

**Send 'em to the Shelves: Working with a Book Distributor
with Brent Cunningham, Executive Director of Small Press Distribution (SPD)**



1. Suzanne Kelley, President, introduced the other MiPA board members (Paul, Vice President; Ron, Secretary; and Nayt, Treasurer), and Jennifer Baum, who manages the book awards program and is now our Executive Director. Jennifer will be looking at new programming and offerings. She is reworking the MiPA website and has launched a Virtual Reading Series for book award winners on the MiPA YouTube channel:
<https://www.youtube.com/channel/UC6VFZvn2hPqPrmzAuV003pA>
2. Upcoming Meetings. Paul described the November program which will focus on building and marketing children's books with a purpose. Ron described the December meeting where the MiPA board will serve as a panel to answer questions from the participants, including a contest for most festive zoom backgrounds (with award-winning books as the prize). All MiPA general events are on the second Tuesday of the month.
3. Nayt introduces Brent Cunningham. Brent has been at SPD since 1999, published two books of poetry, and lives in Oakland. SPD is the nation's only non-profit literary distributor, serving about 350 publishers. Sales were 35% to wholesalers, 25% online booksellers, 17% independent bookstores, 8% college bookstores, 5% direct to individuals, etc.
4. Brent Introduces the Industry. Brent has been at SPD since 1999. SPD has its warehouse in Berkley. Why do authors need a distributor? Authors and publishers should not only be concerned about the book content and marketing, but there can also be structural blocks to sales where distributors can help. Examples of blocks: bad metadata, price, timing, etc.
 - Independent bookstores and libraries usually only connect with a couple of wholesalers like Ingram and Baker & Taylor and will ignore books from small presses. Small presses need a distributor to reach these buyers. SPD's role is to provide non-profit distribution that is similar to for-profit distributors like PGW, IPG, and NBN.
 - For-profit distribution includes services such as:
 - Marketing and sales services
 - Established sales channels, including global
 - Pre-pub consulting, metadata management, email marketing, etc.
 - Warehousing, logistics, digital services and reporting
 - SPD is one of only a couple of such options for small presses, which expect sales of only 100 to 500 books. Another is Lightning Source, which is associated with Ingram.
 - Due to their non-profit finances and focus on "literary presses," SPD receives many grants from foundations that support the cultural value of their work.
 - Brent described how SPD defines the type of publishers, which is captured in the diagram below.

Types of Publishers

The 'Majors'

- 100s of employees
- 1000s of titles per year
- Print run: Used to be 10,000 copies minimum for a new fiction book, lower now but still 5K-8K
- The majors do their own distribution
- "The Big 5" (Penguin/Random House, Hachette, HarperCollins, Macmillian, S&S)

Independent Presses

- 2-25 employees
- 10-100 titles a year
- Print run: 1000+ for each title
- Use bigger, "for profit" distributors (PGW, IPG, NBN, etc.)

Small Presses

- 1-2 employees, generally unpaid
- 1-10 titles a year
- Print run: Might be 100 to 500+
- 1,000 sales is a success
- Uses SPD, or a DIY distribution model

Micro Presses

- Chapbooks/Zines/lots of different varieties
- No ISBNs / No distribution to the book trade

5. Financial and Margin Overview. A view of the financial structure of a book sale is shown in the chart below.

- Brent emphasized that this chart is only an example of where the money goes in a book sale. In particular, cutting out middle men changes the picture. The classic example is an author selling directly to a buyer, which can remove maybe 75% of the costs.
- Selling through Amazon doesn't change the picture much, and 5% going to the author or publisher would be about all one could expect.

Margins

"Just an Example." In reality all these percentages *move constantly*.

(Some factors: Competitive printing prices, negotiated author contract, removing a middle-seller to sell more directly, better cut from distributor due to volume, better cut from wholesaler due to volume, higher list price, etc.)



6. Q & A Session.

Q1—How can an author or publisher better manage publicity to hit at the right time?

A1—Calendaring becomes increasingly important to move up in sales and professionalism. You can't control some things, like when a big review will come out. But you do need to know the price and get books to distributor well before the official pub date. Marketing should peak around the pub date. Brent is very skeptical about paid ads unless they are highly targeted. So, you are really looking for free publicity like: social media, reviews, telling friends to post a good rating on Goodreads or Amazon. The first blast of publicity doesn't sell the books, it gets the books into position. The books need to be in position, at the warehouses and stores, when orders start to come in.

Q2—How has your business changed in the pandemic?

A2—SPD sales declined about 47% in the first three months of the pandemic, and Amazon temporarily stopped ordering books entirely. Ingram upped their ordering a little. SPD picked up additional grants during that time to help balance their books.

