OH MY ACHING...(And What To Do About It!)

Episode 1: T'ai Chi
By JEANNE SAVERY CASSTEVENS

Exercise. It may not be a four-letter word, but in my vocabulary it's a swearin' word. Unfortunately, even I know I needed far more exercise than I used to get in my exceedingly satisfactory if sedentary lifestyle.

Over the years, I tried this and that and gave up on all. I do not like games; I'm not good at sports, and there is nothing more boring than aerobics. Besides, I never achieved that "rush" of which avid exercisers speak which was also a put-off.

So, given all that why do I love and rely on T'ai Chi? Because I do. As exercise, it may not be the answer for you, but let me tell you some post-falling-in-love reasons, personal and "scientific," with which I justify (rationalize?) my subjective feelings.

Personal. I am not a combative or competitive person. I do not like vying with others, comparing myself to others, or dominating others. I will never be particularly good at T'ai Chi as a martial art. Fortunately, this is an exercise where one "competes" against oneself. One attempts to come closer and closer to the ideal form and to improve one's understanding and use of the five principles.

People who have practiced T'ai Chi for 20 years will tell you there is never an end to

Cont. on Page 5

Your Money

Remember asking your children what they wanted to do when they grew up (or you being asked by your parents)? Did you get different answers each time ranging from the predictable fireman, practical doctor, to the affectionate "I want to grow up just like you"?

There were quite a few things I told myself I wanted to do when I grew up. None of those was becoming the financial planner that I am today.

I have always been a prolific reader, reading everything and anything in sight. An academic book empowers me intellectually, while a fiction book takes me to another world and gives me the freedom to explore all possibilities. It is no wonder that writers have always been my idols and that I wanted to be one when I grew up.

Instead of becoming a writer, the business side of me took me into the world of investment and finance. I became a CPA in 1980 and practiced public accounting for many years. With a healthy dose of curiosity, I entered Wall Street in 1993.

Despite the demands of my job and family (a husband and two children), reading continues to be one of my most passionate pastimes. The desire to be a writer continues to linger in the back of my mind, waiting for the right time to come out, and that time happened two weeks ago.

First, after months of research and burning the midnight oil, I submitted my first nonfiction "How To" book proposal to an agent last week. Then, through a coincidental encounter with William Bernhardt, he introduced me to Terey Daly Ramin, who asked me to write a financial article for Novelists, Inc. Now I find myself not only writing, but also writing for the writers. Just give me some time to contain the excitement!!

Terey has given me a wide berth to write about anything, which I am taking to heart. There are so many things in the world of personal finances that I want to share with all of you, and it is not easy to choose the right topic for my first article. So until I start getting feedback from you, I thought I would write about something that most of you could use around tax time.

Tax time is painful for many, especially for those of you who have sold a few bestsellers this last year. Few of us want to pay more income taxes than we need to, so there is a need for all of you to understand every possible tax deduction available to you.

One of the most popular, and often the single biggest tax deduction you can take on your tax return, is the contribution you make to your retirement plan(s). Whether or not your business is incorporated generally does not change the type of plans you are eligible for.

Retirement plans generally fall into

Continued on page 4

Also in this Issue: President's Column—2 / Letters to NINK / AAR Sponsors BookExpo Seminar 6 / Advocacy: New Hat 7 / Breaking News 8 / Ask the Lawyer 9 Price of Money 10 / Dispatches from the Front 14 / East of the Hudson—15 Savannah Conference Update 18 / Online—15 / Fast Track—16
On April 1, my cat will celebrate her tenth birthday. I know you're all wondering what the heck that has to do with NINC. Well, you see, it occurred to me that she's just a few months older than NINC itself. NINC is, however, quite a bit larger, and so far has avoided most of the trauma my cat has been through. I hesitate to suggest that's because NINC was put together better in the first place, but you can draw your own conclusions.

So as we look at NINC in its tenth year, what do we see? A bit less than 700 members, all of whom have published novels that qualify under the "popular fiction" umbrella. A whole lot of people who double as journalists or critics or academic writers, not to mention poets and nonfiction authors and dramatists. New York Times bestsellers. Award winners. Working writers. That's us.

There's a lot of variety represented here, so it's no surprise members' goals and expectations also differ. Yes, we have those bestsellers, and we are very proud of them, but we have to also consider the fact that quite a few of our members are not in search of that particular brass ring. Some people are just looking to make a living so they can quit their day jobs. Some want to pile up enough of a bankroll to run off to Tahiti. (As I write this, March is acting like a lion here in the Midwest, so I'm sure you'll forgive me if my own goals turn toward Tahiti.) Some seek to leave a lasting legacy, like their names on the front covers of books they loved writing, books that they hope will live far into the uncharted future. And some have as their goal the journey itself—a life of creative activity—without focusing on a destination at all.

That very breadth of needs and wants sometimes makes our membership difficult to reach, tricky to please. But we're attempting to do both those things. We're moving ahead with "Members Only" pages on our Web site (www.ninc.com) to give us a bigger, bolder presence on the WWW. At this point, it looks as if the '96 Agents Guide and its supporting materials, plus the NINC roster, will be the first to go online in this protected area.

We're also making changes in the newsletter, with more of an emphasis on breaking news and (we hope) a greater connection to the world of agents. We've heard from some of you that you like the changes. Thanks for the comments—keep 'em coming!

In perhaps the most exciting development since NINC joined the Authors Coalition or started the Audit Lottery, we're also looking at a major new Advocacy project, spearheaded by Advocacy Chairman Kay Hooper. A couple of what Kay calls "grassroots" movements have cropped up, involving groups of authors who've spun off from the NINCLINK to discuss ways of reversion rights, and the other is about boilerplate contract language that is, in the words of attorney Alan Kaufman, "unconscionable." We're working on guidelines and ways to make it happen, so nothing is set in stone, but it looks as if NINC will be able to offer financial and moral support to these...
efforts. As founding member and current Advisory Council representative Janice Brooks said, “I believe that was one of the most important things the founders hoped this organization could grow enough in membership, finances, and clout to do. If we can’t do this by our tenth year, we’ve failed in our aims.”

Kind of gives you a tingle, doesn’t it? I guess that’s why this year’s Board is feeling pretty good. We’re having fun, and we’re tackling some major issues and major ways to raise NINC’s profile. And remember, you, too, can find the fun in the volunteer spirit. It’s almost time for the Nominating Committee to get going on its work for next year, which means they’ll be looking for enthusiastic, energetic types with something to contribute. If you think that’s you, don’t hesitate to raise your hand or your voice. Remember—NINC represents a whole spectrum of interests and needs. Yours count, too.

**NINC News**

Many, many thanks to Membership Chairman Diane Chamberlain, who has once again singlehandedly taken on the last step in the dues renewal process and once again performed it beautifully. Diane called everyone whose membership was in danger of lapsing, just to remind them of their options, and she did it all in one day! You have our thanks and gratitude, Diane. You are a keeper!

— Julie Kistler

**Letters to the Editor**

*Letters to the Editor* is the most important column in our newsletter, since it is the monthly forum in which we can all share our views and express our opinions. Anonymous letters will never be published in NINK. Upon the author’s request, signed letters may be published as “Name Withheld.” In the interest of fairness and in the belief that more can be accomplished by writers and publishers talking with one another rather than about each other, when a letter addresses the policies of a particular publisher, the house in question may be invited to respond in the same issue. Letters may be edited for length or NINK style. Letters may be sent to the NINK editor via mail, fax, or e-mail. See masthead for addresses.

**Prez Puts on Reviewer’s Hat**

Right up front I want to say how much I love Evan Maxwell’s “East of the Hudson.” I know everyone always says that, but that doesn’t make it any less true. Still, I just had to write in defense of a maligned class of people out here—reviewers. Okay, so some reviewers are shallow, mean-spirited, and going for a kind of smug superiority. But so are some novelists. There are also reviewers who do it because they love books or movies or theater or whatever, because every time they turn to page one or wait for the lights to dim, they’re hoping this one will be magic.

I honestly hope that the shows I review will sweep me off my feet every single time. I love to write raves. Even more, I love to sit there and wallow in a wonderful show. And I am a good enough writer, I think, to share some of that enthusiasm when I tell my newspaper audiences about what I saw and what I heard. That’s why I’m there in the first place—to get people’s attention for a popular art form that isn’t nearly popular enough.

Do I deserve to get paid for my work? You bet I do. In fact, I deserve a lot more than they pay me!

— Julie Kistler

Chief Theater Critic for the Champaign News-Gazette

**NINC Nominating Committee Organizing for Millennium**

We’re delighted to announce that Georgia Bockoven has agreed to head the Novelists, Inc. Nominating Committee. Our thanks to a busy lady who’s about to get busier. Like everyone else in the world, she’ll be looking to get things rolling a little earlier this year than past years so NINC’s transition into the millennium will be smooth as all that silk in the cliché. Let’s get ready to help her out!

Georgia and her committee will be discussing candidates for the offices of president-elect, secretary, and treasurer, plus a slate of Nominating Committee nominees.

If you’re interested or curious, contact Georgia for information. Or to volunteer!
YOUR MONEY

Continued from page 1

one of two categories. The first type is called Individual Plan and the other one is called Employer Sponsored Plan. They are not mutually exclusive, meaning your participation in one does not preclude you from participating in another. However, there are limitations and guidelines to follow as outlined below.

