



The News

**Our News.
Your News.**

p. 1

September 2009
Volume 17

*"We continue by the grace of God, by our dedication to the arts,
by our loyalty to the dreamers behind every book.
Our currency is our passion."*

—Jennifer DiMarco, CEO of OHP to the media

Holding On to Change

Jennifer DiMarco, CEO and Author

Over the past two months, we have made the difficult decision to let go of two of our five full-time staff. In addition, we have closed the office to both evening and night shifts (these shifts are now only worked remote). All of these choices were made, as you might expect, to conserve resources. They were the "right thing" for the company, but they were not the easy thing, nor were they without a substantial amount of heartbreak.

This may seem a dramatic statement. That there is heartbreak inherent in down-sizing. But I cannot think of it in any other way.

Your three remaining staff (myself, Cris, and Brianne) have all metamorphosed into hyphenates:

Cris is the Senior Editor-Order Fulfillment-Billing Department-Production Manager. Brianne is the Art Director-Specialty Web Tech-Cover Designer-Bindery Tech-Office Manager. And I enjoy being the five-hours-of-sleep-is-just-too-much workaholic as the CEO-Webmaster-Layout Designer-Rabbit Rancher.

We are each also working outside jobs (me and Brianne as farmhands and Cris as manager for a community hall) to pay our bills (we continue to take no salaries or compensation of any kind from OHP) and teaching Maxwell and Faith their State-supplied school curriculum. It is all good, hard work. It is exhausting and exhilarating work. And the work for OHP grants us the reward of giving our every waking hour to a company we all believe in — to a cause, the arts, that we all believe in. Even if that work involves delinquent vendors (they are all delinquent right now, after all), irate authors (when the economy is tough, people buy food, not books), and out-source printers (two in the last two months) closing their doors without any warning.

Are we gluttons for punishment? Masochistic? Or perhaps, as we struggle and fight to secure readings for shy authors or work out elaborate payment plans for bookstores that have no problem selling our books but simply need the money to stay open... perhaps it's all worth it when:

"Dear Jennifer, enclosed is \$50 I would like to contribute to the fund-raising campaign that will allow OHP to bring production in-house to reduce costs. To help the company, I took my royalty payment in the form of books last season. I then sold the books. My profit margin, even offering a steep discount, was 75%. I quadrupled my royalty in cold, hard cash. In this economy, it was a real gift. Thank you for not throwing in the towel. Remember that when people are rude to you, they do not understand how hard you all work and everything you do. Thank you for giving me a place to share my dreams... and, if I'm smart, make a better profit at it than I ever considered."

Thank you, Dave. I couldn't have needed that more. Thank you—all of you—for continuing on this journey with us.

Table of Contents

Changes That Effect You	2
Our Angels... On the Web	3
Royalty Reports	4

**On Sept. 14,
OHP turned
20 years old.**

**Our CEO turned
a few years
older ;)**

**Happy birthday
to both of them.
We still believe,
Jennifer.
We still believe.**

ALERT

Please watch your spam folder for email from legal@orchardhousepress.com.
Your royalty report will be sent here.



Changes That Effect You

Jennifer DiMarco, CEO and Author

Some of the changes that have taken effect during the last year, in response to the shift in buying trends and the rising cost of (out-sourced) production, will be staying with us as permanent parts of OHP culture. Why? Many of you already know why because you requested that these changes stay. As always, we cannot please all authors, all the time, but we try our best to adapt to the needs of the majority of our authors.

