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After the Boom:

Why the Comics Industry May Need to Adapt to Its Recent Growth

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Submitted to: Professor Jane Kinney-Denning  
5/8/09

Submitted in partial fulfillment of the requirements for the Master of Science of  
Publishing degree at Pace University

It may be that the only thing better than reading comics<sup>1</sup> is making them. I was lucky enough to have the opportunity to intern at Marvel Comics during my final semester, and this provided me with a unique opportunity to see the inner workings of a comics publisher<sup>2</sup>. After having written my thesis, *Bursting Beyond the Panels: The Growth of the Comics Industry and How It Can Continue*, where I examined how comics publishers can build on the recent success of comic books and graphic novels<sup>3</sup> in the trade book market, I was curious how all of this has affected comics publishers. This new paper will delve into why comics publishers may need to change some of the traditional aspects of their industry in order to adjust to the growth they have been enjoying. All of publishing in general is going through a transformational period due to the arrival of digital technology, yet there are also unique circumstances that comics publishers will have to face. Distribution, formats, and creator's rights will all need to be reconsidered in light of the new situation comics publishers find themselves in. Change may be coming, and comics publishers will need to adapt.

### **The Format Debate**

Since the emergence of the graphic novel format back in the 1970s, there has been talk of the death of the monthly comic book. The success that early graphic novels has in the 1980s led many to wonder if this new format would come to replace the monthly comic book format, which was similar to a magazine format. Now that graphic novel sales have reached even greater heights in recent years, again there is the debate as to whether the monthly comic book format can or even should continue. Yet, the only

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<sup>1</sup> The term "comics" refers to the medium comprised of words and pictures arranged in sequence.

<sup>2</sup> The term "comics publisher" to refer to any publisher that specializes in the publication of comic books and graphic novels.

<sup>3</sup> The term "comic books" refers to monthly, magazine-style comics publications while "graphic novels" refers to longer-length comics publication.

absolute truth that can be confidently gleaned from this debate is that fact that there is a variety of opinions and still no answer in sight, since the monthly format is still used. The sales numbers do not lie, though, and in 2007, graphic novel sales eclipsed that of comic books (Complete History 188). While this has strengthened the argument of those claiming monthly comics are a thing of the past, sales of comic books have not significantly weakened at all, and more importantly, there is the question of whether it would be a good thing if the monthly format was no longer used.

Perhaps the greatest condemnation of the monthly comic book format is that sales histories have shown the format usually cannot maintain readership over a long period of time. Anyone who looks at sales charts per month can clearly see that no title's sales remain the same month in and month out. Sales are constantly fluctuating as retailers readjust their orders for each comic book series based on the past month's sales, which can be affected by a change in the series' quality or writer and artist team or if that series featured a guest appearance by a more popular character. The unfortunate reality is that, in general, these sales fluctuations result in a loss of readership over time. Bon Alimagno, the Director of Publishing & Editorial for Harris Comics, estimates that, in general, a title "probably loses 10% of its readership per issue" (Pepose). Because of this general downward trend in sales for every series, "a comic that sold 25,000 copies its first issue is no longer breaking even within a few years of its debut" (Pepose), once the loss in sales has eaten away enough of the readership. His argument is that aside from Marvel and DC, the leading publishers of monthly comic book series, other companies should abandon this format due to the fact that the market is not healthy enough to support new titles and grow readership (Pepose). He cautions that publishing monthly comics must be

closely monitored so that publishers do not put all their hopes in a whole line of titles that may at first sell well but soon fade under the pressure of competing with the major publishers who dominate the market (PePose).

While it is difficult to succeed in the direct market and to appeal to an audience that will favorably receive new characters and titles, there are those in the industry who see monthly comics not only as a financial gamble but also an inferior format for the medium. The monthly comic format is usually comprised of twenty-two story pages, and some creators see this page restriction as a constraint on creativity due to the set length “forc[ing] some of the endings to happen on page 22 regardless of the pacing” (TPB or Not to Be Part 2). These creators see the graphic novel as an open canvas where there are no restrictions on how a story is told, which “allow[s] for a more natural/organic pacing, much like novels, which...makes for a more rewarding experience for the reader” (TPB or Not to Be Part 2).