INDIVIDUAL PLAN:
There are two kinds of IRAs available to individuals: the “Traditional IRA,” which allows tax-deductible contributions, and the “Roth IRA,” which allows only non-deductible contributions.

TRADITIONAL IRA:
Eligible individuals may make tax-deductible contributions of up to $2,000 annually. Contributions are deductible if the taxpayer is:
• not an active participant in an employer-sponsored plan; or
• if the taxpayer is covered by a plan and his or her Modified Adjusted Gross Income (MAGI) does not exceed certain income thresholds.

Starting in 1998, for individuals covered by an employer-sponsored plan, the current MAGI phaseout ranges for making tax-deductible contributions to a Traditional IRA is:
For single filers, the range is from $30,000 to $40,000 in 1998.
For Joint filers, the range is from $50,000 to $60,000 in 1998.
Beginning in 1998, many individuals previously unable to make a deductible IRA contribution because their spouse participated in an employer-sponsored plan will now be eligible to do so. This applies as long as the individual is not a participant in a qualified plan. Eligibility for this special rule phases out on a prorated basis when a couple’s modified adjusted gross income is between $150,000 and $160,000.

ROTH IRA:
Single tax filers who have an adjusted gross income up to $95,000 and joint tax filers who have adjusted gross income up to $150,000 may contribute up to $2,000 (based on wages and compensation) a year. Eligibility to contribute is phased out for taxpayers with modified adjusted gross incomes between $95,000 and $110,000 for single tax filers and $150,000 to $160,000 for joint filers.

There are many unique tax benefits associated with ROTH IRA; among them are:
• Distributions are free from all federal income tax, as long as:
  the account has been maintained for at least five years and taken after age 59 1/2;
  result of death or disability;
  for a qualifying first-time home purchase (subject to a lifetime limit of $10,000);
• Early taxable withdrawals are free from the 10% penalty tax if used to pay for higher-education expenses or first-time home purchases (subject to a $10,000 lifetime limit).
• Individuals can continue to make contributions after age 70 1/2.
• No mandatory withdrawals are required during the taxpayer’s lifetime.

EMPLOYER-SPONSORED PLAN

Unlike individual IRAs, where one has only two options, there are many more options available to business owners to save for their retirement.

I have selected a few which I believe are more suitable for writers and leave the rest out until another time. The ones I am going to talk about are Profit-sharing, Money Purchase Pension, Simple IRA, and Simplified Employee Pension (SEP).

PROFIT SHARING

The plan is often preferred by those businesses with unpredictable cash flow (like writers) and those who do not want to commit to fixed annual contributions. As such, contributions may be discretionary and are allocated among eligible employees based on compensation. A contribution may be—but is not required to be—tied to profits.

Profit-sharing plans can be designed to include a loan feature and a vesting schedule. As a general guideline, employers can contribute a maximum of 15% of eligible payroll or $24,000, whichever is lower.

MONEY PENSION PLAN

The plan is more appropriate for companies with predictable income (those of you who know you have at least one bestseller every year) that are able to commit to a mandatory annual contribution. The employer’s contribution is usually based on a specified percentage of each participant’s compensation, regardless of the profitability of the company.

Money purchase pension plans may be designed to include a loan feature and a vesting schedule. As a general rule, the annual deductible contribution limit is the lesser of 25% of eligible compensation or $30,000, whichever is lower.

PROFIT-SHARING/MONEY PENSION COMBINATION PLAN:

By combining a profit-sharing plan with a money purchase plan, a business can contribute greater amounts in more profitable years and limit its contribution obligation to 10% or less of eligible compensation to the money purchase pension plan in more difficult years.

This combination of plans may be particularly attractive to businesses in light of the $160,000 maximum compensation limit on which contributions can be based.

By adopting both plans, the maximum contribution is preserved at the lesser of 25% of eligible compensation or $30,000, provided that:
• Profit-sharing contributions remain discretionary.
• Money purchase pension contributions are mandatory.

SIMPLIFIED EMPLOYEE PENSION (SEP)

Similar to Profit-Sharing, an employer can contribute
the lesser of 15% of an employee’s income or $24,000 for 1998. All contributions are made into individual SEP/IRA accounts and there is no loan feature or vesting schedule available.

**SIMPLE IRA**

The SIMPLE (Savings Incentive Match Plan) is a new plan for employers with 100 or fewer employees who do not maintain another qualified retirement plan.

Under the SIMPLE plan, employees may defer up to $6,000 through salary-deferral contributions. Employers must either make matching contributions of up to 3% of compensation or make a 2% non-elective contribution to all eligible employees.

---

**T’AI CHI**

*Continued from page 1*

improvement.

I'll return to the five principles, but first the “science.” T’ai Chi has been called moving meditation and has the benefit of lowering stress levels one expects from meditation. Research comparing 20 minutes of “soft” T’ai Chi exercise with moderately intense brisk walks found T’ai Chi lowered blood pressure to nearly the same degree. (This test did not compare cholesterol level changes which walking is known to improve, so researchers did not claim it was a substitute.) Another health benefit discovered in the laboratory is that there is an increase in T-lymphocytes (the samurai of the immune system).

On a less scientific level, T’ai Chi is an exercise from which older people benefit. It improves balance and coordination with none of the problems medium or high impact exercise has on old bones. T’ai Chi is being taught in more and more retirement homes and nursing homes. I’ve reached my “senior years” and wish I’d started practicing it 20 years ago instead of merely five. Another case of hindsight...

T’ai Chi is a flow of movement utilizing five basic principles which open ‘gates’ to the movement of ‘chi’ throughout the body. Chi is defined as energy, which is blocked by tension, so relaxation is important. One of the first discoveries when beginning T’ai Chi is unrecognized tension points in one’s body. Try standing tall, feet shoulder width apart, neither pigeon-toed nor toed in. Find the crown of the head straight above the ear tips and tip your chin so it is at the top. Let the arms hang a little to the front. Now test for tension. Between the shoulder blades? In the hips? Shoulders pulled up toward the ears far more than necessary? Knees, perhaps? When you’ve consciously relaxed each area in turn, go back and check: In my case something somewhere will have tensed up all over again, but when I manage to free each area, I feel a tingling in the palms of my hands and warmth in other areas where tension has blocked the flow. (Most particularly that cold spot between my shoulder blades which is often chill enough my husband can feel the temperature change in my skin.)

The first T’ai Chi principle [1] is to relax but not collapse. The others, in no particular order, are [2] a straight spine, the full length suspended from the top of the head rather than held rigidly erect, [3] “beautiful lady’s hands” (place the forearm against a wall or table, hand flat and lift it away. You’ve achieved beautiful lady’s hands), [4] weight distribution (separating one’s weight from one leg to the other or sharing it between them, 70-30% or 50-50% during the form’s movements), and [5] turning the torso as a whole as if it were one of the Playing Cards in Alice in Wonderland. (In order to avoid twisting the spine, one’s turns are from the hips, using the ball and socket action found there.) Some people claim there is a sixth principal: [6] RELAX. Yes, I know we began with that, but once one concentrates on putting the others into practice, one needs to be reminded of the first!

The short form of T’ai Chi taught in the States has been modified into slightly varying forms. When inquiring into instruction I would ask about “soft” T’ai Chi. The soft version has east and west coast versions, which are slightly different and either is acceptable. Instructors who are primarily interested in martial arts will most likely teach a more strenuous version which concentrates less on meditation and inner stillness, which are central to the soft version.

The use of T’ai Chi is spreading widely. I have heard that a police training unit is attempting to add it to their required curriculum and a recent news item from the Australian Defense Force Academy says that “instead of staring the day with push-ups and five-K runs, the cadets find themselves on the parade ground at 6:30 each morning moving to the slow rhythms of T’ai Chi.”

One final point to consider concerning T’ai Chi: It brings immediate benefits in increased concentration, improved mental and physical balance, and once one has learned the form (which requires an instructor): it demands no special equipment, can be done anywhere, and requires little of one’s exceedingly valuable time.
**AAR Sponsors Seminar on Electronic Commerce at BookExpo**

**By MARIA CARVAINIS**

*The traditional world of publishing is being turned on its head. With the speed of the microchip, E-Commerce is creating new realities and dismantling established practices.* For the past decade, authors have experienced the microchip revolution primarily as PC-based word processing programs or, possibly using the Internet to send e-mail, establish a Web site, and do research. And so the traditional contract, with minor changes, has remained fundamentally intact and stable because the publishing industry was a mature industry, primarily status quo.

The author as the content creator licensed rights to the publisher who subsequently edited, printed, distributed and promoted the book. Sales were made primarily in a bricks and mortar retail store where each transaction was recorded and subsequently accounted for in royalty statements. When the book was no longer in print, published and physical copies were not in inventory and the book was declared “out of print.” Copyright laws protected the author while the cost of publishing books and sales distribution networks protected publishers and their territories. The system was predictable and thus the established author-publisher contract adequate. The rapid and unpredictable impact of E-Commerce in the past few years has necessitated a conceptual revision of the traditional contract.

The Association of Authors’ Representatives (AAR) has tracked these emerging E-Commerce issues in publishers’ boilerplate contracts for several years. The importance of understanding the paradigm of E-Commerce and its effects on the industry in general and contracts in particular has motivated AAR to sponsor a seminar on the subject at BookExpo in April 1999. Clearly, the more authors know about the seismic changes E-Commerce is producing in the publishing industry will make them savvier about the contracts they will sign in the future and their agents efforts to represent them.

