

How I Became a Best-Selling Author

Self-publishing is upending the book industry. One woman's unlikely road to a hit novel.

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This summer, Darcie Chan's debut novel became an unexpected hit. It has sold more than 400,000 copies and landed on the best-seller lists alongside brand-name authors like Michael Connelly, James Patterson and Kathryn Stockett.

It's been a success by any measure, save one. Ms. Chan still hasn't found a publisher.

Five years ago, Ms. Chan's novel, "The Mill River Recluse," which tells the story of a wealthy Vermont widow who bestows her fortune on town residents who barely knew her, would have languished in a drawer. A dozen publishers and more than 100 literary agents rejected it.

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"Nobody was willing to take a chance," says Ms. Chan, a 37-year-old lawyer who drafts environmental legislation. "It was too much of a publishing risk."

This past May, Ms. Chan decided to digitally publish it herself, hoping to gain a few readers and some feedback. She bought some ads on Web sites targeting e-book readers, paid for a review from Kirkus Reviews, and strategically priced her book at 99 cents to encourage readers to try it. She's now attracting bids from foreign imprints, movie studios and audio-book publishers, without selling a single copy in print.

The story of how Ms. Chan joined the ranks of best sellers is as much a tale of digital marketing savvy and strategic pricing as one of artistic triumph. Her breakout signals a monumental shift in the way books are packaged, priced and sold in the digital era. Just as music executives have been sidestepped by YouTube sensations and indie iTunes hits, book publishers are losing ground to independent authors and watching their powerful status as literary gatekeepers wither.

Self-publishing has long been derided as a last resort for authors who lack the talent or savvy to hack it in the publishing business. But it has gained a patina of legitimacy as a growing number of self-published authors land on best-seller lists. Last year, 133,036 self-published titles were released, up from 51,237 in 2006, according to Bowker, a company that tracks publishing trends.

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A handful of self-published authors have achieved blockbuster status, selling more than a million copies of their books on the Kindle. While they represent a tiny minority of independent authors, the ranks of the successful are growing. Thirty authors have sold more than 100,000 copies of

their books through Amazon's Kindle self-publishing program, and a dozen have sold more than 200,000 copies, according to Amazon. The program, which Amazon launched in 2007, allows authors to upload their books directly to Amazon's Kindle store, set their own prices and publish in multiple languages. Barnes & Noble followed suit in 2010 with a similar program for its Nook e-reader.

Self-published titles have been buoyed by an explosion in digital book sales. E-book sales totaled \$878 million in 2010, compared to \$287 million in 2009, according to the Association of American Publishers. Some analysts project that e-book sales will pass \$2 billion in 2013.

The march of self-published authors has put publishers and literary agents on guard. Publishing houses like Penguin and Perseus have recently launched their own digital self-publishing programs in an effort to capture a slice of the mushrooming market. Some agents, including Scott Waxman, have started their own digital imprints.

Digital self-publishing still has serious drawbacks. Though e-books are the fastest-growing segment of the book market, they still make up less than 10% of overall trade book sales, according to the Association of American Publishers. Book reviewers tend to ignore self-published works, and brick-and-mortar bookstores have long shunned them. And very few authors have a marketing and advertising budget equal to a publisher's.

Several successful self-published authors have gone on to cut deals with major publishers. After selling around 1.5 million digital copies of her books on her own, 27-year-old fantasy writer Amanda Hocking signed with St. Martin's Press. She won a \$2 million advance for a new four-book fantasy series called "Watersong"; St. Martin's will also reprint her best-selling self-published "Trylle" trilogy about attractive teenage trolls.

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Self-published thriller and Western writer John Locke, whose 13 books have sold more than 1.7 million digital copies, signed an unusual contract with Simon & Schuster in August. The publishing house will print and distribute his books—the first title comes out next month—while allowing Mr. Locke to remain as the publisher. Mr. Locke is paying for the printing, shipping and marketing costs himself, according to his agent. The print editions, which will sell as mass-market paperbacks for \$4.99, won't be edited. "The opportunity to get into bookstores, Targets, Wal-Marts, Costcos, airports—I can't do that as an independent author," Mr. Locke says.

J.A. Konrath, a mystery writer who has sold 400,000 digital copies of his self-published books, earning some \$500,000 a year, signed a contract with Amazon's new mystery imprint to publish his novel "Stirred," co-written with Blake Crouch, digitally and in print. It recently hit No. 1 on the Kindle top-100 list. Mr. Konrath says he was won over by Amazon's powerful marketing machinery. "They can really blow my books up," he says.

Ms. Chan lives in a spacious, two-story house on a quiet street in Cortlandt Manor, N.Y. She and her husband, Timothy Chan, met in high school, at a national science competition. They reunited

in Maryland, where he attended medical school and she completed a law degree at the University of Baltimore.

For the past 15 years, she's worked as an attorney drafting legislation concerning clean air and water, highway infrastructure and climate change. She squeezes in a couple of hours of writing each night.

She started writing fiction in 2002, when she suddenly had a lot of time on her hands. Her husband, an oncologist and cancer researcher at Memorial Sloan-Kettering, was spending long hours at the hospital at the beginning of his residency, so she spent her nights alone writing.

She came up with the story of a wealthy, agoraphobic Vermont widow who makes anonymous gifts to the townspeople who ignore and fear her. Ms. Chan says she was inspired by the true story of a resident of Paoli, the small Indiana town where she grew up. "The Mill River Recluse" takes place in a fictional Vermont town with a quirky cast of characters—a kleptomaniac priest with a spoon fetish, a dotty woman who tries to sell her neighbors love potions, a bad cop whose off-duty hobbies include stalking and arson.

