KENNEALLY: Craft beers, artisanal cheeses, small-batch bourbons – these and many other niche businesses thrive today by providing quality products for audiences seeking value and exceptional experiences. So why not small-batch publishing?

Welcome to Velocity of Content. I’m Christopher Kenneally for CCC.

Caleb Mason runs Publerati, his independent publishing enterprise, from his home on a coastal Maine island reached by a 75-minute ferry ride. There, he happily publishes books like the novel *Mother Tongue* by Joyce Kornblatt, a once-bestselling author whose later work was turned down again and again.

On Vinalhaven Island, Caleb situated his business among the lobster boats and the summer cottages by relying not only on good writing, but technology as well. The key to success, he says, is a focus on scale – same approach as at your favorite microbrewery. Welcome to the program, Caleb Mason.

MASON: Hi, Chris. Thanks so much for having me.

KENNEALLY: We’re looking forward to this discussion. It takes us way off where we usually are – in fact, off the coast of Maine. I suppose when it comes to working from Vinalhaven Island, you really are defining the term remote work.

MASON: Yeah, that’s very, very true. Island life in general presents challenges, but technology has made this possible, and I’m so grateful, because I love being able to live and work here.

KENNEALLY: Well, briefly tell us about the setup. I mean, it is a pretty remote island. We’re speaking to you in the middle of winter. It’s been a rough winter at times this year. So the isolation, at least physically, is pretty intense. But the technology, as you say, allows you to connect. There’s no bridge to the mainland, but you make that bridge in a digital way.

MASON: That’s certainly true. And it’s interesting. There are a lot of paradoxes about living on an island, because even though we are remote, the community is very tight-knit, and people pull together to help in any number of ways. But really, I was surprised at the
technology out here. We have Spectrum broadband, and it works just as well as it did on the mainland. And if the power goes out, the island actually has a backup generator, so our power tends to go out for less time than it does on the mainland often.

KENNEALLY: And that remoteness, though, gives you some space, some freedom, some chance to think and do the work that you really want to be doing free from distractions.

MASON: Yes. I mean, I like the ability to be away from the herd, if you will. I worked for a tech company here in Maine, where I would travel to Silicon Valley and come back to Maine, and we would think and really try to process how much of what we heard was hype and how much actually seemed like something that could amount to a viable enterprise. So I like that ability to go in where it’s all happening, but also to extract myself and to think and be in a place where there’s a lot of creative people as well.

KENNEALLY: Well, over your career, you’ve worked in a variety of industries, including traditional publishing, and it’s from that perspective that you established Publerati. Tell us about what you’ve learned at those various industries. I believe at one point, you worked in the film business.

MASON: Well, yes, people joke with me – they call me the closer, and that’s not because of my sales potential, but all the places and industries I’ve worked in that are no longer viable. I would say the biggest experience for me, other than being merged out of traditional publishing through acquisitions, which was when I was a young man, was working through the death period of traditional film, film developing, and cameras in the 1990s. It was just an enormous challenge, because the investment and infrastructure in that industry was way bigger than book publishing has, and it was all going to go away. And everybody knew that, but there was still the denial. I remember meetings with Kodak executives back then, and the smugness that came through and only the interest in measuring within the industry and not looking at what was happening outside just seemed like it was very dangerous. So I actually managed to leave as the whole ship was going down and went to work in the early days of GPS and digital mapping. That was a good move on my part.

KENNEALLY: You began to equate yourself with the digital world, and you’ve relied on that, clearly, for your success at Publerati. And I believe you saw ebooks as really an opportunity to make the leap into publishing on your own.

MASON: Yeah, I mean, it was because of ebooks that I’m doing this. I wouldn’t be doing it without the promise of digital. It’s just such a revolutionary opportunity to be involved inside a network. That’s the big thing of my lifetime is personal computing and the networking of people and content. So as much as I love physical books, and I have tons of them, the ability to get any book you want whenever you want it, to always have it be in
stock, was just something that I felt was a technological innovation unlike anything I had seen coming within the publishing industry.

So I’ve gone at it differently than the traditional publishers. I do paperback editions and I do ebooks, and I price them $10 apart, thinking it’s worth $10 more for the person who really wants paperback. But all my ebooks are under $10, because for digital content to compete with other digital content, like Netflix and everything else we’re used to, the pricing needs to make sense in the overall marketplace.

KENNEALLY: And you just don’t think that $27 for a hardcover book makes sense at all. Further, you don’t think that people in publishing really ask themselves whether it does.

MASON: Well, it was odd for me to come back to book publishing after working in other industries where we did a lot of consumer research, and pricing is one of the most important aspects of product selection. I just felt like book prices just kept going up from when I had been there decades before, and it didn’t really matter what that meant in terms of volume of sales or who was buying the books.

So I happened to have a conversation with a bookseller friend. I began in bookselling before publishing. And he was bemoaning the hardcovers that were pushed on them as a small store, that a hardcover novel from an unknown writer was something that he rarely could sell and that the pricing had just gotten so mucked up. You can see this on Amazon for any number of books. Oftentimes, the hardcover is selling for less now than the ebook and the paperback, because it’s been out the longest, and the inventory’s there to move.

