



## Translations & Publications Management Toolkit

### Best Practices in Editorial Management

#### EDITORIAL BUSINESS BACKGROUND

- Outline the professionals, the investments, the available space versus needed space that publishing a book or/and manual would take. Draft the steps by making questions such as, for example, who will be in charge of getting it printed and receiving it back from the printing house; where the physical copies will be stored; which are your sales channels; how much will the association need to invest to start; what is the expected revenues to break even; who will be responsible for tracking the sales and the stock; who will be in charge of shipping and interfacing with the end customer, etc.

#### COVER PRICE

- Capture all of your costs involved in the production and minor overall administrative cost. With that in hand, calculate the cost of each unit. After knowing your cost per copy, you can reach to a working cover price.
- Regarding the elements that get into the calculation of a good working cover price, the cost of production typically represents 20% to 30% of it. The production cost involves everything related to the final format of the book or manual, such as translation, proofreading, editing, graphic design, printing, etc.
- After the cost of production, the next relevant variant is the royalty rate. In the case of KRI books, the royalty rate for General Publications (books that are not Teacher Training materials) is 10%. For Teacher Training manuals and textbooks, the rate is 30%. After that, you have around 1,5% as stock and administrative costs, other 1,5% as marketing and promotion, and around 30% to 50% as “sales scenario” – the discount generally given to wholesales. To close the calculation, you have the 15% to 25% as profit or translation fund – this percentage represents the cash flow that will keep the projects going on.
- Depending on how much you would rely on wholesales to get the publications out and far to the end customers, you may reach a markup that represent 300% of your production cost. Sometimes this is simply not workable but you should have that in mind to ensure you maintain a good profit margin for both retail and wholesale sales. This could avoid future predictable headaches when it comes the time for you to prepare your final report of sales and royalties. Just remember that the royalty rate refers always to the cover price not to the wholesale price.
- In terms of translation fund, you can even set it separately from the profit margin. You may want to guarantee that, independently of how your company (or the National Association) will use the profit margin, there will always be a fund for next translations. In such a case, you can set 20% as profit and 15% as translation fund.
- Anyhow, the one thing all publishers must have in mind when reaching to a good cover price is sensing if the final price is cost attractive to the end customer. We normally do that by comparison with other publication that holds similar features to the one we are producing and selling. These relevant features are things like number of pages, quality of the paper, quality of



the book cover, if it's a translation or original work, number of colors used on printing, etc.

- You may take this opportunity to ask for quotes from different printers and print on demand suppliers, as well as to get to know the features of the editorial industry. Search for different and cheaper papers and check with your local printer the best economic sizes for printing books. Some countries waive taxes on a special paper, commonly used for printing educational materials. You may want to check this out.

## TRACKING SALES

- Know which are your selling channels from the start. It determines the success or failure of your editorial endeavor. Wholesalers frequently ask for up to a 50% discount on the book cover price – although there might be some of them who expect less, around 35% to 40%. If you don't estimate those expenses on your product list price, you most probably will not be financially sustainable.
- Find a sales tracking tool that fits best your business. You will need to have trustful recorders of your total sales when you report the royalties due, as detailed in the Foreign Publication Agreement (FPA). Please note that the copyright percentage is based on the work cover price – before any tax, fee, or discount applied to the sales.
- You will be provided with a Royalty Form with which you will report no later than March 31<sup>st</sup> of each calendar year the sales occurred between January and December of the preceding year. Using the royalty form, you fill out for each publication information such as the number of copies produced, the cover price, the currency rate, the number of copies sold and the amount due as royalty.

## POST-PRODUCTION PHASE

- You did all the proper work so that your translation and publication project have the best editorial quality possible. The book is out there, and readers recognize your hard work. There are more things, though, to do and keep track of, especially in regards to the clauses you agreed upon when signing the Translation and Foreign Publication Agreement.
- Make sure you read and understood the clauses you agreed upon when signing the Translation and Foreign Publication Agreement. As requested, be sure to mail three hard copies of the work to KRI as soon as you get your first print run. And do remember, whenever requested, to send the digital files of the work to KRI for archival purposes.
- Communicate with KRI Coordinator of Translations & Foreign Publication, through the email [translations@kriteachings.org](mailto:translations@kriteachings.org), each time you make a new print run, also informing the number of copies produced.
- Keep your Foreign Publication Agreement valid and up to date. Take note of the expiration date and submit a renewal request one month before its termination. If your first print run is already gone and your agreement is about to end, submit your renewal request before you proceed to printing more copies.