The main focus of the seminar will be online book sales and their impact on territorial rights. Online sales over the Internet are a rapidly growing phenomenon. When the sale is entirely within one territory (i.e. the North American market), there is no territorial issue. However, the Internet is international and crosses territorial boundaries whereby an English reader in the U.K. can buy books from an American online bookseller in the States. The opportunity for this kind of sale becomes problematic when the book has been licensed to an U.K. publisher. Indeed, will an U.K. publisher want to buy rights if its contract has no real territorial exclusivity? And E-Commerce can only add more fuel to publishers’ desire for world rights.

Today, books are no longer being “published” in a traditional bound format; they are being “published” in electronic form to be downloaded from a server. *Monica’s Story* was recently released simultaneously in both formats. Owners of the new hand-held “Rocket eBook” reading device were able to download the book after ordering the Morton book online. Is the publisher acting here under the distribution clause of the contract or the licensing clause? The compensation to the author is significantly different.

*As publishers move to distribute books electronically, and they will do so with greater vigor, they will be spared a variety of costs* (printing, maintaining an inventory, shipping, and returns) thereby reducing their risks. It would appear that the author’s royalty or split should be higher for such electronic sales.

The reality of On Demand Publishing is another example of E-Commerce changing the landscape of publishing. Lightning Print, Inc., a division of Ingram’s distribution network, already has several hundred trade paperback titles online and plans to offer its first hardcover by April. Essentially, On Demand Publishing allows a reader to order a book through an online seller (e.g. Amazon.com) by electronic transmission of the order to Lightning Print who prints one copy of that title for next day shipment directly to the reader. Although secretive about economics, Lightning Print currently claims technology permits them to make a profit printing only one copy of a title. The implications for the industry are immense. Obviously there is a potential to control costs, including printing, inventory, and returns, for a publisher. This is especially helpful for small print runs of academic and fiction titles. But the question is raised then: when is a book out of print? With on demand printing the book is never “out of print” and thus rights cannot revert to the author. Effectively, the books a writer has or will sell are a sale in perpetuum.

**Clearly, the publishing industry as we have known it is facing a major upheaval.** The rapidity of change in the past few years is only a harbinger of what lies ahead. Therein, lies the central concern for authors and their agents. The publishing contract is designed to identify the author’s and publisher’s rights against a multitude of potentialities. But what is the future? All we know about the future is that it will be different. Numerous AAR agents are reporting from their individual negotiations with publishers that the uncertainty about the future of the industry has propelled many publishers to attempt a “land grab” of potential electronic rights on onerous terms. One major house has recently declared that their all-encompassing electronic rights terms are non-negotiable.

E-Commerce is already with us and informed authors are required. If you are at BookExpo we would strongly hope you would join us at the AAR seminar on E-Commerce scheduled for April 29, 1999 from 10:00 am to 12:00 pm.

Maria Carvainis is a long-time agent, owner of the Maria Carvainis Agency, Inc. She is a Board Member and Treasurer of AAR, and Chair of AAR’s sponsorship of BookExpo Rights Center. She is also the AAR’s liaison to Novelists, Inc.
Advocacy: A New Hat

Unless you read the “Breaking News” column last month, the new name at the bottom of this column may surprise you. It did me. As you all know, Cathy Maxwell has held the position of Advocacy Chair for the past couple of years, and has done a wonderful job. A few weeks ago, feeling that “fresh insight” was needed, she asked me if I’d be interested in taking over the position. I asked a few questions, mulled it over for a bit, and said yes.

Though I’m a charter member of NINC, and have been known to occasionally raise my voice on one issue or another, I’ve never held a position within our organization. It’s a lame excuse to say I’ve never had time; the Board and other volunteers who run things for us are some of the busiest people I know, and yet they find the time to do all the grunt work necessary to keep an organization like NINC humming along.

A more honest reason would no doubt be that I never saw myself as being the “type” to wear that particular hat. Other people founded organizations for writers; I wrote. Other people held office; I voted. Other people took up positions; I nodded approvingly and went back to whatever the current work-in-progress might be. The hat I wore was labeled writer and there never seemed to be room to add another one, even had I the inclination.

But as I approach my (Ye Gods!) 19th anniversary as a published writer, I find that it’s not only possible to wear another hat—it’s pretty much mandatory, or at least it was for me.

The publishing industry is changing so fast and in so many ways, none of us really has the luxury any longer to be “just” writers. Whether we work in tandem with an agent or go it solo, sell to a traditional publisher or an electronic one, we must all be aware of the changes—many of them wrought by new technologies—that all too often threaten to alter the way we work, the way we do business, even the way we live.

Advocacy. You know what it means. In this context: “The Advocacy Committee will serve to help identify areas of professional concern among the membership and to act as a catalyst for positive change in those areas of concern.”

Dunno about you, but I’ve been concerned about quite a few things in recent years. Electronic publishing, for one. Specifically, the tendency of traditional publishers to do their best to grab all electronic rights just in case they want to produce, or license, an electronic version of our print-published books—and to pay us an absurdly low royalty given their likely profit margin. Not only that, but electronic publishing in and of itself means we’re going to have to redefine the concept of “out-of-print” if we want to have any control at all over our work.

Speaking of which, I’m concerned by the reluctance of some publishers to revert out-of-print books back to the authors, and even more concerned by the fact that authors are letting them get away with it—despite the fact that we authors sell a license, not a book. A license which gives the publisher specific, legal permission to print and sell the book that we wrote and we own. If it is not in print, that license is not being exploited, and such rights should revert back to the originator of the work. I’m concerned that bookstores across the country are selling or renting ARCs and that Barnes and Noble online is still, as I write this and despite promises to the contrary, offering for sale used copies of in-print books—and ARCs. (I’m working on that, honest; since my editor at Bantam is honestly appalled that a company Bertelsmann just invested mucho bucks in is busy undercutting them by the practice, I have high hopes we’ll actually be able to get this stopped.)

Electronic publishing, reversion of rights, and the illegal sale or rental of ARCs. That’s probably enough to start with—just so I don’t drive myself completely nuts. (I’m wearing a wry smile here, in case you’re wondering.)

We all know the problems. They’ve been stated before, here and elsewhere. They have been and will be discussed, and as more information is gathered and more discussion takes place, we might even find a way to solve them. Or at least alter the parameters enough so we’re able to live with them.

What do I mean by that last comment? Well, take the sale and rental of ARCs, for instance. Conventional wisdom says we can’t do much about this because our publishers shrug it off and we writers can’t, after all, police all the bookstores in the country. But maybe we can. Or, at least, maybe we can all take steps to make the problem less pervasive.

Say, for instance, that I’m alerted by one of my readers (bless them!) that a particular bookstore is selling/renting copies of one of my ARCs. So I write a very strong letter to that bookstore, protesting their illegal sale/rental and stating that I will make it my business to see that no further copies of one of my ARCs are sold. So I write a very strong letter to that bookstore, protesting their illegal sale/rental and stating that I will make it my business to see that no further copies of one of my ARCs are sold. So I write a very strong letter to that bookstore, protesting their illegal sale/rental and stating that I will make it my business to see that no further copies of one of my ARCs are sold. So I write a very strong letter to that bookstore, protesting their illegal sale/rental and stating that I will make it my business to see that no further copies of one of my ARCs are sold.

What do I mean by that last comment? Well, take the sale and rental of ARCs, for instance. Conventional wisdom says we can’t do much about this because our publishers shrug it off and we writers can’t, after all, police all the bookstores in the country. But maybe we can. Or, at least, maybe we can all take steps to make the problem less pervasive.

Say, for instance, that I’m alerted by one of my readers (bless them!) that a particular bookstore is selling/renting copies of one of my ARCs. So I write a very strong letter to that bookstore, protesting their illegal sale/rental and stating that I will make it my business to see that no further promotional material is sent to that store. I ask my publisher to take that store off their mailing list and explain why, and I ask them to notify the store as to their reasons.

Will they do as I ask? Maybe. If my publisher is putting out ARCs of my work, the theory is that they’re trying to build my audience—so why wouldn’t they want to protest lost sales and the blatantly illegal use of promotional materials?

Yeah, I know. Theories don’t always translate into reality, and certainly not always into actions. And, yes, I take the chance of alienating those bookstores—but if lots of writers are doing the same thing, the bookstores can hardly stop selling all of our books, now can they?
Advocacy: A New Hat

Continued from page 7

They’d soon go out of business with that attitude.

And, besides, doing something is better than doing nothing. I can try, can’t I?

I think that’s going to be my mantra from now on. I can try, can’t I? I can take steps, and encourage other writers to take steps, to improve our lot. Can’t I?

I can educate myself about electronic publishing, gather all the information I can find and share it with other writers. I can begin or join in discussions online, via mail and phone, and at conferences, about electronic rights and what we writers can do to establish contractual language we can live with.

I can be aware of the fact that my backlist is an important tool in my career, and do everything I can to ensure that I have some control over how and when it is used.

I can ask my readers for help in monitoring bookstores, and make it clear to those bookstores that break the law that there will be a price paid for greed.

I can do those things. And so can you.