But I do think a lack of thought or research – maybe there is research I don’t know about. But my sense is book prices just kept going up, and to make the publishing financial accountability work – I remember there was a sheet. I don’t know how it works now. But to justify publishing a new book, you had to take into account the line for fixed overheads, variable overheads, royalty rates, and you could adjust the retail price to make that all work. But that really doesn’t make sense, because there are confines to what a book can sell for.

KENNEALLY: Well, let’s talk about your business model and how you make it work when your prices are $9.95 for an ebook and $19.95 for a paperback. What’s behind it? What are the arrangements with authors, with distributors, and how do you achieve that scale that you’re after?

MASON: It is really all about scale, but I suppose more so, that scale’s made possible by technological advancements. So print-on-demand printing – all my books are print-on-
demand available. So there has to be an order in hand for the book to be printed and to ship to whoever it’s going to go to.

And by going that route and not having the inventory overheads, I just figured that made sense for the kind of novels I’m publishing. They’re literary fiction novels. Their market is going to be small. So the challenge really is and was how do I make it viable so that authors who are being shut out because their scale is too small at the big factories, if you will – how do I make that work for this other group of people who are still deserving? And the only way to do that was to keep costs incredibly low.

I do most of the work myself other than graphic design. I do the acquisitions. I actually pay authors higher royalty rates than they get from traditional publishers, but I don’t pay advances. I actually don’t believe in advances. I know the literary agents will love this. But it’s just – you know, why take a risk on buying something sight unseen? And just all the problems it creates downstream with overprinting to earn those books back, the returns rates from bookstores that cause them to go into reverse flow – I just wanted to try something different.

These conversations took place in book publishing 40 years ago when I was there about advances and royalties, and I imagine they still do, but I have the luxury of owning this business outright myself and being free – it’s my money, it’s my investment – to try different ways and to really solve the main problem, which is how do we keep these good authors like Joyce Kornblatt, who you mentioned, who I can’t believe fell through all the cracks in publishing for a novel that’s so good, and it’s gotten blurbs from Jane Smiley and other people. It’s genuinely, objectively a work that should be published and should probably be published by a large publisher. But it didn’t, so that’s good for me. I’m happy to try and acquire those scraps, if you will, that I think are very worthwhile scraps.

KENNEALLY: How did you land Joyce’s book? As you say, she had been a bestselling author in the past in the 1980s and 1990s, but became disillusioned enough with the industry to move all the way to Australia. Pick up the story from there.

MASON: Well, I’m not sure she moved to Australia because of that, and I’m not sure she was bestselling. She was reviewed everywhere that the best writers were reviewed. I connected with her when I made a post on a mutual friend’s page on Facebook, believe it or not, and we both reached out to each other in unison. I think she checked me out and I checked her out, and I remembered her name, and then I got her story.

And as I do with all authors, I really like to make sure they understand what I’m capable of doing, what I’m trying to do, and to make sure they haven’t already exhausted other opportunities. She’s just someone who lost her editor at Viking a long time ago. I think
her agent – either she lost her or she wasn’t able to make inroads anymore. So I think she’d kind of given up. And she was published in Australia, and she sent me the book and I read it, and it was just so obvious that it was at a higher level than most of what’s published. I actually think it’s one of the best novels I’ve read in the last five years, and the reviews of it are carrying that out.

So it was really back to my initial premise, that the problem isn’t the content. The problem is the delivery challenge of the content and the scale that’s needed to justify publication. So maybe there’s upside to her book. I certainly hope there is. That would be great for me, because it is all a crapshoot in book publishing for new books, as opposed to backlist. I wish I had a backlist. I know how important backlist is. And I don’t, really. But I’m out there playing a different game, trying to find new ways for deserving writers.

KENNEALLY: Well, the upside here is for readers, at least, Caleb Mason, because they are able to find books like Joyce’s through you.

MASON: Well, yes, I hope it’s beneficial for readers. When I think about the value proposition, I think about, OK, so far, the problems I’ve solved the most have been for authors, and I think authors as my customers are the happiest. That’s not to say they don’t wish I could do better for them, and I keep trying. But then also for readers, I’m really interested in that when I hear from readers directly, as one can nowadays with all of Goodreads and Amazon reviews and all the rest of it, to hear how much they loved the book. I know every author, no matter where they’re published, loves that feedback from a single human being who really got their work, because it’s a ton of work, and it’s nice to get that reward.

So I think that’s – my ongoing challenge for growth will be to get more readers. And I tried to create a business model around a goodwill model for promoting literacy that would cause people to almost see me more like a book club or a collection, where they know when they buy something from Publerati, they’re getting a certain quality within a certain niche genre. Back to microbrew, I only make so many types of beer here. So that’s really the overall strategy for what I’m doing.

KENNEALLY: Well, cheers to that, Caleb Mason with Publerati. Thanks very much for joining me today.

MASON: It’s my pleasure. Thanks so much for having me.

KENNEALLY: That’s all for now. Our producer is Jeremy Brieske of Burst Marketing. I’m Christopher Kenneally. Thanks for joining me on Velocity of Content from CCC.

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