What both of these arguments fail to realize or acknowledge is that monthly format has proven to be a better alternative for titles that may not be financially risky if published immediately as graphic novels. Often, it is far too expensive for a publisher to release a wholly new title as graphic novel if there is a question as to whether there is a strong enough market to support it. Yet the same amount of money it may cost to produce the title as a graphic novel can be spread out over several months if the title is released in the monthly format as a comic book miniseries (TPB or Not to Be Part 1). The added benefit of this approach is that the monthly comic books act as marketing and promotion for the eventual trade collection that is published a few months after all of the monthly issues have been released. The monthly format allows for there to be enough time that

word-of-mouth about the title can spread and those who had considered buying it but chose not to may now feel confident they are getting a complete, quality story (TPB or Not to Be Part 1).

The sales of the monthly issues are often the deciding factor when it comes to publishers deciding whether to collect a series as a trade paperback. In a very real way those readers who buy the monthly issues are helping to make it more likely that those readers anticipating the collected trade will have the opportunity to purchase it. This reinforces the perspective of some in the industry who see monthly comics and graphic novels as two different formats that appeal to two different audiences. Brian Bendis, a popular Marvel writer who has worked on many top-selling titles such as *New Avengers*, *Ultimate Spider-Man*, and *Daredevil*, sees the two audiences as having different expectations when reading comics. Those who read monthly comics are looking for a quick fix while others are looking to graphic novels for a full story or a format that is more 'mature' than the comic book (TPB or Not to Be Part 1). Another writer, Jeff Limke, sees the difference as the result of the age of each audience. He believes younger readers are more interested in short, action-filled stories while older readers look for fully-realized products that are more complex and slower paced (TPB or Not to Be Part 1). Joe Quesada, the editor-in-chief of Marvel, considers the fact that there are two audiences with different buying habits as enough justification to continue publishing both formats for the foreseeable future (Quesada Talks Digital Comics).

Another consideration, when contemplating whether the monthly format deserves to continue, is how important serialized storytelling, which is a major part of the format, has been for the comics industry. With serialization, readers are constantly waiting for the

next part of a story and this makes them “more emotionally involved in the story” (TPB or Not to Be Part 2). It is no wonder that television also employs the serial format for so many shows as it leaves viewers wanting more. Writers see serialization as an opportunity to have an ongoing dialogue with their readers and gauge the public’s reception of their work as they continue to present their stories (TPB or Not to Be Part 2). Since the power of serialization comes from there being a new installment released rather quickly after the previous one, the graphic novel format, which requires many more months to produce compared to the monthly comic book, cannot be as viable an option for serialized storytelling. Due to this, the monthly format may find a reason still to exist, yet there is another factor looming behind all of this.

The deciding factor may be how much readers of monthly comics are willing to pay for each issue. The current standard price for a monthly comic book is \$2.99, but there are an increasing number of \$3.99 titles appearing in the market even though the page count remains the same. Although only Top Cow Comics has publicly guaranteed it will not be raising cover prices above \$2.99 during 2009, there are concerns that such a change in price will be coming in the future. Although prices rise for many products over the years, the increases in the cost of comics have changed at a much greater rate than the rate of inflation (Johnston). Part of what concerns those within the industry worry is that higher prices for comics may make them less appealing to teens. They worry that teens may see other products, such as videogames, as more worthwhile because of the greater number of hours of entertainment these products offer compared to comic books (TPB or Not to Be Part 2). If monthly comics were to become too expensive for their market a collapse in sales would surely kill the format.

## The Digital Revolution

More drastic changes in the format of comics could be in store because of the digital revolution. Similar to book publishers, comics publishers are exploring what digital technology can do for them. Comics have been online since the advent of the Internet, yet at first it was the domain of self-publishers, who mostly released short comic strips, now called webcomics, on their own sites. Since webcomics have grown in popularity along with much of what the Internet has to offer, it was only a matter of time before publishers began to experiment as well.

