

Negotiating the Dollars and Cents of a Book Collaboration Agreement

By Archie Brodsky

NWU members entering into a book collaboration often ask, “How do we split the proceeds? Is ‘50–50’ fair? Or should the ‘primary’ author get more?” The answer isn’t that simple; indeed, the question isn’t that simple.

If two dramatists co-author a play, or if two potters or three therapists write a book about their work, they can share the risks and proceeds equally. But the *NWU Guide and Model Contract for Ghostwriting and Collaborations* wasn’t written with such a collaboration of equals in mind, though many of its provisions are relevant. At the other extreme, the guide has little to do with work-for-hire jobs done for a flat or hourly fee, with no shared credit or ownership, such as a corporation hiring you to ghost the CEO’s autobiography.

Between these extremes is the kind of collaboration where you as “the Writer” work with a content provider, referred to as “the Author.” The Author may be a celebrity with a life story to tell or a professional expert contemplating, say, a self-help book. If you are negotiating to write a book with someone whose name and information, rather than writing skill, make him or her an “author,” read the *NWU Guide and Model Contract for Ghostwriting and Collaborations* before consulting an NWU contract adviser. [NOTE TO EDITOR: Please insert the link for finding this on the website.]

The NWU model offers essential guidance for specifying roles and responsibilities, shared copyright ownership and joint involvement in dealings with publishers and agents, authorship credit, warranties and some necessary boilerplate language. If you base your agreement on this model, you can deal with the Author on relatively equal terms as a co-author, not a ghostwriter.

None of that will do any good, however, if you don’t have the contract signed before you start working together. The first rule of book collaboration is: *Do not write the proposal without a signed collaboration agreement.* Don’t rely on a self-important “Author’s” promise that “we’ll work it out later.” Members have come to me in despair after they’ve compromised themselves by writing a proposal without first clarifying who would own what portion of the resulting product. Although under copyright law such a proposal constitutes jointly owned intellectual property, in practice the author with the “name” and ideas usually has the leverage to impose disadvantageous terms on the writer.

Don’t write a proposal on faith – or on spec. When you contribute your time and skills to someone else’s subject matter and self-promotion, you should receive a nonrefundable payment for preparing the book proposal. Whether billed hourly or as a flat fee, drafting the proposal might earn you \$2,000 to \$6,000.

After that it gets tricky. When you negotiate the collaboration agreement that will dictate your joint instructions to the agent or publisher, you are just starting to write the

proposal. You don't know whether a publisher will even buy the book, let alone how large an advance will be offered. Yet the agreement must provide for all possible contingencies.

Moreover, equitable does not necessarily mean equal. You can't just do a straight percentage split, such as 50–50 or 60–40, because your interests and needs are different from those of the Author, who is presumably earning a living doing what you are to write about. As a rule, because you don't have the same investment in the book's content that the Author does, you should avoid taking a financial risk to write it. You may choose to take some risk because of personal interest in the subject, your relationship with the Author or anticipated career benefits, but don't assume you'll make up the deficit in up-front income through royalties. Most books don't earn back their advances.

Neither will stipulating that you are to receive half or all the advance guarantee you adequate up-front income, because the advance may be much less or much more than you need to earn a living. Although the kind of formula that can protect your interests is not detailed in the *NWU Guide and Model Contract*, the explanation of clause six in the guide suggests what issues are at stake.

I advise members to structure their collaboration agreements as I've done mine. First, decide on the smallest sum of money you'll be satisfied with if you earn nothing more from the book. Calculate this figure by estimating the time you'll need to write the book, allowing for revisions and unexpected complications. Do you expect this book to take a half-year or less of full-time work? A year or more? As with setting your fee for the proposal, you may discount your normal hourly rate, taking into account the value of a source of steady income plus other benefits you may derive from the project. For example, if you make \$60–\$75 an hour for freelance work, don't expect to earn such a high rate from a book advance.

When you have set your minimum, say, \$20,000 to \$40,000, stipulate that you are not obligated to write the book if the publisher's advance, after deduction of an agent's commission, if any, is less than that minimum. In that event, you can ask the Author to make up the difference (to be reimbursed from royalties). Any income exceeding your minimum fee – that is, the remainder of a larger advance and/or residual income from both royalties and subsidiary rights – can be divided according to agreed-upon percentages. I usually ask for one-third of this “gravy,” but your share may be more or less depending on circumstances and the number of authors. Try to front-load your share of the advance, taking a larger percentage of the first payments so that you'll have money to live on.

You can consult an NWU adviser to fine-tune your agreement. Every collaboration is in some respects unique. Different things are important to different people. You and the Author can trade off the rewards of up-front income, residual income and authorship credit (“and,” “with” or only an acknowledgment). Your bargaining power depends on your track record, your special qualifications, what other options you

have, and the Author's prominence and financial resources. As in any negotiation, it helps to give fair consideration to the legitimate interests of both parties.

Archie Brodsky, co-author of 15 books, advises NWU members on book collaboration agreements.

Pull quote: If you are negotiating to write a book with someone whose name and information, rather than writing skill, make him or her an "author," read the *NWU Guide and Model Contract for Ghostwriting and Collaborations* before consulting an NWU contract adviser.