For more years than I want to think about, I heard my father saying over and over again, “If you writers would just stick together, you could make the publishers treat you fairly.” Naturally, my response was always that writers would not stick together in such a fight, because we were all far too aware of that very long line of aspiring writers just outside the door who were more than willing to accept unfair treatment if it meant getting published.

To which my father would always reply with a mild comment to the effect that we were published for a reason, because we were good enough, and that no publisher worthy of the name would boot out skilled and talented writers who did nothing more than demand fair treatment.

I’ve come to the conclusion that my father was right.

Don’t you hate it when that happens?

I think if I do nothing else as your Advocacy Chair, I will persuade you to believe that writers working together toward a common goal can accomplish their objective. Without shouting. Without being unprofessional. And without losing the respect—and, more importantly, the contracts!—of our publishers.

We can do this. We can effect real and lasting changes in our industry. All we have to do is decide on a few simple, logical, reasonable steps we as individuals can take in order to solve a problem—and then stick together.

So. Let’s talk about things, shall we? About whatever concerns you, even cabbages and kings. I’ve listed a few of my concerns, but you may have others you feel are just as important, and I need to know what those are. I need to know what you perceive to be the major problems facing us as writers as we head toward the new millennium. If you have suggestions as to how to deal with those problems, great; if not, your Advocacy Committee will kick it around and see if we can come up with something.

We can try, can’t we?

If you have a question or a concern, please get in touch. The best and fastest way to reach me is via e-mail: Khooper@aol.com. If you aren’t online, my number is 828-247-1523, and the machine is on 24/7, so feel free to call anytime.

I think I like this new hat of mine. I think it fits.

—Kay Hooper
Although I addressed the subject of authors' relationships with their agents in the October 1998 issue of Novelists' Ink, I have received another question on the subject.

**QUESTION 1:** Does the agency relationship terminate if one or the other party expires?

**ANSWER 1:** The answer is a clear No. Authors should be as careful about entering into an agreement with a literary agency as a publisher. In fact, perhaps more careful because the agreement with a literary agent will probably last longer.

Agency agreements state that the author has the right to terminate the agency agreement (some agreements say that the author can terminate the agreement at any time and some agreements say at any time after one year) but not as to any work which the agent has placed with a publisher.

Once the agent finds a publisher for a work, the agent has a continuing right to receive his or her agency commissions for that work for as long as the work is exploited by that publisher (and many agency agreements say as long as any other rights in the work are exploited by anyone).

Agency agreements usually state that the agent's right to receive commissions is irrevocable and that the right to receive commissions is assigned to the agent. What this means is that in the event of the death of the agent, his heirs and assigns (e.g. if the agency is sold) have a continuing right to receive agency commissions.

In the event of the death of the author, the author's estate or heirs have a continuing obligation to pay commissions to the literary agent. The courts have upheld these clauses in agency agreements. Read them carefully because although your agent may not be willing to make significant changes on these issues, you should at least understand what you are signing.

**QUESTION 2:** I am thinking of publishing a cookbook that will contain scores of recipes I've collected from many people who have been important in my life over the past 30 years. Is it necessary to track down and get permission for Great-Aunt Adelaide's Cherry Pudding and Holly Levine's Bran Bread?

**ANSWER 2:** The short answer is Yes. But let's talk about it. A recipe is copyrightable and so the author of a recipe owns the copyright in that recipe.

If you are using recipes that you have gotten from other people, technically you should receive a permission from that individual. However, the copyright in a recipe is rather limited and pertains to the exact listing of the ingredients in a particular order with specific measurements and instructions as to the cooking process.

Chefs have been creating their own variations on recipes for many years. You have the right to do the same thing if you cannot or do not want to track down individuals for permission for their exact recipes.

**QUESTION 3:** What happens if an author dies mid-contract—heaven forbid. Does the author's estate have to pay back the advance paid out on unfinished books?

**ANSWER 3:** Yes. The author's obligation to return an advance in the event of non-delivery survives death and therefore the author's estate has an obligation to pay back the royalty advance. However, if the amount of money is small, the publisher probably won't sue to recover the money.

— Alan J. Kaufman

Alan J. Kaufman has over 25 years of publishing legal expertise, including 19 years as senior vice president and general counsel for Penguin Books. He currently practices law with the New York-based intellectual property law firm of Frankfurt, Garbus, Klein & Selz where he specializes in publishing and media. For private, for-hire consultations, phone 212-826-5579 or fax 212-593-9175.

---

**Breaking News**

*American and Denise O'Sullivan will be Associate Senior Editor for Intrigue.*

- Kensington Senior Editor John Scognamiglio has been promoted to editorial director in charge of fiction. Kensington Senior Editor Carin Ritter has gone freelance and left the publisher. Tracy Bernstein has been promoted.
- Linda Grey is being replaced as president and publisher of Ballantine by Gina Centrello, who had the same position at Pocket until she recently resigned.
- Bouquet is a new line being published by Kensington/Zebra. It's a series, 70,000- to 72,000-word contemporaries. Four a month. It will be available in stores (Just like Harlequin/Silhouette.) It's launching in July '99. No supernatural or time travel.

**Virus Contamination Attachment**

The virus Happy99 has found its way as an attachment to the NINCLINK digest for 3/99. This happened by accident when a member with the virus posted a message to the loop.

**DO NOT DOWNLOAD OR OPEN THE ATTACHMENT.** Delete it immediately, and your machine will not be infected. If you have already done so, you may want to use the most recent updates of Norton Anti-Virus or MacAfee anti-virus program to remove the virus from your computer. Please note that you should NEVER download or open binary files or program attachments to e-mail messages that come from an unknown or untrusted source. The e-mail itself is usually harmless, but opening or running the attachment (and some mail programs will do this for you automatically) is where and when the harm can occur.

— Curtis Ann Matlock

**Amazon-T-M**

*Holt Uncensored*, an online newsletter for independent booksellers, recently reported that Amazon.com has begun advertising on automatic teller machines at Wells Fargo Banks, so that every time you get cash at a Wells Fargo machine, you'll get a blurb pushing Amazon. What with the Diet Coke campaign (where excerpts of prominent authors' books are attached to Continued on page 14*
When I recently heard that another author, one not in a completely different stratosphere to me was getting twice as much money per book as I am, I was not upset. Not envious. I was delighted.

Why?

One reason comes from the Bible. Any of you remember the parable about the owner of the vineyard who hired workers for the day at one unit of currency? (Let’s call it a dollar.) Later in the day, he decided he needed more, and hired them, again at a dollar. Toward the end of the day, he hired yet more, again for a dollar.

Of course, the first hired workers complained that they’d done a day’s work for a dollar, while the last hired had done an hour for the same pay. No fair! However, it’s clear that when they were hired for a dollar a day they considered it fair pay. All that changed is that others got more than fair. Got lucky, if you like.

If we are to assume that Biblical parables have meaning, then the meaning of this—from one of humanity’s spiritual leaders, no matter what our particular faith—is that we should not envy others their good fortune, and that we should assess fair value in absolute terms, not in relative ones.

So, I think I’m getting a fair advance. Therefore, I do not envy someone who gets more. It’s as rational to resent someone who wins a lottery on the basis that I bought a ticket, too. I can only assess the fairness of my own pay for my own work.

However, other people’s earnings put mine into perspective, giving me another measure of how my income relates to my sales and popularity with readers. I no more want to be underpaid than I want to be overpaid, and news of this author’s high advance could have been a useful wake-up call if I’d assessed it that way. I’d still have been delighted for her.

This situation turned my mind to the subject of money. Not the actual stuff and what it can buy, but the psychological effects of it and what it does to authors at every stage of our careers. I think it’s important to look closely at it, so that money in all its different aspects does not rule us, and more importantly, does not damage our creativity.

As an example, I was temporarily paralyzed by my first large jump in advance. I couldn’t write, because I was thinking, “I have to write books worth that? I’ll have to do something different, something extraordinary, but I don’t want to change.” Then a wise person I was gasping to said, “Jo, if they’re paying you that, you’re already writing books worth that.”
done. My first big book was sold as a partial, and after that big contract was signed, I suddenly realized that I was now expected to write ‘hundred-dollar sentences.’ I’d sit down at my desk, write a paragraph, and feel panicked that the words weren’t good enough.”

This is one of the key points of this article. Whether that “scary money” is $10,000 or $100,000, or $1,000,000, it’ll make us hyperventilate at the suddenly increased dollar value of our sentences. I doubt any of us want to avoid this particular form of stress—in the familiar words of Mae West, “I’ve been rich and I’ve been poor, and rich is better”—but we should remember that stress can harm, even good stress, and for writers it can harm the very thing we depend on for our success—our creativity. If we avoid the paralyzing shock, we might be tempted to change the style that has won us recognition for one we think more suited to the scary money.

“Making more money is both a blessing and a curse. The more you make, the more you have to lose. You wonder if you need to write a “better” book to justify your advance. Sometimes nothing you write seems good enough. You worry about “choking”, about losing everything to self-sabotage simply because some malicious demon is sitting on your shoulder and whispering in your ear that you really don’t deserve such good fortune. You’re not worthy.”

Another very successful author acknowledged the stress, but gave it positive twist. “If they’re going to pay me big bucks, I’d better damn well give them, and the reader, their money’s worth. I worry about this. Until I start the book. Once I’m writing, I don’t think about the money. The story comes first. That’s why, I like to think, they pay me the big bucks.”