The consumer's demand for digital content has become so great that even Marvel and DC now invest resources in digital media. Marvel has established Marvel Digital Comics Unlimited ([www.marvel.com/digitalcomics/](http://www.marvel.com/digitalcomics/)), a website with a still-growing collection of digital comics that is now over 5,000 titles (MacDonald). Along with digital versions of older comics, Marvel is creating new material that will be released exclusively through MDCU. Some of the online comics tie into Marvel's Iron Man and Hulk film franchises, while others, such as *Fing Fang Foom*, *Halloween Monster Mash*, and *Marvels Channel: Monsters, Myths, and Marvels*, feature the company's lesser-known characters with work done by writers and artists who have mostly webcomics or independent comics backgrounds (MacDonald). DC instead elected to become part of the webcomics community, creating the free website Zudacomics ([www.zudacomics.com](http://www.zudacomics.com)), where ten short webcomics are presented each month to be voted on by readers as to which is the best (Reid). The creator of the webcomic that receives the most votes is then paid to create a year's worth of webcomics based on the original story, all of which will later be published in a print version (Reid). Both companies are also working on motion

comics, which add motion and sound to previously print-only comics. So far DC has created a *Watchmen* motion comic that coincided with the release of the film adaptation (Paul Levitz Talks Digital Comics). Marvel has announced it will soon be releasing motion comics based on Joss Whedon's *Astonishing X-Men* and a new series *Spider-Woman*, a monthly motion comics series that is the first to be in-continuity, which means it is part of the Marvel Universe and has an impact on the continuing history of the company's characters (Marvel Digital Panel).

Other publishers have seen how webcomics and digital copies of printed comics series have become a very successful means for them to reach a much wider audience. They are using these digital tools as a major part of their marketing strategies for new titles. Dark Horse Comics has reinvigorated their series, *Dark Horse Presents*, as a website on MySpace featuring short webcomics created by writers and artists working on new projects for the company (Future is Almost Now). These webcomics may be original or ancillary material connected to an upcoming series that will be sold in stores (Future is Almost Now). The site registers over 150,000 hits per month, which is a readership that beats the sales of most of the bestselling comics in print (Future is Almost Now).

Boom! Studios has also taken advantage of the power of the Internet by releasing its new series, *North Wind*, simultaneously in stores and online. This has resulted in an unusual upswing in orders from retailers (Funnies Business). As the series has progressed, orders have increased by 20% between the third and fourth issues, and while initial orders for the series were incredibly low and sales have not even put it among the top 300 books for Diamond, the benefit of the online release of the series cannot be dismissed (Funnies Business). Retailers, who have seen an influx of new customers as a

result of online marketing, are adamant supporters of current digital efforts (Future is Almost Now). They believe these new customers, who are seeking out printed copies of what they read and enjoyed online, may have become interested in comics because these digital comics are free (Future is Almost Now). Because of this, they were able to try something new that otherwise they would have been hesitant to purchase (Future is Almost Now). Publishers could conceivably develop a much larger market for comics by diversifying the material they release online and then luring these new readers to retailers. The arrival of more and more digital comics that cover genres other than superheroes, science fiction, and fantasy, such as horror, romance, and mystery may help to pique the interest of those who enjoy these genres and lead them to see what the comics medium has to offer. Such efforts, if supported by these new audiences, could really transform the landscape of comics publishing.

Diversity is not only found among the variety of genres of digital comics material available online. There is also a diversity of formats. This is the result of the fact that, online comics no longer need to fit the standard trim sizes of the printed page. Scott McCloud, a well-regarded comics historian and theorist who has written extensively on webcomics, sees them as a new frontier that allows for more creative designs and layouts (Cavalieri, et al). In the case of Marvel's new, original motion comic, *Spider-Woman*, Brian Michael Bendis, the series' writer, admits that the motion comic will inevitably be different from the printed comic, which will be released two weeks after the motion comic is made available online (Bendis on Spider-Woman). While both will ultimately tell the same story, each version will utilize the best aspects of its given format to present the story (Bendis on Spider-Woman). What happens in one version may not be translated

directly and completely into the other. DC's president, Paul Levitz, acknowledges that digital comics will need to evolve and become something that is to some degree separate and distinct from printed comics (Levitz Talks Digital Comics). He is very excited for the day when "somebody begins to crack what native digital comic content should be" (Levitz Talks Digital Comics). Currently, DC has no plans to offer an online version of their monthly printed comics, believing that printed comics are a product which adhere perfectly to their current format and were not created with the digital format in mind (Levitz Talks Digital Comics). As each publisher takes advantage of the opportunities that digital technology promises, all that can be assured, according to Dan Vado, publisher of SLG, is that digital comics will have a "lack of unanimity" (Future is Almost Now), just as print comics do. In the end the medium should benefit and evolve as publishers and creators continue to approach their work with new and innovative ideas.

