

Amazon offers new royalty program for Kindle books

January 20 2010

(AP) -- Amazon.com Inc. said Wednesday it will begin offering do-it-yourself authors and publishers a bigger cut of book sales on its Kindle e-reader - but with strings attached aimed at keeping prices down for consumers.

The company said that starting in June, it will offer users of its e-book self-publishing program, the [Kindle](#) Digital Text Platform, [royalties](#) on book sales of 70 percent after delivery costs. With those costs equaling less than 6 cents per book, Amazon said authors will be able to earn \$6.25 per copy on a book that sells for \$8.99, rather than the old rate of \$3.15.

To qualify for the new rate, authors and publishers must meet several criteria.

The book's list price must fall between \$2.99 and \$9.99 and be at least 20 percent below the lowest price of the physical edition of the book. It also has to sell on Amazon for the same price, or less, as it does with competing book sellers.

Finally, it has to be available everywhere the author or publisher has [intellectual property rights](#).

Amazon said the new structure will not apply to [books](#) published before 1923 and will only be available for books sold in the U.S., initially. And since it only applies to content published through the Kindle Digital Text

Platform, it won't affect royalty rates on books from major publishers such as Random House Inc. or Scholastic Inc.

Amazon would not disclose what percentage of books available for the Kindle - which number more than 400,000 - are self-published through the platform.

Amazon has plenty of reason for wanting to keep a lid on e-book prices as it faces multiplying competition in the e-book market. Barnes & Noble Inc. is looking for a slice of e-book sales with its Nook device and Sony Corp. has several readers of its own.

A host of companies came to this year's International Consumer Electronics Show with new devices and ways of delivering content to them. And unlike existing Kindle models, some of the new gadgets slated for release this year promise features such as color screens and touch navigation.

©2010 The Associated Press. All rights reserved. This material may not be published, broadcast, rewritten or redistributed.

Citation: Amazon offers new royalty program for Kindle books (2010, January 20) retrieved 26 April 2024 from <https://phys.org/news/2010-01-amazon-royalty-kindle.html>

This document is subject to copyright. Apart from any fair dealing for the purpose of private study or research, no part may be reproduced without the written permission. The content is provided for information purposes only.