That echoes my earlier point, and it’s worth repeating. Publishers rarely pay genre writers big bucks out of philanthropy. (We all know that they’re very charitably inclined to media stars.) If they come after us waving dollar bills, it means they think we’re already worth it, and have potential to be worth more. They hope, in fact, to be getting a bargain. (Which leads to the subject of multi-book contracts, but that’s another issue.)

Apart from shock and “hundred dollar sentences,” is there any downside to a big advance?

Yes. “Big money, while nice, also introduces its own set of pressures. Your editor, who made the offer, now has her career at stake if you end up being a big money loser. You begin to fret over the weekly sales figures, wondering why the sales are dropping off at Waldenbooks while they’re climbing at Barnes and Noble. Why your numbers on the USA Today list are falling so quickly. Whether that’s depression you hear in your editor’s voice, or merely distraction. Oftentimes, a writer’s spouse will quit his job, thinking that the family finances are now taken care of. Which means the writer is now the sole source of support, and she can’t falter, or allow herself to have writer’s block, or the bank account will suffer. And if there’s been much local publicity about the writer’s success, calls from charities begin pouring in, requests for money for this good cause or that good cause, while the poor writer sits at home, manuscript only half done, deadline looming in a month, and wonders if she is indeed a has-been who will soon be forced to dine on beans and peanut butter. These are pressures I never imagined when success was still only a dream.”

Sometimes it gets us both ways. “Being underpaid was a major stress factor before I got the new contract. Now my fear is that I will not earn out and will be considered overpaid, even though I feel I’m worth my current advance. So I’m stressed out either way!”

Consider these two contributions: “Realizing how hard I work, how many books I’ve written, and how little I’ve actually been paid has negative effects on my writing. It certainly affects my motivation. It’s harder and harder to sit down and write when you know your royalty rates are so low that there’s no hope of making a living at doing this.”

This is chronic stress, equally as hard as the pressure some high-earning authors feel, and without the rewards.

And then, of course, there is the uncertainty that hovers over every writer.

“I’ve had object lessons in success, watching it happen to other people. No writer I know thinks he/she has it easy—or has it made. This business breeds insecurity. The insecure are drawn to this business.”

“The writing career is full of ups and downs. One never knows what disaster lurks around the corner.”

“Even those making nice money, still have to live with the fear that next year their publisher will fold, the distribution will stink, a meteor will strike their manuscript...”

Since I was making so much, I encouraged my husband to quit his job and become a house husband. But now I worry that if I ‘choke,’ we’ll lose everything we’ve worked so hard for. If I can’t finish whatever current book I’m working on, that’s it. There’s no more money. I know these fears aren’t completely realistic because we could both go back to more conventional jobs if we needed to, but they feel realistic at midnight when I’m three weeks past my deadline and I’m so panicked I can barely breathe.”

We all live one book at a time, and so, unless we have periods of high earnings and invest, we know financial disaster hovers even at the shoulder of success. One author told just such a story.

“Over the years, I came to expect my income to go up each year. It was the only given in my life and gave me great confidence that I was doing what I was supposed to be doing. When the income stalled one season, I took a hard look at what was wrong, and fired my agent. My new agent got me a really nice piece of change and I merrily continued on my way. The extra money gave me confidence that I had earned my place in the market, and when I got particularly peeved with my day job, I threw it in my boss’s face and walked out. Then my agent went nuts and the income stalled again. I got a new agent and she really upped the ante and found me two new houses. I walked on air for about six months, when one of the...
houses collapsed their line and threw the baby out with the bathwater. Then the other house blew the promotion on my first book for them and the ship started sinking faster than I could bail. To say my confidence instantly deflated is a major understatement. To me, money equated quality."

There's another money aspect. The validation it gives that our work is good. "There's a part of me that keeps saying, 'If I were good, I wouldn't have to fit writing in around a full-time job and family. People would pay to read my words. I'd earn a good living at it...'."

Or, as another tough-minded writer sees it: "Lack of money means something is wrong, and if all else is corrected, continuing decline in money means I'm in the wrong business. It also means I'll work harder to skew my writing in the direction I believe is most popular, which is hideously difficult and warps creativity like you wouldn't believe...""

On the other hand, there are authors who have chosen not to let money be their benchmark. "I could stop writing today, return to my past career and make more money... but I wouldn't be as happy. I like this crazy business. I relate to the people, enjoy the fame, and take pride in a shelf full of books with my name on them. Money is an element of my feelings of success but not the basis."

"About ten years ago, I figured out that I would be getting only 36% of my work income in retirement. It seemed like a good idea to come up with a way to make additional income after retirement. I loved to read, and I always wanted to write, so I came up with the brilliant plan of becoming a published author. That way, I could make some money and have fun while doing it. Looking back, I think I was either incredibly naive or incredibly arrogant to come up with such a crazy, impractical way to ensure my future financial security. It's got to be sheer luck that things are working out."

"Sometimes I am very envious of what others make. I tend to think of those who earn a great deal of money per book as being perhaps less approachable and perhaps more arrogant."

"Everybody does seem to love a failure. There's no quicker way to find out whom your real friends are than to get a lucrative contract. Sometimes I have to be careful whom I confide in (or whine to). If you've got a friend who's making $3,000 per book with a 45,000 print run and you start whining that your publisher can't seem to get your print run past that crucial 500,000 mark, you may inadvertently step on her toes in a way you never intended to. It's always nice to have someone to share good news with and the higher you climb, the rarer those people are to find.""

"For the most part, the people around me believe that if my writing were worth anything, I'd be making a living at it. I try to tell myself their opinions don't matter, but let's be honest here. It hurts.""

Whichever, there are few of us free of the influence of money on our personal and creative lives, but my assessment is that it's a bell-curve like just about everything else. In the center bulge the effects are muted and at the very center authors are balanced about it; but at either extreme of money and/or personality, the effects can become intense. It's worthwhile to try to step back and see what money can do for and to us, and to prepare for money shocks down the road.

High writing income can be good.

It can impel us to work and try harder, both to be worth what we are paid and satisfy the hordes of readers we know are there just by a mental calculation of how many 8%es it takes to make the $xxx,xxx we earned on the last book. It can also cushion us in practical ways, making the writing process easier, and open opportunities for creative exploration.

High writing income can be bad.

It can be very stressful, and outright shocking in the case of sudden leaps in advances. We become aware of the many people in publishing who are depending on that next "hundred dollar sentence." The hordes of expectant readers the money represents can begin to look like piranhas ready to tear us apart; or perhaps our mental picture is empty of all but our friends and family. Who the heck is going to buy that higher print run? Success can have a negative effect on writing friends. It can make us blah, or inhibit us from trying new things.

Low writing income can be good.

It can make us work harder and strive for excellence to improve our careers; to achieve a financial mark of success or a sense of value in our work; to gain the respect of those around us; to be able to afford more time to write; just to be able to write at all.

Low writing income can be bad.

It can fill us with doubt, drain our self-confidence, and steal our time to write until we seem to be in a downward spiral that will toss us out of writing altogether.

What this illustrates is that in many ways money can be a half-full/half-empty mental item. However, there are some aspects that are real, including the intense business pressures of plenty and the practical difficulties of dearth. The main purpose of this and the subsequent article will be to share the comments I received, which will show there are many reactions to similar circumstances, and that we are not alone.
Ignorance can be bliss—though that is not necessarily a good thing—and I wonder how our reaction to money these days is shaped by the modern world of instant communication. When the idea for this article came up, I asked questions on NINCLINK, so my sources thus far are entirely from those who are on the Internet. I'd love to hear comments and experiences from those who are not on the 'net, or anyone else who missed the original call for input. I'll add it all to Part 2 of this article, to be published in a few months.

Anything will be in confidence. I cut out any identifiers and strip off the names of the contributors as soon as I enter the information into my file, and having a very leaky memory I don't know now who most of the authors are.

Send contributions to: Jo Beverley, 1067 St. David Street, Victoria, BC V8S 4Y7, Canada, or fax to 250-592-7578. (Please don't send between midnight and 8 am Pacific Time.) Or you can e-mail jobev@poboxes.com. I'll finish this section on some lighter notes.

"Yes, the money is lovely. The respect is even lovelier still. The joy of seeing my book being read by strangers in airports never fades. And ask any successful author: would you return to the days when you were still an unknown? The answer: Of course not."

**DISPATCHES FROM THE FRONT**

Dispatches from the Front is a “war stories” feature. If something funny, black comedy to slapstick, happens to you, send it in. Anonymity will be preserved, of course, if you desire it.

---

**Amidst the Wastes of Time, Part 1**

So my temperamental but trusty old DOS computer breaks down mid-book, and I discover that no one in the entire city repairs such artifacts anymore. If I don't want to go back to using a manual typewriter, I must finally buy (under protest and duress) one of those new-fangled machines. This is more traumatic for me than you can imagine, since I am the most techno-challenged person of this or any other generation. I can build a fire in the rain with green wood, plot a 500,000-word story arc, and conjugate Italian verbs in the subjunctive tense, but I cannot find the power switch on a Compaq computer—and I soon learn that most sales people can't either.

I discover that during the nine years since I last purchased a computer, no computer professional in the contiguous United States has yet learned to speak English. Luckily, I was a languages-and-linguistics major, so I sit down with a book and spend a week teaching myself computerese. (No, during this time, I do not manage to make progress on my book.) I return to the task of computer-hunting now armed with such speech as, "I want something in my price range which has 48 megs of RAM, a 20X CD-ROM drive, a zip drive, and a 56K modem on a sesame seed bun. Something that includes word processing software, please."