1. Authors have always been granted a 50% discount on all orders. Now authors will be granted a 50% discount plus the additional discount of their royalty due on the sale. Yes, we are paying royalties “off the top,” so the money stays in your pocket where it belongs. We want to stay in business and, after fighting to be here since 1989 we’re pretty determined about that, but we do not want your royalty. You will now pay less for your orders... and profit more.
2. Launa Sorensen and E.J. Angel are no longer on staff. Their emails accounts (often used for author correspondence) are no longer active. Both women are still with OHP as prolific authors, and EJ is still working with Blue Artisans Design as a freelance designer.
3. The fund-raising campaign is almost over (the end of October) and we are \$1500 away from our goal after all is tallied (see page 3 for more details). Until the campaign is over, we are working with our back-stock of existing book covers some of which are high gloss and some of which are the matte finish that so many authors loved. Once the campaign is successful (we believe it will be), the penultimate purchase will be the commercial film laminator. At that time, all trade paperback covers will transition into high gloss.
4. The final purchase of the campaign will be the long-arm stitcher that will transition our children’s picture book line into an exclusively hardback line. We hoped to secure the stitcher earlier (when we found one—ironically enough—at a going-out-of-business sale, but it proved a popular item and a bidding war ensued. Once the stitcher is secured, all picture books will be re-released as hardbacks without exception. Our paperback picture books will be phased out entirely.



Our Angels... On the Web

Jennifer DiMarco, CEO and Author

From page 2:

“The fund-raising campaign is almost over (the end of October) and we are \$1500 away from our goal after all is tallied ... Once the campaign is successful (we believe it will be), the penultimate purchase will be the commercial film laminator. ... The final purchase of the campaign will be the long-arm stitcher that will transition our children’s picture book line into an exclusively hardback line.”

The incredible success of the campaign has carried 90% of production in-house and cut costs dramatically while literally raising quality standards. We are seeing a considerable reduction in returns and positive response to faster ship times. Yes, we do have some catch up to do as we make the transition but the presses are running nineteen hours a day, seven days a week.

We have gathered the names of all the angels who contributed to the campaign, as well as gathered the named of the individuals (and one company) who would prefer to remain anonymous. If you would like to have your name excluded from the list and you have given to the campaign, please email legal@orchardhousepress.com right now. We don’t want anyone to feel uncomfortable; we only want to praise our supporters. As a reminder, all contributors will be listed alphabetically and donation amounts will not be posted in any way.

Monday and Tuesday of this week (September 21 and 22) are web changes days. The angel page (and more than 200 additional page changes) will be uploaded at that time. PLEASE, if you have given to the campaign and you do not want to be anonymous but your name is not on the list... please write a tell me. I’m sure you didn’t contribute for recognition, but let me do at least that. I will be pleased to fix any error of omission or spelling or anything else.

The campaign itself does indeed end on the last day of October. We had been on track to successfully close the campaign earlier but four separate contributors needed to have their contributions returned due to (unrelated) unforeseen efforts. As I have shared with these individuals: I will still be including all of them on our list of angels; I know what it’s like to face foreclosure, to have little one to feed, to be fighting illness. In my heart, the thought counts as the deed.



Royalty Reports

Cris K.A. DiMarco, Senior Editor and Author

Royalty reports *will* arrive on time and be in your inbox before midnight PST on September 30. However, I am calculating, formatting and delivering royalties *alone* this season. Jennifer has also made it very clear that my other daily tasks will not be handled by anyone else (don't tell her that Brianne is getting up three hours early to help me in the office).

Authors do not need to concern themselves with anything regarding royalties but I ask that everyone please keep these things in mind:

If you discover a problem with your report, please write to me at legal@orchardhousepress.com. I will be the one answering you and solving the problem. I may take some time to do this but I won't give up on an issue. There is one of me and more than three hundred of you, so please be patient.

If your book has not yet been published, you will not receive a royalty report.

You *will* have a royalty report emailed to you by the deadline. If you do not receive it, I may have a wrong email address for you. Before you send your current address to legal@orchardhousepress.com, check your spam filter or spam folder to make sure my message isn't caught there.

Though this next issue doesn't immediately effect royalty season, it does effect finances, so while I have your attention:

Because many authors have been buying books at their 50% discount plus their royalty on top of that discount and/or taking their royalty entirely in copies of their books, we are paying out less "cash." This means we are also winding up reporting less income earned on many of the 1099 MISC forms. This means less tax liability for you caused by what we file, but you may want to speak to your accountant about the additional funds (in most cases substantial additional funds) that you are profiting from a better profit margin.