, it was a three digit advance. Okay. Like, and that was hard. We, we published in eight years almost a hundred titles.

Mike Michalowicz:

Okay. Well, then that's a hundred times hundreds is

AJ Harper:

Lots. Yeah. And we were self-financing everything and it, everything had to be print on demand because we couldn't... Until later when we could do print runs, because we could not afford print runs. So I mean, this was, you know, duct tape and whatever. What... High, high, high, high editorial standards, of course. Yeah. Yeah. But that's where we put our money. So - That's

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interesting. I'm just saying, a bunch of people launched their careers at that house. Yeah. So when you're thinking about money, I just talked with one yesterday, Julian Winters. Um, he's a New York Times bestselling author now. And he, it's interesting because he, he's at, um, he's at two different, three different big fives, um, with multi- multiple titles. Oh

Mike Michalowicz:

Okay. Okay. He did one here

AJ Harper:

Differently. 'Cause he's got, he's got a middle grade. He's got a bunch of young adults. Oh, I see. Okay. And he has an adult title. And so they don't always go to the same house. Oh, that's

Mike Michalowicz:

Interesting.

AJ Harper:

Um, great agent, New York Times, right? Um, he was waxing poetic about our little house. Oh. And he was saying, "There's just, you just took such good care of me. " Yeah. And he, they, he misses it. Even though he's at, you know, he's having an enviable career. Yeah. Right? Yeah. So the money is what I'm getting at is a factor. But don't knock the press that can't afford a big advance, but I - is so gonna be your champion.

Mike Michalowicz:

100% agree.

AJ Harper:

And they are gonna bust for you to make sure it's the best book and editorial and that it gets seen by the right people and, um, and then lives on in backlist.

Mike Michalowicz:

100% agree.

AJ Harper:

That's what you, that's what you really want.

Mike Michalowicz:

And be real careful about the ego associated with the number two. Um, I was working with an author. We were considering them for Pen With Purpose. That was our literary group and, um, or it is, I should say. And they said, "If I don't get mid six figures, I'm not doing anything." And we didn't, we could not find anyone interested. So we didn't even walk. We, we kind of tested the waters and we said, "We can't represent you. " They failed to get anything. You,

AJ Harper:

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You know, you used to say something interesting. You used to say you think the bigger advances get more of an investment from the house. Right. I don't think that's necessarily true. I have an author who had a significant deal and that's the official term. So that means - Yeah. Mid f - mid six figures. Uh-huh. Zero marketing support.

Mike Michalowicz:

I agree. Zero. Yeah. I got mid-six figures and got zero market support. Besides - Single,

AJ Harper:

But they were not invested. They were nagging that person, "Why aren't you selling more?" But they were not actually invested.

Mike Michalowicz:

All right. So I had, I have an author I worked with that got millions as an advance and that organization's very invested in its success. There's a certain point -

AJ Harper:

Okay. So what you're saying is you have to get a super advance.

Mike Michalowicz:

Yeah, for them to be invested. Okay. The, the reason - To me - The reason I got a mid six figure advance was because of my historical performance.

AJ Harper:

I know, but this, like, this was a debut author. That's

Mike Michalowicz:

S- surprising. Yeah. Right? Yeah.

AJ Harper:

Who doesn't know what they're doing?

Mike Michalowicz:

My argument here is just be careful about the ego associated with

AJ Harper:

Money. No, I got your argument. Yeah. I was just adding a new thing, which is there... I don't necessarily think it's true that you're gonna get the support you think you will relative to the, to the advance. Agreed. Because to me, if you have a debut author, you should know this person's gonna need a little extra help - Yeah. To figure out how to navigate this if we're gonna get the numbers we want out of this person. And none of that happened. Yeah.

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Mike Michalowicz:

Yeah. Not, not surprising.

AJ Harper:

I know, but what the hell?

Mike Michalowicz:

Which is surprising, right? <laugh> Any final thoughts on picking a publisher?

AJ Harper:

You know, it's just gotta be, it's just gotta be what you need and what matters for you. And I often tell my authors, look, no publisher is perfect. So if you're looking for that, just that is a never ending. Yeah. So just find one where you feel pretty, pretty good about it. And then just do your best to partner with them and make it work. Knowing that you're still gonna have to probably fill in some gaps that they don't do, knowing that they're probably gonna you off, they're probably gonna make mistakes. This is normal so just try and get as close to what you - I like that. Yeah, to, to, to get the de - just get it

Mike Michalowicz:

Published. I would put a weighing on things because, uh, some people need the money. The money's a more important factor. Sure. Priorities. Other people need a long-term relationship. So identify your priorities. Yeah. These aren't weighed equally, but now you have the factors.

AJ Harper:

Absolutely.

Mike Michalowicz:

Yeah. Uh, we talked about ajharper.com. Make sure you go there. Um, we also have free resources at dwtbodcast.com. Um, so visit our website. Also sign up for our email list, or you can email us at hello@dwtbopodcast.com. We wanna hear what you're thinking about. We know what's really important, AJ, and, and people are doing it now, please rate and review the show.

AJ Harper:

Yeah, we love that.

Mike Michalowicz:

It, it, it's unbelievable how much it- It's very helpful. It's very helpful in getting the word out to fellow authors. And if there's any industry in the world that is not competitive but is inherently collaborative, it's authorship. Because the more people that read AJ, your book, the more people are gonna be interested in reading books in that space. Sure. Um, so the more people that listen to this podcast that are authors, the more we elevate the authorship community, the more all of us are winning. Yeah. That's my argument. Okay. I think that's it. Remember this, please don't write

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that book. Write the greatest book you can.