However, as sometimes happens in first-contact situations, I have evidently learned the wrong dialect: salesmen keep pointing to machines which cost more than my car and which come without a modem, a CD-ROM drive, a zip drive, or any software. Nor can any of them explain to me how these machines function, not even when I show a commendable willingness to communicate with gestures and facial expressions after language has failed us. I continue my hunt (without making any progress on my book).

In the end, I find a computer which meets my needs; I then go in search of a salesperson, who deigns to let me purchase it. I ask him to recommend a printer to go with my new computer, since I have carelessly neglected to read a textbook on printers. When I unwrap my new printer at home, the first thing that catches my eye is a red label warning me not to use this printer with the computer I bought in conjunction with it. When I phone the computer store, my salesman has been abducted by aliens, and his colleagues enjoy a few moments of mirthful glee over my naiveté; didn't everyone know that that printer wouldn't work well with this system? I suggest that more people might know it if this information were posted on the outside of the box rather than hidden in its interior; but this is evidently a naive consumer notion which will never catch on. After two more trips to the computer shop on the far side of the city, the printer finally starts speaking to the computer. (Sometimes.) But you mustn't think I'm bitter about those additional trips—I'd have to go anyhow, since the computer also won't work with my

---

Novelists' Ink / April 1999 / 13
monitor and it takes two trips to discover that the salesman sold me an adapter which is not only wrong for the system, but which even the professionals can’t figure out how to use.

A month later, after reading two more textbooks, I have nearly learned how to use the computer’s operating system. In the nick of time, too! It is already obsolete, the dinosaur of a bygone era, a soon-to-be-forgotten relic which has been surpassed by new technology. In other words, it’s been discontinued and I’ll soon have trouble getting more textbooks for it. (No, during this time, I haven’t really progressed on my book.)

Next, I move on to studying the word processing program. Although the program comes without documentation or a tutorial, the 500-page textbook I’ve bought to go with it explains to me how to fill “Document 1” with giant letters in Olde English Script. (Hey, be fair, you never know when you’ll suddenly need such a skill.) Unfortunately, it doesn’t tell me how to write anything besides the afore-mentioned Document 1. Nor does it explain how to access the incomplete novel, saved on floppy disk, which I commenced on my old computer. (As you may imagine, I’m not really progressing on said novel.) Nor does the textbook unveil the mysteries of creating the sort of ordinary manuscript format which I feel certain my editors will continue to expect of me regardless of my approaching mental breakdown. When I take a class, the teacher is bewildered by my insistent desire to know how to save my work to floppy disk, since it’s “unlikely” I’ll lose five months of work in a hard drive crash.

Unlikely. How do you like them odds? Me, I’m no gambler, and I stay after class so the teacher will show me the procedure, which is not included in the regular course curriculum.

I eventually draft several friends into helping me overcome these and other hurdles so that I can get back to work on my book, which really hasn’t been progressing. Around the time I finally master the basic functions of the word processing program, it becomes obsolete, a dinosaur, a... well, you know; everyone is switching to the new upgraded version.

Now, fumbling for my almost-forgotten novel amidst the wastes of time, I attempt to get back to work, putting faith in my brand new warranted equipment, feeling a fatal sense of security not unlike that of the French who believed in the Maginot Line...

To Be Continued...

Laura Resnick, award-winning author of sf/f, romance, and nonfiction and occasional contributor to Novelists’ Ink, does not intend to upgrade her equipment again until hell freezes over.
**GIVE ME LIBERTY OR....**

I guess I'm not cut out for life in our times. I have always thought that reading was a solitary thing or, at most, a dialogue between the reader and the writer. I am wrong, obviously. Oprah and what my wife calls humanity’s “inexhaustible appetite for petty tyranny” have combined to turn reading into a group activity that rivals church going for popularity.

My illumination on the subject comes from a recent piece in the *Wall Street Journal* that reports the social dynamic of reading groups is so firmly established in America today that a subculture has sprung up that makes its living from servicing the reading groupies...I mean group members.

Eileen Dasping of the *Journal* reports that nearly every Barnes & Noble superstore has at least one reading group attached to it. The two Tattered Cover stores in Denver have more than 400 groups attached to them (like lampreys, maybe?) and then there are now a thousand people who flaunt their literary good taste and perspicacity by claiming membership in something called the Association of Book Group Readers and Leaders.

Furthermore, in support of my suspicion that reading groups are expressions of the darker side of the reading impulse, there are apparently several unusually gifted cultural elders who are making $400 a session leading discussions and counseling reading groups that have become dysfunctional.

You know I might have to give up a bit of my writing time. Four hundred smackers an hour is mighty attractive, and I can be as opinionated and forceful as any book tyrant can. I'd probably be great at the job.

Dasping discovered that these group meetings and discussions are a natural hothouse for literary pretentiousness, but then I could have told her that a long time ago, just about the time Oprah selected Wally Lamb's second book for her on-the-air club.

Oprah is a grand merchandiser of a great many things, but mostly herself, and I am convinced she would rather die than publicly discuss any book that didn't have the implicit endorsement of America's highbrow literary establishment. I mean, has the woman ever plugged a book that didn't have the implicit endorsement of America's highbrow literary establishment? I am profoundly skeptical of the “literature as medicine” school of thought and it seems to me that book discussion groups are merely expressions of that impulse.

Nor do I think that the insights expressed by book discussants are important or revealing. As a matter of fact, I think they are as flawed as the opinions reached by focus groups and test samples. I think people tend to say aloud what they think others want them to say or what they think will impress others.

In other words, I think book club opinions are useful for establishing the conventional wisdom about a matter and not much else.

Which is why I tend to do my reading in the quiet and privacy of my own home. That way I only have my wife as a sounding board for my ideas and opinions. She usually nods without looking up from her own book and says, "Yes, dear, whatever you say, dear." That way I get all the intellectual support I need.

And it doesn't cost me $400 a session, either.

**THE LAST STUPID CUSTOMER**

The world is still abuzz about Amazon and the rest of the new e-merchants. Stock prices for some of the new online merchants are off their highs but there's still a lot of steam in the movement, and I ran across a couple of pieces in the last month that helped me to understand why.

From a relatively new magazine called *Red Herring* (named for the prospectus circulated with a speculative stock offering), I got a real education in the business model that is the basis of Amazon's operation, as well as the operation of dozens of other online culture mongers. The rationale is, or at least seems to be, counterintuitive; in other words, it doesn't seem to make any sense. But that's just on the surface. Down underneath, it's positively insane.

The best way to grasp what's happening is to look at a graphical representation of the comparative costs of a bestselling novel in various book outlets. As an example, *Red Herring* used Tom Wolfe's *A Man in Full*, which has a publisher's suggested retail price of $28.25. The magazine checked and found several traditional bookstores selling the volume for anywhere from $28.95 to $32.90. The very same book was being offered in the Wal-Mart book department for $21.89.

But the depth of the discounting in superstores and volume dealers like Wal-Mart was nothing compared to the pricing structure online. Amazon.com was offering...
Wolfe's book for $20.27, Barnesandnoble.com for $17.37, and Buy.com, the newest sensation on the Net, was offering the book for $14.48, just a little over 50 per cent of the suggested retail price.

In other words, Buy.com has to be giving the damn thing away, quite literally. And in truth, that seems to be the direction of a great many online retailing operations. The idea is what business types call “zero-margin merchandising.” In other words, they think they can literally do away with profit, at least on most of their sales.

If I had any lingering illusions about the viability of my small independent bookseller, they just vanished. Those folks don't stand a chance, and none of it has to do with the imaginary or real hidden discounts and secret deals between publishers and the chain superstores. It has more to do with the structure of the world that is being created by the Internet.

Idea is what business types call “zero-margin merchandising.” In other words, they think they can literally do away with profit, at least on most of their sales.

If I had any lingering illusions about the viability of my small independent bookseller, they just vanished. Those folks don't stand a chance, and none of it has to do with the imaginary or real hidden discounts and secret deals between publishers and the chain superstores. It has more to do with the structure of the world that is being created by the Internet.

Red Herring quotes Jeff Bezos, CEO of Amazon.com, as saying that sales and profits are not at all the measure of the potential worth of his business. Nor, for that matter, are the hyperinflated share prices of the Seattle company, which has yet to get into the black.

“Selling books, music, and videos is simply the first step in the ongoing migration of the $4 trillion global economy onto the Internet,” Bezos said. “Given that context, investors consider a few hundred million dollars a small price to pay.”

Bezos and his colleagues are trying to create a loyal audience of customers whose tastes and buying habits are well-known, documented with unnerving accuracy by the same computers that record Amazon.com orders and track your movements through their Web site’s software “cookies” and “intelligent agents.”

This kind of information is extraordinarily valuable to merchandisers, marketers, opinion surveyors, and the like. Some of the online retailers have only used such technological insights into your psyche to sell you more goodies; others have or will soon sell the information to other marketers at anywhere from 15 cents to 15 dollars per name and buying profile.

So that’s the secret. These Internet operators don’t need to make a profit on their sales. They can sell advertising space on their Web site pages and they can sell customers to other merchandisers, the book you think you are buying may be more like a premium, a Crackerjacks toy. The meat of any online transaction may well lie in the hidden aspects of the transaction.