The question of how publishers can make money with of online content is of course very important. In response two methods, similar to other publishing efforts on the Internet have emerged: subscription sales and advertisements (Publishers Look to Digital Comics). In order to successfully attract subscribers, publishers continue to update their websites with new content and by expanding their collections, just as Marvel is currently doing, so that readers are more willing to renew their subscriptions. When it comes to advertising, publishers are subject to the fluctuations in advertising values (More Comics Coming to Mobile Phones). During my internship at Marvel, I have heard concerns about how ads affect the way the reader sees the content. Consideration needs to be shown toward the size and placement of the ads in order to make sure that readers are not frustrated by ads that obstruct how they view the content.

With the advent of portable e-readers and other mobile devices, digital distribution of individual titles directly to the consumer is developing as a third option. By 2007, digital distribution of manga through mobile phones in Japan became a \$70 million dollar business (Future is Almost Now). One of the largest manga publishers in the U.S., Tokyopop, in a partnership with uclick, “a mobile entertainment company that distributes comics content on cell phones” has already received a million unique hits a month through its subscription-based service for digital manga content (Future is Almost Now). Although current e-readers are still only capable of displaying content in black and white, Christopher Folino, the publisher of Catastrophic Comics, envisions a near future in which digital comics will be available for order through iTunes, Netflix, Demand TV, Game Stop, and other businesses (Can the iPhone Save Comic Books). Catastrophic Comics even released exclusively its own motion comic, *Sparks*, through iTunes in order to completely by-pass the direct market (Can the iPhone Save Comic Books).

The existence of digital comics and the possibility of digital distribution becoming so expansive raise questions about whether comics will continue to be published in print at all and how retailers may be affected by all of this. Currently, retailers are not very worried about the immediate future since sales have been on the rise for the past few years even with all of the digital content that has been made available (Talking Shop). There are definite fears, however, that if digital comics do become a cheaper alternative to those in print, a large percentage of the retail market would disappear (Talking Shop). Publishers are aware of this difficult situation for retailers and some have made plans accordingly in order that their digital efforts can benefit retailers as well. When Dan Buckley, the publisher of Marvel, announced the company’s new

motion comics initiative, he acknowledged the possibility of DVD collections. These would enable retailers to be involved in the sale of digital content (Marvel Digital Panel).

The unfortunate reality of piracy, however, is an issue when it comes to digital publishing. This has proven to be a cause for hesitation among publishers. Once someone has downloaded digital content, there is very little publishers can do to keep those files from being illegally reproduced. Smaller publishers have looked the other way when it comes to piracy, for the simple reason that it can act as free marketing for their titles. They have so far more adamantly pursued digital efforts than larger publishers who are concerned with the merchandizing and reproduction of their trademarks (Publishers Look to Digital Comics). As portable digital devices become available and more readily used by the public, publishers fear piracy will only increase (Publishers Look to Digital Comics).

The issue of piracy, the illegal copying and downloading of copyrighted material, will need to be addressed quickly as the changes brought about by digital technology are believed to be coming very soon. Milton Griep, a sales analyst for the comics industry, argues that the current economic environment will speed up the digital revolution within the comics industry (Phegley). He likened it to the early 1980s when the growth of the direct market boomed and the distribution of comics firmly shifted from the newsstands to comic book stores (Phegley). He warns that for publishers, “they’re either going to be a part of it, or in some ways get behind” (Phegley). Although he does not foresee the death of print, he is certain “the web is going to be a part of our content and how audiences are built” (Phegley).

## **Distribution**

The issue of print distribution is also becoming a topic of debate. The new benchmarks set by Diamond Comic Distributors, requiring each title to generate \$6,200 in advanced retail orders to justify that title being distributed through Diamond has raised concerns among smaller publishers (Offenberger). This is a 66% increase from the original benchmark set during the previous year that will ultimately affect twenty to thirty publishers whose titles, according to recent sales figures, will not meet this new figure (Offenberger). Diamond's reasoning behind this is the fact that the income generated by the titles below this benchmark makes up less than 1% of the company's revenue while the cost of time and energy to process the orders for these titles is as much as those of more successful ones (Brady). Since Diamond is by far the largest and most powerful distributor of comics, these smaller publishers must now look for alternatives, which only a decade and a half ago would have been no problem.

