

AN OPEN LETTER TO MEMBERS OF THE PUBLISHERS ASSOCIATION & THE INDEPENDENT PUBLISHERS GUILD

From The Society of Authors
Supported by: The Authors' Licensing and Collecting Society
The Royal Society of Literature
The Writers Guild of Great Britain
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Studies across the world have shown that authors' earnings are falling fast. Authors remain the only essential part of the creation of a book and it is in everyone's interests to ensure they can make a living. While there are many factors behind the decline, unfair contract terms, including reduced royalty rates, are a major part of the problem. So we want to address the issue before it is too late, and we're asking for your co-operation.

The Authors' Licensing and Collecting Society survey '[What are Words Worth Now?](#)' shows that the median annual income of professional authors has fallen to £11,000, far below the £16,850 the Joseph Rowntree Foundation deems necessary for a socially acceptable living standard. Most authors can't survive on writing alone. Only 11.5% of UK authors now earn their living solely from writing; in 2005, this figure was 40%.

Some publishers are excellent but we see many inequitable contracts. Without serious contract reform the professional author will become an endangered species and publishers – as well as society at large – will be left with less and less quality content. Unless publishers treat their authors more equitably the decline in the number of full-time writers could have serious implications for the breadth and quality of content that drives the economic success and cultural reputation of our creative industries in the UK.

In July 2015, the SoA launched the C.R.E.A.T.O.R. principles for fair contracts (see following page) in an attempt to restore contractual balance to the author-publisher relationship and help authors achieve a fair return for their creative work. Provisions that would never be acceptable in other contexts have been taken for granted in publishing agreements. Authors are now standing up together to say 'no' and in a spirit of professional cooperation, we want to make sure you're aware of the fair contract movement in the author community. It is time for all publishers to consider how they can give authors the respect and share of the profits they deserve while still obtaining a fair return for their input into the process.

What we ask is simple: publishers need to revise many of their standard contract terms to make them more equitable. Authors should get *at least* 50% of ebook revenue, not a mere 25%. Authors should not have their hands tied with contracts which cannot be terminated when a book is no longer being exploited or be subject to non-compete and option clauses that make it even more difficult for them to write and publish new books. Indemnity clauses should spread risk fairly between the publisher and the author. Royalty statements should be transparent and comprehensive. And we ask publishers not to discriminate against authors who don't have powerful agents. When negotiating with agents publishers often start from previously negotiated forms that remove, or at least soften the blow of, some of the more draconian provisions offered to unagented authors. Why not do the right thing by all authors and eliminate those provisions for everyone?

We'll be asking for individual meetings in the coming months with publishers both large and small to discuss the IAF and C.R.E.A.T.O.R. principles and what publishers can do to ensure this business is fair and profitable for all those who create the works that sustain it. We will also ask that the excellent [Publishers Association Code of Practice](#) be honoured in the spirit and the letter and be updated to deal with ebooks.

We don't stand alone in our commitment to fairer book contracts. The C.R.E.A.T.O.R. initiative is supported by the Creators' Rights Alliance. The Authors' Guild of America is running a Fair Contract Initiative which has widespread support and it has written today to American publishers in similar terms. The International Authors' Forum has agreed the attached principles which we fully support. Between them these organisations represent hundreds of thousands of individual creators. We look forward to working with publishers to ensure a fair deal for all.

Yours sincerely

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C.R.E.A.T.O.R.

WHAT ARE FAIR TERMS?

C larity

Clear contracts, in written form, which transparently set out the exact scope of the rights granted/assigned/licensed and are promptly and transparently negotiated.

R emuneration

Fair Remuneration. Equitable and unwaivable remuneration for each use / exploitation of work, to include 'bestseller clauses' so that if a work does far better than expected the creator shares in its success even if copyright was assigned.

E xploitation

An obligation to Exploit in each format and medium. Also known as the Use-it-or-Lose-it Clause. This is the French model.

A ccounting

Clear, detailed and comprehensive Accounting clauses.

T erms

Reasonable contract Terms (in particular, how long the contract lasts) with regular reviews where appropriate to take into account new forms of exploitation; underpinned by a reversion right where appropriate.

O wnership

Authors, including illustrators and translators, should be credited appropriately for every use of their work; the integrity of artistic works should be respected, and moral rights should be unwaivable.

R easonable

All contracts should be subject to a general test of Reasonableness including a list of defined clauses which are automatically deemed to be void and a general safeguarding provision that any provision contrary to the requirement of good faith, causes a significant imbalance in the parties' rights and obligations arising under the contract, to the detriment of the author shall be regarded as unfair.

Each of these principles is enshrined in law in other European countries. See europarl.europa.eu