So, in this light, it’s easy to see why the online book business is about to wipe out the little guys, the mom-and-pops that have to sell Tom Wolfe at pretty close to 30 smackers in order to stay in business.

There's another aspect of online shopping that has to be factored into the equation. It's sooo darned easy, if you take a moment to learn the ropes. Point and click, type a few strokes, search a few Web pages and shazamam, you can be as well informed about price and availability as any shopper in the world, certainly better than the ones who go from store to store, checking price tags and fondling the goods.

And nowadays, there are even online retailers whose principal function it is to comb the Web, looking for prices and availability. The value they intend to add to any transaction is in the searching. Buy.com, for instance, claims to do a daily scan of all Web sites and then to cut their price to below the lowest available elsewhere. The company got its beginnings in 1996, when it bought SpeedServe from Ingram Entertainment, an arm of the big book distributor.

Buy.com may well be the absurd extension of Alan Greenspan's irrational exuberance in the market. It could even be something of a scam. Its president has had some Securities and Exchange Commission problems in the past, and any time you get stock prices like the ones that are found in today's tech market, there's plenty of room for flim-flam, if not chicanery. But Buy.com's philosophy is entirely in keeping with that of other onliners, and Red Herring suggested that the company may well become the most successful startup Internet retailer in history, so it ought to be treated as a bonafide business concern until the trend changes.

What does that mean for us? A couple of things come to mind. First, sell any stock you might have in independent bookstores. Second, sell any stock in brick-and-mortar chain bookstores, too, or at least discount its value. Control of the future does not really lie there.

Third, think about checking your contracts to make sure you aren't going to be penalized when your publisher starts making special sales to some of the online marketers. Many literary contracts call for reduced royalty payments on such transactions, and it seems to me that as the piratical business of zero-margin marketing runs out of throats to cut, ours might start to look inviting.

So far, that hasn't been a big problem in our business, but the pressure on profits is just beginning. Writers are as vulnerable to change as anyone else in this new world spawned by technology.

And lastly, there is the matter of the public, the ultimate benefactor in this economic and marketing revolution. Prices on all kinds of goods are falling, and the sophistication of the customers is growing. Books, records, and computer software are all being deep-discounted. The smart shoppers know it.

I ran across a piece the other day in which a car dealer was complaining bitterly about the state of his business. What with online pricing guides and comparative shoppers, all his little secrets have been revealed.

“One day not too far in the future, the last stupid customer is going to walk through my front door and then my
business is going to be in trouble," the dealer grumbled.

Our customers, readers, are not stupid. They are likely to be ahead of the game, simply because books have been among the first products to be successfully marketed on the Internet. So we had best be aware of what’s happening out there. Otherwise we’ll be taken by surprise when the publishers start asking us to cut our profit margins, i.e., royalty rates, just like everybody else is doing.

**UP THE AMAZON WITHOUT A PADDLE**

Newspaper stories usually consist of one essential fact surrounded by all kinds of background facts to fill up the column inches. As often as not, these essential facts are not really new; they have existed for some time, often years, until they are brought to the attention of a journalist who picks them up like a crow picks up a shiny pebble that catches his eye.

And that’s the secret, friends, to manipulating the press: find a dirty old rock or a fact, give it a hard buffing and then present it to some eager young reporter, preferably a reporter for the New York Times, since all other reporters and news organs defer to the taste of judgment of the Old Grey Lady, as she is known in the business. Get a story containing one new fact into the Times and you can start a hailstorm of little newses drubbing down upon the head of whoever is damaged by exposure of the fact.

(That’s the other media secret to remember: somebody is almost always hurt by a news story and, conversely, someone else, usually the victim’s enemy, is helped.)

This backdrop is helpful in understanding what happened last month when the news broke that Amazon.com, the leading force in the online book business, was guilty of (gasp) crass commercialism. Amazon was selling product placement and what seems to be editorial endorsement to publishers.

What was more distressing, at least to the uninitiated, was the price tag attached to the display space. Amazon was charging as much as $12,500 for a top spot on one of the Web site’s category display pages. The package would also include an author profile or interview and what the Times called “complete Amazon.com editorial review treatment,” including a listing as one of the company’s books “destined for greatness.”

Within a day or two, the story cropped up on dozens of other news outlets. I was on the road and saw it in local dailies, national dailies, and all over the Internet. Did you know? Aren’t you shocked? Isn’t it awful?

Now I can’t say that I really did know Amazon sold its display. Frankly the question had never occurred to me. But if I had thought about it, I probably would have guessed the display space was for sale, in precisely the same way that display space on the table just inside the front door of my local Barnes & Noble superstore is for sale, in the same way that the bestseller slots at my local Thrifty Food Emporium are for sale, in the same way that rack space at Salty Jack’s Minimart is for sale.

I knew those places were for sale, directly or through the complicated and shadowy practice called “incentivization,” wherein retailers or distributors are encouraged to pay special attention to some titles by deep discounts, hidden rebates, or any number of other methods/incentives. But none of the stories I saw in the daily press made much of the fact that such promotional practices are commonplace, which is why I began to wonder where the story had really originated.

Amazon.com got a public relations smack in the chops as a result of the story, even through the reporters had a complicated time explaining exactly what was going on and what might have been wrong with it. The more thoughtful of them suggested that Amazon had some kind of special responsibility to the people who use its Web site, as though the Internet bookseller’s “recommendation” carries more weight than the implicit endorsement that attaches to a book listed as the “number 5” bestseller at Thrifty Foods.

Maybe Amazon.com does carry more weight, somehow, and therefore must be held to a higher standard. The company took the high road in the fracas and, after trying to justify its corporate practices for a while, shifted gears and offered a total refund to any reader who had bought a recommended book and was dissatisfied.

That’s how the game of spins and leaks and news manipulation ought to be played, from the advantage of the high ground, rather than from a defensive position.

In the end, the flapdoodle was not terribly important, except as an indicator of the stakes of the competition for reader loyalty. There are buckets of dollars at stake; several other large booksellers are putting together challengers to Amazon.com’s hegemony, and independent booksellers are more and more coming to the conclusion that the Internet purveyors of reading material are a bigger threat to their livelihood than are superstores.

Which leads me, with my nasty, cynical mind, to wonder who was the source of the initial information leak to the New York Times, where the story started. Since barnesandnoble.com and several other Internet booksellers are already selling display space on their websites, they probably weren’t interested in kicking over the anthill. Which leads me to the tentative conclusion that the documentation for the story probably came from some enterprising independent bookseller or perhaps from some organization that represents the interests of such folks.

Not that I am criticizing. It was a nifty little trick, if indeed that’s what happened. The source of the leak is to be congratulated for playing the game as it has come to be played.

I just wish that I had never been a reporter. Then I’d never have to bother to look behind the story at the facts and opinions and selfish interests that generated it. As a reporter, I was manipulated and massaged every day. People blew in my ear so often that I developed a fungus. But the canons of the profession required that I swear impartiality and fairness.

Now that I’ve burned my press card, though, I am a different man. I can declare my prejudices and flaunt my biases far and wide. And I can legitimately inquire into the biases and prejudices that are being served by
the stories I read. It's a healthier way to live, I think. There's a lot less stress and lots fewer stretches of my own credulity. The sad part of it is, though, that I can't look at a news story any more without wondering where it came from and who got stroked by it.

ONE SMALL STEP
Columbia Pictures announced last month that it has drafted a watershed agreement with the top writers in Hollywood whereby they may be compensated by percentages of gross receipts, just like actors and directors and producers.

Now that, my friends, is real news.

I've had a handful of Hollywood deals in my career, two of which even turned into finished films. I've had what is called "profit participation" in several of those deals, but my percentages were always in net profits, not gross receipts.

And percentages of the net are what Magic Johnson called "monkey points," meaningless because even the most successful films in history never seem to reach the level of net profitability.

But now Columbia has changed that. The top writing names in Tinseltown will be able to rake their extra profits off the top, before the slick accountants go to work on the books. Some of the top writers will be able to command as much as two per cent of total receipts, and it is expected that even lesser known scribes will eventually be able to cash in on box-office breakthroughs.

Much of the impact of the Columbia move is psychological. In fact, rival executives responding to the announcement told the Los Angeles Times that they thought Columbia was just trying to curry favor with writers at a time when the studio has fallen from the top ranks of the business.

But I don't care what the motivation was. I'm chuffed, as my friend Stella Cameron, would say. Writers need every bit of status polishing they can get. At heart, almost every creative project begins with an idea that is the product of a writer's brain. Pretty faces and great camera work are amply rewarded. So it should be for the wordsmiths.

Speaking of wordsmiths, if you want a little inspiration, go down to your local theater quick and see Shakespeare in Love. This is one of the few films I've ever seen that captures the agony and ecstasy of scribbling down words on the page. Besides that, it is a funny, sexy romp and the language is every bit as bright and interesting as it should be in a film about the Bard.

And no, I don't have any points in the damn thing. But if you wondered, you're learning.

- Evan Maxwell

---

Why Should I Go to Savannah?

With so many conferences to choose from, why should a writer attend the NINC conference instead of one of the others? The answer, of course, depends on what a writer wants to get out of a conference. If a writer wants an opportunity to meet fans and do autographings, NINC isn't the right conference. If a writer wants the opportunity to speak on a panel to unpublished writers, NINC isn't the right conference.