The novel took her 2½ years to write. After seeking feedback from family and friends, she sent queries to more than 100 literary agents. Most rejected it as a tough sell. "It didn't really fit any genre," Ms. Chan says. "It has elements of romance, suspense, mystery, but it falls into the catch-all category of literary fiction, and of course that's the most difficult to sell."

She finally landed an agent, Laurie Liss at Sterling Lord Literistic in New York, who represents cable-news host Rachel Maddow. Ms. Liss submitted the manuscript to a dozen publishers, all of whom turned it down. Ms. Chan stashed the manuscript in a drawer, and buried herself in her legislative work.

Five years passed. Then, this past spring, she started reading about the rise of e-book sales and authors who had successfully self-published, and decided to give it a shot. She fashioned a cover image out of a photograph her sister took of a mansion in Paoli, and she and her husband used Photoshop to add some gloomy ambience. Then she nervously uploaded her manuscript to Amazon's Kindle self-publishing program. She sold a trickle of copies. A few weeks later, she started selling it on Barnes & Noble's Nook and through SmashWords, a self-publishing program that distributes to major e-book retailers including Apple's iBookstore, Sony and Kobo. Her first royalty check from Amazon was for \$39.

She noticed that a lot of popular e-books were priced at 99 cents, and immediately dropped her price from \$2.99 to 99 cents. The cut would slash potential royalties—Amazon pays 35% royalties for books that cost less than \$2.99, compared with 70% for books that cost \$2.99 to \$9.99. But sales picked up immediately. "I did that to encourage people to give it a chance," she says. "I saw it as an investment in my future as a writer." The strategy worked. Several reviewers on Amazon said they bought the book because it was 99 cents, then ended up liking it.

She checked her sales several times a day, obsessively refreshing her Amazon page. In the first month, it sold 100 copies. When Ms. Chan saw the sales figure, she danced in her kitchen with her husband and toddler.

"We were saying, 'Wow, this is really cool. What if you sell 1,000? That would be awesome,'" her husband recalls.

Then, at the end of June, "The Mill River Recluse" got a mention on a site called Ereader News Today, which posts tips for Kindle readers. Over the next two days, it sold another 600 copies. Ms. Chan realized she might be able to drive sales herself. She spent about \$1,000 on marketing, buying banner ads on websites and blogs devoted to Kindle readers and a promotional spot on goodreads.com, a book-recommendation site with more than six million members.

After learning that self-published authors can pay to have their books reviewed by some sites, she paid \$35 for a review from IndieReader.com (IndieReader no longer offers paid reviews). She paid \$575 for an expedited review from Kirkus Reviews, a respected book-review journal and website. The review service, which Kirkus launched in 2005, gives self-published authors the option to keep the review private if it's negative. Ms. Chan decided to have hers posted on their website. Kirkus called the novel "a comforting book about the random acts of kindness that hold communities together." She used blurbs from the reviews on her Amazon and Barnes & Noble pages. "I hoped it would lend some credibility," she says. "Most other reviewers won't touch it."

Sales kept climbing. In July, it sold more than 14,000 copies. That month, it was featured on two of the biggest sites for e-book readers, generating a surge of new sales. In August, it sold more than 77,000 copies and hit the New York Times and USA Today e-book best-seller lists; it later landed on the Wall Street Journal list. In September, it sold more than 159,000 copies. To date, she has sold around 413,000 copies.

Ms. Chan and her agent decided to resubmit the novel to all the major imprints, citing robust sales figures and rave online reviews. Some publishers have responded warily. A representative of one publishing house feared the book had "run its course," Ms. Liss recalls. Others worried about the novel's bargain basement price, arguing that an e-book that sells for 99 cents likely won't command a typical hardcover price of around \$26.

A few major publishers made offers, but none matched the digital royalty rates of 35% to 40% that Ms. Chan makes on her own through Amazon and Barnes & Noble. Typically, most publishers offer print royalties of 10% to 15% and digital royalties of 25%. Simon & Schuster offered to act as a distributor, but Ms. Chan wants the book to be professionally edited and marketed.

Ms. Liss says that the offers from U.S. publishers so far don't improve much on what Ms. Chan is making on her own. She's made around \$130,000 before taxes—substantially more than a standard advance for the average debut novelist—and she's getting a steady stream of royalties every month. "I told Darcie, at this point you're printing money. They're not. Go with God, we'll sell the second book," Ms. Liss says.

In the meantime, there's interest from other corners of the industry. Multiple audio-book publishers have made offers. Six film studios have inquired about movie rights. Two foreign publishers bid on the book. Ms. Chan is holding off on such deals, for fear they might sabotage a potential contract with a domestic publisher.

Ms. Chan still wants to see her book in print. Several librarians have contacted her seeking print copies after patrons requested her book. "I have people writing me begging me for a hard copy, book clubs and libraries calling me, and I don't have a hard copy to provide for them," she says.

Ms. Liss advised her to work on a sequel set in the same town, with some of the same characters. Ms. Chan has written two chapters. While she would love to write full time, for now, she still sees writing as more of a hobby. When people ask her what she does for a living, she says she's a lawyer. But she's still holding out hope that a publisher will buy "The Mill River Recluse," edit it and sell it in brick-and-mortar stores.

"The hardest part for me is uncertainty," she says. "I deal better with rejection than uncertainty."

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