



[www.CreativeTeamPublishing.com](http://www.CreativeTeamPublishing.com)

## Fee-for-Service (Also called “Author Funded”) and Payment Distribution

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**Creative Team Publishing (CTP) is a Fee-for-Service book publisher of quality trade paperback (softcover), hardcover, audio, and eBooks.**

#### Fee-for-Service

A Fee-for-Service publisher charges a fee for production and publishing to the owner of copyright. The owner of copyright retains profits from book sales. These profits usually represent the difference between the wholesale price and the retail price of the book as well as designated profits from online distribution.

A Fee-for-Service procedure is preferred today for many reasons. Among them: digital technology POD (Print on Demand) has become, for many, the method of choice. There are huge benefits to POD. For example: virtually no inventory is required and only books ordered are those that are printed. For CTP authors there is **\*never\*** a minimum order required. You obtain a quantity of books for only what you believe you can sell or have sold.

A “traditional” publisher pays a royalty from 8% to 10% (sometimes more depending on sales volume) of the retail selling price of books sold to the owner of copyright. The traditional publishing company retains and works within the balance of about 90% to 92% as part of assuming the upfront costs. Further, it is

extremely difficult, and most of the time impossible, for a traditional publisher to accept works of an author who is unknown. They believe they simply can't afford the risk.

In CTP's case, the author pays a reasonable up-front fee and retains the profits from sales. This arrangement is cleaner, more concise, and over time, has the potential to make the author more money depending on the success of publication. Plus, CTP does not accept returns—a real benefit to the author—because the books purchased are purchased by serious vendors.

**Royalties: Unless an Author Is Well-Known,  
Royalties Are Seldom Where the Money Is Made.**

A CTP author or owner of copyright retains all copyright to the work. There are no royalty payments because the publisher does not receive the bulk of profit from a book—the author does.

So where is the money made? The difference between what the author/owner of copyright pays for the books (wholesale) and the price for which they sell them (retail) is the author's money to keep, pure and simple. For example, let's say that once publishing fees are paid (and these vary according to length and intricacy of the book—see the package offers), the owner of copyright pays \$7.95 per book (*including* shipping, handling, and applicable tax for shipment to the author or owner of copyright) and sells these books for \$19.95 (*plus* shipping, handling, and applicable tax to the author's or copyright owner's customer). In this case the author retains \$12.00 per book instead of 10% of the retail selling price which would equate to \$1.99 or \$2.00 per book. Which would an author rather have?

Additionally, with CTP the author receives 50% of the publisher's compensation from all book sales through distributors like Amazon, Barnes and Noble, and other online book selling websites. CTP is part of Lightning Source, and Ingram, the world's largest book distributor ... literally worldwide. Global distribution manufacturing includes facilities in the U.S., U.K., Germany, Russia, Brazil, and Australia.

Here's how it works: let's say the retail (list) price of a book on Amazon or another site like Amazon is \$24.95. The discount given to this retailer is usually 40% to allow them to compete. In this example, with a discount of 40%, the wholesale price is \$14.97. Let's say that in a given month an author sells 100 books on this site. Less the charge for printing, any setup, recovery, or other fees, let's conclude that the publisher's compensation works out to be \$12.12 per book, or \$1,212.00. Half of this publisher's compensation is distributed to the author or owner of copyright, in this example, a total of \$606.00.

CTP offers an author a competitive price for publishing and we have several categories from which to choose. Please see “Publishing Package Offers and Pricing.”

Because it can be shown that an author’s profit margin exceeds the amount of what a “traditional” publisher would pay the author in royalties, why wouldn’t an author choose this route? Fortunately, many do and are very happy with their choice.

### **How Are Publishing Fees Determined?**

Fees for publishing are based on many factors. Among them:

1. Length of book (word count)
2. Type of book: fiction, non-fiction, textbook, instructional manual, etc.
3. Need for writing and re-writing
4. Complexity of formatting and editing required
5. Nature of graphic art for front and back covers

At CTP we don’t take a “one size fits all” approach. We treat each of our author’s manuscripts individually and offer the absolute best financial deal we can for each work based on these factors. (Again, see “Publishing Package Offers and Pricing.”)

CTP treats every project as though it was written by one of us. We work as a team with our authors. We are honored to work with authors whose manuscripts we accept, and we strive diligently to produce a product the author and the publisher can be proud of. Plus, we want to make the author as much money as quickly as possible while earning a fair profit from our efforts on the author’s behalf.