When the direct market grew throughout the 80s and early 90s, there were a number of distributors other than Diamond, such as Heroes' World, Friendly Frank's, and Capital City (153). Then there came the "great distributor wars of the 1990s" in which comics publishers looked to become exclusively tied to a particular distributor (Comic Books 154). Marvel Comics, which was attempting to further increase its hold on the industry by now involving itself in distribution, bought out Heroes' World (154). This led to DC, Image, and Dark Horse Comics all signing exclusive agreements with Diamond, leaving retailers stuck in the middle (154). These exclusive agreements forced retailers to have separate accounts with more than one distributor in order to obtain comics from various publishers (154). Retailers juggled more paperwork and no longer enjoyed large discounts since their orders were now spread between various distributors (154).

Eventually, the distribution system regained its equilibrium as Marvel closed Heroes' World and joined up with Diamond, which made it the strongest distributor among the pack (154). Soon many others folded and Diamond became, for all intents and purposes, the sole-remaining comic book distributor (154). Although questions arose concerning the monopoly Diamond had on the industry, the U.S. courts ruled otherwise, stating that Diamond still had competitors among book distributors even if they were not among comic book distributors (155).

As word of Diamond's latest benchmark moved through the industry, smaller distributors used the opportunity to promote themselves, especially Haven Distribution. The company, which started in 2007, already has a catalog that reaches 2,300 retailers in North America, and now it is quickly picking up the publishers that Diamond has let go (Offenberger). Haven already distributes SLG, Drawn and Quarterly, Top Shelf, Bongo, and over 20 other small publishers (Offenberger). While the company does have a submission and approval process by which it screens the titles publishers would like to have distributed, Haven has set no benchmarks or sales requirements, saying it will continue to offer a title even if it only sells one copy a month (Offenberger). This is great news to these smaller publishers as they rely on low but sustained orders and reorders from retailers for their titles (Offenberger). While Diamond saw low reorder sales as a burden, Haven welcomes this practice and is more than willing to list a publisher's back stock even if the publisher is offering its new titles through Diamond (Offenberger).

The business practices of Haven reveal that a change in direct market distribution may be looming on the horizon. The director of Haven Distribution, Lance Stahlberg, has stated that the company does not offer exclusive distribution to publishers and is not

looking to push the issue (Offenberger). He has even commented that exclusivity is “counter-intuitive...and [that] that way of doing business is a huge factor in events that brought us to this point in the first place” (Offenberger). Now that smaller publishers are more aware of how vulnerable they are to Diamond’s own business decisions, their need for alternatives provides other distributors with the opportunity to gain a foothold in the industry. While there is still not as great a number of distributors as there once was, the landscape of comics distribution could very well be changing. Some within the industry see this as a great benefit for the expansion of comics (Brill).

Not only will publishers benefit, but so too will retailers. Chris Butcher, the manager of the comic shop The Beguiling, warns that retailers need to become “Comics and Graphic Novel” retailers and not simply “Corporate Superhero” retailers (Brill). They need to do this to truly be successful and expand their own customer base (Brill). This would require them to move past Diamond’s catalog, which consists mostly of superheroes, and investigate what other publishers and distributors also are offering in order to have a wider selection of titles that appeal to a wider audience (Brill). The possibility of an end to Diamond’s dominance, while far from ensured, suggests that smaller publishers and independent comics may find new options open to them. New distribution channels could lead them to finding new ways of reaching readers. Also new distributors would enable them to break free from the heavy predisposition toward superheroes that has been so longstanding in the direct market.

Diamond’s monopoly on comics has also been challenged as a result of more trade book publishers acquiring and publishing graphic novels. The new presence of trade book publishers may even affect the current business relationship between comics

publishers and creators, especially in the case of the major comics publishers. There, a creator's work is done as work-for-hire, which means that the publisher owns all copyrights to whatever the creator produces that is published by the company (Comic Books 175). This is not the case in book publishing and as a result, many creators may welcome the chance to publish their work through a book publisher instead of a comics publisher. If comics publishers were to lose their top creators to book publishers, this could have an enormous impact on whether they can retain their readership.

