

Royalty Payments - 'Booty' Scheme

'Booty' Scheme – An Explanation

The 'Booty' scheme provides a simple way for us to split Royalty payments across multiple pieces of work and to multiple contributors in the same publication

Royalties will be calculated as 20% of the sales of each publication

- There is no minimum sales quantity required and no cap to the number of applicable sales

The split of Royalties between contributors will be primarily based on the quantity of content

Payments of Royalties will be calculated and paid monthly, one month in arrears

'Booty' Scheme – An Explanation

Because we will not be able to calculate the exact split of Royalties until the content of each publication is finalised, we need another way to keep track of Royalty allocations

To assist in this calculation, each piece of work included will be allocated a number of points up to a maximum of 100

- Points will be allocated based on standard page rates, however additional points may be given for content considered to have significant impact

Once the content for a publication is finalised, the Royalty points for all the content included is added together, to give a total for the whole publication

- From this total, Royalty payments per contributor are easily calculated as a percentage

'Booty' Scheme – An Explanation

To assist in this explanation further we will look at two example contributors in detail, both fortunate enough to have their work published in one of our publications ;o)

Anna has a single cartoon published, it is allocated 15 points

- **Anna's total** for this publication **is 15 points**

Bob has two comic strips published, one allocated 50 points and the other 75 points

- **Bob's total** for this publication **is 125 points**

'Booty' Scheme – An Explanation

Contributor	Royalty Points	% of Royalty
Anna	15	1.2%
Bob	125	10.0%
Colin	50	4.0%
Danny	190	15.2%
Eric	30	2.4%
Faye	250	20.0%
Greg	195	15.6%
Harry	125	10.0%
Izzy	70	5.6%
Jim	200	16.0%
Total	1250	100%

At the point at which all content is finalised, Anna and Bob's Royalty points are added to those of the all other contributors to the publication

The Total for this example is **1,250 points**

Anna's 15 points as a percentage of the 1,250 total are **1.2% of the Royalties**

Bob's 125 points as a percentage of the 1,250 total are **10% of the Royalties**

'Booty' Scheme – An Explanation

Contributor	Royalty Points	% of Royalty	Royalty Paid
Anna	15	1.2%	£ 240
Bob	125	10.0%	£ 2,000
Colin	50	4.0%	£ 800
Danny	190	15.2%	£ 3,040
Eric	30	2.4%	£ 480
Faye	250	20.0%	£ 4,000
Greg	195	15.6%	£ 3,120
Harry	125	10.0%	£ 2,000
Izzy	70	5.6%	£ 1,120
Jim	200	16.0%	£ 3,200
Total	1250	100%	£ 20,000

With **total sales** of **£100,000**
 The **20% Royalty** will be **£20,000**

Anna's 1.2% of the Royalty is **£240**

Bob's 10% of the Royalty is **£2,000**

'Booty' Scheme – Alternative Sales Examples

Contributor Royalty Points		% of Royalty	Sales £500k Royalty Paid		Sales £750k Royalty Paid	
Anna	15	1.2%	£	1,200	£	1,800
Bob	125	10.0%	£	10,000	£	15,000
Colin	50	4.0%	£	4,000	£	6,000
Danny	190	15.2%	£	15,200	£	22,800
Eric	30	2.4%	£	2,400	£	3,600
Faye	250	20.0%	£	20,000	£	30,000
Greg	195	15.6%	£	15,600	£	23,400
Harry	125	10.0%	£	10,000	£	15,000
Izzy	70	5.6%	£	5,600	£	8,400
Jim	200	16.0%	£	16,000	£	24,000
Total	1250	100%	£	100,000	£	150,000

We believe our marketing campaign will drive significantly better sales than our first example

Should this be the case, the benefit will be passed on to all contributors under our scheme

Of course, an outcome with a lower return is also a possibility... But, with a combination of great content and great marketing, we expect to have very significant sales right from our 1st issue

We hope you will join us at Skye Bear in this exciting new venture!