However, if a writer wants to network with peers, learn the latest industry news straight from the source, get tips from those who know, and share experiences and strategies and techniques, then NINC is the right conference. At the NINC conference, you can:

- Let your hair down and tell it like it is: Our Author Discussion Groups and Night Owl Sessions are for NINC members only. Here people say what they think and tell what they know.
- Hear from the experts: In our Professional Discussion Groups, the experts talk about subjects on which authors can only conjecture. At the Lake Tahoe Conference last year, our members were astonished and enlightened by what agents and editors had to share. You can look forward to new revelations in Savannah.
- Broaden your horizons: Ever wondered how to assert yourself in this business without being obnoxious? Ever worried about your financial future? These are only two of the topics that outside speakers will address at our Special Presentations.

Do you want to learn and grow as a writer? Do you want to be more knowledgeable about the business end of the business? Do you want to network with friends old and new? Then NINC is where you should be in October.

And if you have an idea for something you'd like to see addressed at the conference, please let me know!

Contact me at:
563 56th Street, Altoona, PA 16602; phone 814-942-2268; fax 946-4744; or e-mail: VESTinPA@aol.com

See you in Savannah!

- Victoria Thompson, Conference Coordinator

---
I'd like to begin my first column by commending Brenda on the wonderful job she did for three years keeping us updated on the fast-paced and ever evolving Internet and online communities. Her column was one of my favorites, and I was always amazed with the information she shared. Following in her footsteps is a bit daunting so I invite you to let me know if I'm not meeting your needs or expectations with the column or if you have information to share.

At the risk of making myself obsolete before I've barely begun, let me recommend a site that will deliver a daily "tip" to your e-mail address: w.dummies.com. You can select from topics such as software, hardware, or the Internet.

Although they can generate overwhelming e-mail, several listserves now attempt to address a writer's specific needs. The Research list is for writers, researchers, and others needing questions answered. To subscribe, send a message to prock-research-on@mail-list.com.

Southern Writers is for writers of all genres, fiction and nonfiction, whose articles and books are set in or are about the South. To subscribe, send a blank message to southern_writers-subscribe@onelist.com.

The Western Historical List is devoted to writers of western historicals. According to Rachelle Morgan, "the research opportunities are incredible! Everything from recipes to guns are discussed." To subscribe, send e-mail to whr-request@MailingList.net and type "subscribe" in the body.

To subscribe to the Historical Fiction list, send a blank message to Historical_Fiction-subscribe@onelist.com. Anna Jacobs says, "It's useful for historical information, though most members are not published. They sure are into research."

The Multicultural Writers list is open to any published popular fiction writer interested in writing ethnic characters of any sort. Barbara Samuel approves subscription requests. "We've been on for about a month and it is an intelligent, polite, thoughtful group." The address to subscribe is www.onelist.com/multiculturalwriters or e-mail Barbara at samuel@rmi.net.

Scribelink provides discussions for writers serious about screenwriting with a deep desire to share knowledge and learn. For more information or to subscribe, go to http://rdz.stjohns.edu/lists/scribelink/. While you're on the Internet, check out Terey's recommendation, Drew's Script-o-rama, http://www.script-o-rama.com. The site has a large selection of new and old film and TV scripts and transcripts to read online or download for free.

If there isn't a listserv available to meet your individual needs, create one at www.onelist.com. The listserv options include restricted (Useful when you want the ability to approve subscribers), announcement only (Ideal when you want to disperse information without interaction from subscribers. Their posts are not processed to the listserv so unwanted mail is eliminated), and moderated (Useful when you want to approve posts to maintain the purpose of the list).

If you don't have time for listserves but need information on a specific topic, you can go to www.dejanews.com and type in the desired subject. From all registered listserves, it will list the posts that have your requested topic mentioned. Select the post and the information is displayed. Wondering if any readers are discussing your books? Type in your name or your book title—but only if you really want to know what they are saying.

And, of course, don't forget the best, most informative listserv of all—NINCLINK. To subscribe, just send an e-mail:

To: LISTSERV@PEACH.EASE.LSOFT.COM
Subject: Your-NINC-Membership-Name (as it appears in the roster)
Body: SUBSCRIBE NINCLINK Your-First-Name Your-Last-Name

Until next month, please send me any notable online news at LorraineHe@aol.com. And as Brenda would say, see you online!

— Lorraine Heath

The following authors have applied for membership in NINC and are now presented by the Membership Committee to the members. If no legitimate objections are lodged with the Membership Committee within 30 days of this NINK issue, these authors shall be accepted as members of NINC:

New Applicants
Laura Baker, Albuquerque, NM
Pat Hamon (Patricia Roy), Duluth MN
Marguerite (Marge) Smith (Elizabeth Sinclair), St. Augustine FL
Cynthia Thomason, Davie FL

New Members
Kristin Eckhardt (Kristin Gabriel), Campbell NE
Joanne Pence, Novato CA
Ginny Schweiss (Jenna McKnight), Wilwood MO
The Fast Track is a monthly report on Novelists, Inc. members on the USA Today top 150 bestseller list. (A letter “n” after the position indicates that the title is new on the list that week.) Members should send Marilyn Pappano a postcard alerting her to upcoming books, especially those in multi-author anthologies, which are often listed by last names only. Marilyn’s phone number is 918-227-1608, fax 918-227-1601 or online: pappano@ionet.net. Internet surfers can find the list at: http://www.usatoday.com.

Members who write under pseudonyms should notify Marilyn at any of the above “addresses” to assure their listing in “Fast Track.”

<table>
<thead>
<tr>
<th>Member</th>
<th>Title</th>
<th>Feb 4</th>
<th>Feb 11</th>
<th>Feb 18</th>
<th>Feb 25</th>
</tr>
</thead>
<tbody>
<tr>
<td>Susan Andersen</td>
<td>Be My Baby, Avon</td>
<td></td>
<td></td>
<td>121n</td>
<td>64</td>
</tr>
<tr>
<td>Sandra Brown</td>
<td>Send No Flowers, Bantam</td>
<td>88n</td>
<td></td>
<td>75</td>
<td>89</td>
</tr>
<tr>
<td>Sandra Brown</td>
<td>Sweet Anger, Warner Vision</td>
<td>64</td>
<td>106</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Catherine Coulter</td>
<td>Mad Jack, Jove</td>
<td>31</td>
<td>40</td>
<td>80</td>
<td>105</td>
</tr>
<tr>
<td>Catherine Coulter</td>
<td>Calypso Magic, Topaz</td>
<td></td>
<td></td>
<td></td>
<td>118n</td>
</tr>
<tr>
<td>Jennifer Crusie</td>
<td>Tell Me Lies, St. Martin’s Press</td>
<td>187</td>
<td>123</td>
<td>97n</td>
<td>40</td>
</tr>
<tr>
<td>Christina Dodd</td>
<td>The Runaway Princess, Avon</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Kathleen Eagle</td>
<td>The Last True Cowboy, Avon</td>
<td>105</td>
<td>128</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Julie Garwood</td>
<td>Ransom, Pocket</td>
<td>25n</td>
<td>30</td>
<td>45</td>
<td></td>
</tr>
<tr>
<td>Heather Graham</td>
<td>Glory, Topaz</td>
<td>74</td>
<td>142</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Joan Johnston</td>
<td>The Bridegroom, Island</td>
<td></td>
<td></td>
<td>38n</td>
<td>20</td>
</tr>
<tr>
<td>Jayne Ann Krentz</td>
<td>The Cowboy, Mira</td>
<td></td>
<td></td>
<td>112n</td>
<td>38</td>
</tr>
<tr>
<td>Stephanie Laurens</td>
<td>Scandal’s Bride, Avon</td>
<td></td>
<td></td>
<td></td>
<td>88</td>
</tr>
<tr>
<td>Elizabeth Lowell</td>
<td>Fever, Mira</td>
<td>147</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Linda Lael Miller</td>
<td>Springwater Seasons: Rachel, Sonnet</td>
<td>119</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Linda Lael Miller</td>
<td>Springwater Seasons: Savannah, Sonnet</td>
<td>112n</td>
<td>74</td>
<td>82</td>
<td></td>
</tr>
<tr>
<td>Susan Elizabeth Phillips</td>
<td>Lady Be Good, Avon</td>
<td>55</td>
<td>82</td>
<td>146</td>
<td></td>
</tr>
<tr>
<td>Amanda Quick</td>
<td>With This Ring, Bantam</td>
<td>27n</td>
<td>19</td>
<td>37</td>
<td></td>
</tr>
<tr>
<td>Nora Roberts</td>
<td>The MacGregors: Alan, Grant, Silhouette</td>
<td>14</td>
<td>22</td>
<td>37</td>
<td>46</td>
</tr>
<tr>
<td>Nora Roberts</td>
<td>Inner Harbor, Jove</td>
<td>30</td>
<td>37</td>
<td>51</td>
<td>57</td>
</tr>
<tr>
<td>Nora Roberts</td>
<td>The Perfect Neighbor, Silhouette</td>
<td>278</td>
<td>84</td>
<td>102</td>
<td>130</td>
</tr>
<tr>
<td>Meryl Sawyer</td>
<td>Half Moon Bay, Zebra</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Joan Wolf</td>
<td>The Pretenders, Warner</td>
<td>141</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

* et al.: written with other author(s) who aren’t members of Novelists, Inc.