Q3—Do you provide any educational materials?

A3—SPD does workshops and they have a publisher's handbook all aimed to provide a workable model. They have a sister organization called the Community of Literary Magazines and Presses (CLMP.org) out of New York with lots of good information. <https://www.spdbooks.org/pages/about/contact-spd.aspx>

Q4—Can you supplement your print runs with Print on Demand (POD)?

A4—Yes you can. There are two types of printing, as shown in the slide below. At least 60% of the books at SPD are digitally printed. Brent now sees very little difference in print quality. Thin books, like chat books, are hard to sell to libraries or bookstores, and some have a minimum page requirement.

Types of Printing

<h2 style="text-align: center;">POD/Digital Printing</h2>  <ul style="list-style-type: none">• POD= Print On Demand• "POD" can imply an online sales portal (Lulu, KDP) but more often just refers to the printing method (i.e. "not offset")• Self-publishing is almost exclusively digital/POD• Hybrid printer/distributors exist (Lightning Source, Ingram Spark, Itasca)	<h2 style="text-align: center;">Offset</h2>  <ul style="list-style-type: none">• Traditional printing method using analog "plates" rather than inkjet/laser• Best for print runs of over 500 copies• Best if you have enough cash to pay for all copies upfront• If the above is true this printing method will usually cost less per copy than digital printing
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Q5—Does SPD require exclusivity for the entire catalog (including e-books)?

A5—Not for the e-books. For other books we do require exclusivity for sales to the domestic "trades," i.e. stores, wholesalers, and libraries. They encourage selling directly to individuals. Authors and publishers should have a website store to get the higher margin sales. SPD is there to get the sales you can't get.

Q6—What is SPD’s minimum publisher size?

A6—Brent says they hope you are doing a couple books per year and that sell a couple hundred copies. They do work with small presses which only do a book every few years, but expect them to sell more copies.

Q7—Does someone need SPD for Amazon if they are already connected to KDP?

A7—No. But getting a book into stores does. KDP is trying to find a way to sell to stores, but hasn’t yet. Lightning Source is another option. They work with Ingram, and so that would get you into the Ingram catalog. The quality is good and the price low, but it is like throwing spaghetti at the wall.

Q8—Do you allow publishers to pick and choose which books they send through SPD?

A8—You have no idea how many books are out there. Unless a small press book is done right, it doesn’t have a chance. For example, selling a book for \$17.22, with the wrong ISBN series, or with a title like **#!** Is cute, but it doesn’t help sell. Consistency is valuable. Stores look at the 10-digit ISBN string prefix to know where a book is from, and changing to a new string is confusing.

Q9—Talk about pricing. Is a book with .95 better than one with .99?

A9—It’s a little sign that this publisher might not know the trends. It might make a difference. SPD recommends either something like \$16.95 or \$17.00 rather than \$16.99.

Q10—Does it look bad that my distributor, IPG, used different ISBN strings?

A10—After about one year it doesn’t matter anymore. Suzanne says, “If you run out of ISBN numbers in a string, you cannot request that string again. Buy enough.”

Sometimes there are disadvantages to working with a large press. In an example, Brent mentioned a case where an author was forced to change the title. Authors and publishers should value the flexibility one has with a small press.

Q11—How do you see book publishing changing in the future?

A11—People are on devices all day long. They get home and appreciate a print book. KDP may find a way to sell to stores more directly—they keep trying. That may be SPD’s greatest threat. But we are in an enviable position, because no one else wants to carry these small presses. Brent worries for the independent book stores, especially in the face of this pandemic. But people seem more aware of the supply chains and care about the fairness and details. SPD has had an outpouring of support, financial and moral.

Q12—Where does your support come from?

A12—Most of our income is from book sales, but 17% is from supporters like the NEA, the California Arts Council, the City of Berkley, plus individual donors (over \$100,000).

Q13—How does a press become one of your clients?

A13—You just go to the website, there is a lot of material there, including a submittal form. <https://www.spdbooks.org>

Q14—Do you have any preferred printers?

A14—We have about five we use a lot, including Bookmobile in Minnesota. Jennifer recommends Versa in Illinois. Also, McNaughton & Gunn in Michigan has really good digital/short run pricing

Q15—Do you distribute many genre/spec fiction publishers?

A15—It’s a shame there is nothing like SPD for books that are not literary, like children’s books. Genre fiction tends to have special buyers that SPD doesn’t have relationships with. The SPD focus is on poetry, fiction, and nonfiction and they are very busy. They are thought of mostly as a poetry distributor.

Suzanne closes the meeting thanking Brent and mentioning that he has been very helpful to her over the years in answering many questions. Brent left to make dinner for his kids.