There has been a great deal of fear about and concern over the rights of creators, both writers and artist, due to their past treatment at the hands of publishers. To understand why today's creators are at times so distrustful of publishers, we need to examine how these older creators were once treated. When comic books were first published during the Great Depression, publishers aimed at creating a cheap product, and as a result of prices for the use of newspaper strips became too expensive, publishers looked for original material. To ensure that costs remained low, publishers followed the work-for-hire system, providing writers and artists a wage for each page of material they produced, while the publishers themselves owned all of the material they produced and retained the copyright. Comic book studios became similar to a factory, where comics were produced along an assembly line with workers who were treated as replaceable parts. In some cases, writers and artists would receive little credit for the characters they helped to create.

This publishing philosophy did not change over the decades, and as certain characters rose to prominence, their creators sought a share in the profits. Joe Simon, along with Jack Kirby, had created Captain America in 1940 for Timely Comics, the

company that would later become Marvel Comics, and wrote the first ten issues featuring the character (180). When Marvel renewed the copyright for Captain America in 1966, Simon sued the company, claiming he should be granted the copyright for the character (180). The case was never completed as Simon settled with Marvel for an undisclosed amount of money and agreed that all of his work for the company was work-for-hire (180). However, Simon would again seek ownership of the copyright after Congress updated the copyright law and granted any original creators of copyrighted properties the opportunity to terminate a copyright fifty-six years after its creator (180). In 1999 he filed his termination request and was rejected, due to his prior agreement with Marvel (180). After an appeal the ruling was reversed since the current copyright law allowed creators to override their prior agreements with publishers (180). Even after all this, Simon never did gain ownership of the copyright as he reached a settlement with Marvel in 2003, the terms of which were not made public (181). This is but one of dozens of cases that have occurred between creators and comics publishers, and in each, the publisher has ultimately retained the copyright either as a result of judicial rulings or settlements, leaving only some of these creators to receive any additional compensation for their work.

While former creators have had little success in regaining lost compensation for work, both DC Comics and Marvel Comics did alter their policies enough to reward creators in other ways. Starting in the late 1970s, first DC and then Marvel instituted a royalty system that paid creators additional money based on the sales of their comics (181). For comics that sold over 100,000 copies, the creators would be compensated on any sales over that mark (183). Another long-standing tradition was that the publishers

did not return artwork submitted as work-for-hire, and this changed earlier in the decade as new contracts between publishers and artists stated that all art would be returned to the creators (181). This would prove to be a boon to artists, as they would sell original artwork to comics collectors for hundreds, and at times even thousands, providing themselves with an additional source of revenue that many sorely needed.

During the same time that the older regime of creators began to fight for their rights through the courts, newer creators were also demanding increased compensation for this work. No longer were only certain characters very popular among comic book fans but certain writers and especially artists, such as Jim Lee, Todd McFarlane, and Rob Liefeld, were also garnering avid followers. As sales dramatically increased when one of these popular writers or artists came on board a new title, such as *X-Men*, *Spider-Man*, and *X-Force*, these creators demanded more compensation for the large number of sales they generated. Soon a group of seven popular artists, Jim Lee, Todd McFarlane, Rob Liefeld, Erik Larsen, Mark Silvestri, Whilce Portacio, and Jim Valentino, frustrated by the work-for-hire system, united together to form Image Comics (177). Under Image Comics, each had his own creator-owned company, except for Portacio who opted to work for Jim Lee's company, and all that Image owned was its own trademarks to the Image name and trademark (177). The creators themselves owned the copyright to their own work and they became founding partners in Image, freeing them from any creative or financial pressure that could be placed on them by the management at publishing houses (177).

Image's formation began the wave of creator-owned titles that has since continued to be a part of the comics industry. The vast majority of these titles are not yet

financially successful. Of all the creator-owned titles listed among the 100 bestselling titles in September 2008, slightly more than a third sold over 10,000 copies and none sold over 30,000 (Kirkman/Bendis Debates). Considering the fact that the majority of creator-owned comics were not among the 100 bestselling titles, creator-owned comics do not have the best track record when it comes to monthly sales (Kirkman/Bendis Debates). Since most titles do not sell well, most creators of these comics benefit little financially from their work.

