

# Amazon offers new royalty program for Kindle books

The Associated Press

Amazon.com Inc. said Wednesday it will begin offering authors and publishers a bigger cut of book sales on its Kindle e-reader — but with strings attached aimed at keeping prices that consumers pay down.

The Seattle company said that starting in June, it will offer 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 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.

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.

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