While it is estimated that the break-even point for a creator-owned comic, in terms of meeting production costs, is between four to five thousand copies, the creators still have additional costs that they must incur (Kirkman/Bendis Debates). Image, in order to support its publishing efforts, takes the first \$2,500 that the title earns beyond its production costs, and even in cases where creators are not working with Image, there are still the costs for the other labor that went into the finished product: the writing, illustrating, coloring, and lettering (Kirkman/Bendis Debates). If the writer is the sole owner of the copyright, then he must pay those who performed the other creative tasks, and if all those involved in the creative process co-own the copyright, then all revenue must be split between them, which in either case results in less money making it into the hands of the creator.

Taking all of this into consideration, between fifteen and twenty thousand copies must be sold in order that the creator or creators really begin to make any money from their work (Kirkman/Bendis Debates). This means, out of all the creator-owned comics produced in September 2008, only nine proved to be truly profitable for the creators (Kirkman/Bendis Debates). Some creators do release their work later on in trade

paperback collections. This would become more financially viable after the release of the separate issues, since all creative costs are already met and only cost of production will need to be accounted for (Kirkman/Bendis Debates). Yet the span of time between the start of the creator's work on the original issues and his reception of any profits on the collection's sales would conceivably be between fifteen to eighteen months (Kirkman/Bendis Debates). Currently, this is not a very financially viable situation for creators, unless they hope that subsidiary rights, such as film and tv rights, will prove worthwhile.

The realities of creator-owned work are almost equally harsh for those publishers who work with the creators to produce them. Since sales for creator-owned comics are typically so low, neither the creator nor the publisher is benefiting which puts a publisher in a precarious situation (Wolk). Secondly, creator-owned work leaves the publishers at the mercy of the creators. Since the creator owns the copyright, he or she can move his or her work to a different publisher at any time; including creator-owned work previously published by the publisher (de Guzman). Publishers fear that too often there is not enough loyalty shown on the part of the creator to the publisher and this results in unfair burdens being placed on them (de Guzman). Because publishers are investing in the creator's work, they want the creator to make the partnership equal and share certain responsibilities (de Guzman). Dan Vado, the president of SLG, concedes that publishers of creator-owned comics may need to become service companies that charge creators wishing to publish their work through them unless creators can work with publishers to share some of the financial risk (Wolk).

Now that trade book publishers are aggressively looking to publish graphic novels, creators may be more inclined to sign with them instead of comics publishers. There they would receive an advance that would ensure a much better financial situation while they work. There has not been much of a shift up to this point. This may be the result of book publishers still being too inexperienced with the production of such material and, as they gain a better understanding of the process, they may become a more desirable option for creators. Comics publishers such as Fantagraphics and Drawn and Quarterly have already established partnerships with book publishers (Thompson) and this may become a mutually beneficial arrangement for more of the small comics publishers who release creator-owned work. With greater financial backing and access to more marketing and distribution, these smaller comics publishers could retain relationships with certain creators while having the ability to explore ways of making their creator-owned books more likely to succeed. This type of shift could prove to be beneficial to all parties. Trade book publishers would now have a knowledgeable and experienced staff to handle graphic novel and comics material while small comics publishers and creators would now enjoy the financial support of a larger company.

None of the four issues discussed in this paper appear to have clear and easy solutions. Yet this does not mean publishers can make excuses for not addressing them in the near future. The increase in cover prices for monthly comic book issues could potentially doom the format. This would eliminate a large portion of the direct market and take away a helpful tool for publishers to test out the sales potential of a new series or concept. Digital comics content is already here and how it is used in the future may determine to what extent comics readership expands and what new revenue streams could

develop. The emergence of new distributors to support those titles and publishers that Diamond Comics Distributors will not suggests that the direct market has a chance to be much healthier. The end of Diamond's monopoly on the direct market may allow other distributors to influence what genres beyond superhero comics are supported. Also a larger number of distributors would improve comic book stores' access to an even wider selection of titles and genres. If publishers do not find ways to work with creators to develop fairer and deeper relationships with creators, the lack of creator's rights in the industry may force many of them to seek out trade book publishers. Deliberate but also careful considered actions need to be taken by publishers, and hopefully they find the right ones.

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