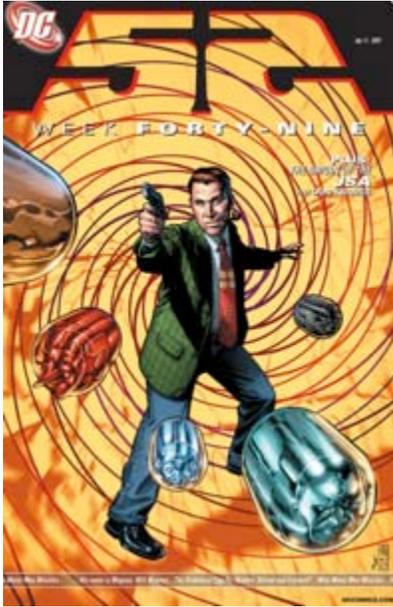


Economics, Comixology, and the New 52, coming right at you



We have spoken about what we know so far about the DC Universe slight shift in occasional continuity around the stuff that Dan DiDio misses from when he was ten years old, the bits Geoff Johns and Jim Lee have found the perfect people to remake ever so much better than anyone has done before in the past seventy years — namely, Geoff Johns and Jim Lee — and the bits Grant Morrison has said he wants to completely remake from scratch under threat of holding his breath until he turns the various colors of the Emotional Spectrum.

I'm sorry, we're supposed to call it a 'reboot.' Or "The New 52." Which I can't say without hearing the theme song of *The New Zoo Revue* playing in my head, which makes me consider the possibility that this is Dan DiDio's attempt to drive us all completely insane.

However, this particular essay isn't about all of that. You've seen my broad stroke thoughts on the subject, and anything else I elect to write on it would devolve down to the usual fannish arm waving and declarative sentences. You can substitute in any basic fan theories and "what they should dos" and you'll get the gist, if not the substance. No, this essay is on the thing that actually *has* changed — and which signals the first big salvo in the end of comic books

as we have always known them. Namely, same-day digital publishing. A thing I am *entirely* in favor of it.

Naturally, of course, the way they're doing it could be absolutely disastrous, but you've come to expect that from me, haven't you? A little bit? Maybe?

More after the obligatory break. As a bonus, somewhere down there is a picture of 80's Hair Iron Man.

The plan is actually a pretty simple one, which is a point in its favor. As the major comics companies have moved into electronic publishing alongside traditional pamphlet style comic books and perfect bound graphic novel style books, they have generally put in a hefty delay between a comic appearing on the comic store's shelf and the same issue appearing on the Comixology website (or other electronic printing venue). The reasons for this were pretty good ones, in terms of retailer relations. If people wanted the complete spoiler free experience of reading their comics and being able to haunt comics websites afterward, they had to scurry down to their Friendly Local Comics Shop and buy things. And maybe poke around and buy some other stuff, and read a couple of issues on the stands because that's what one does in a comic book store. The electronic versions of these comics would generally be better positioned to catch someone up on a series than be the effective way of following it.

However, after the release of the New 52 (coming right at you... where three delightful animals have fun with what they—*AUUGH!*), the flagship titles and, eventually, all of the 52 series (or as many as survive the first three months or so, anyhow) will be available for purchase and download electronically. So, on New Comic Book Day™, a comics fan can plunk down their \$2.99 via Paypal or credit card and immediately start reading, all from the comfort of their cubicles or cafes. Comixology has a 'pull list' system, so it can all be automated. *Boom*, comics — all of them that you're buying, right there for the reading.

This is, in pretty much every way, good for DC and good for the comics aficionado. One of the great losses for the comics industry was the end of the era where comic books were available in supermarkets and drugstores, where a fan in most cities or towns could conceivably walk to a place that had the latest *Action Comics*, *Amazing Spider-Man*, or *Justice League of America* for sale. Today, a kid who lives in the town I currently live in has to be driven about 45 minutes to get to the nearest comic store. Of course, these days they're trying for the folks old enough to drive, but the principle remains the same. Now, that kid, or that driver, or heck, *I* can grab all the comics I can afford.

It's obviously *not* good for the Friendly Local Comics Shop — while times have been tough for them as they have for all variety of booksellers or media purveyors who aren't on the internet in one form or another, there are comparatively few places online selling physical, pamphlet style comics. Bookstores have some, generally — depending on the bookstore — but they're more about graphic novels. For people who want that aforementioned *Action Comics* issue, the comics shop is their best bet. Now, there's going to be a *big* competitor for the \$2.99 that DC's 'holding the line' on in price — and that competitor is open twenty four hours a day and teleports the comics within seconds. You don't have the physical comic, but for a lot (most?) of folks, the point is the story and art, not the paper. This will be the harbinger of doom for a lot of comics stores.

But that's not why I foretold potential disaster up at the top of this essay. Honestly, though I feel badly for comics shops — I've patronized some terrific ones in my day — this too is part of the shifting landscape of the economy, as more and more infrastructure goes electronic or large scale. The downtown boutiques have been eroding in the wake of malls and Old Navy. The downtown hardware store gives way to Lowes and Home Depot. All of the above give way to WalMart. And the stuff malls, Lowes, Home Depot aren't good at, particularly — like broad software selection, books, and the like — can all be had at Amazon, generally for a lot less money. It's a sad fact of societal evolution but also an inevitable one. One day, the Comics Shop will be extremely rare. Some of the most successful do much or most of their selling on eBay right now. This may hasten that end but its lack couldn't stop it.

No. The disaster comes, as it sadly often does, by a fundamental lack of understanding of online economics. A lack of understanding all too common in corporations, even when they develop an online presence. In the end, too many executives expect the digital version of a product to be the same as the physical version — only with a significantly better profit margin.

This is reflected in the DC/Comixology pricing scheme. When the New 52 (with Doug and Emmy Jo, everyday's a different sho—*DAMN YOU DAN DIDIO!*) goes to Same Day Electronic Publishing, that online comic will cost... \$2.99, holding the exact same line as the physical comic book. Even though distributing the electronic version won't cost a *fraction* as much as the paper, printing, assembly, packaging, distributing, unloading and displaying of a physical pamphlet style comic does, it's the exact same price.

Okay. Such is life. They're already putting the screws to the Friendly Local Comics Shop, they don't want to coat those screws in lemon juice, salt and the tears of Rupert Murdoch first. That would just be cruel.

The problem is... over time the price doesn't go down that much. Which means over time, the barrier of entry for a new reader will just get higher and higher and higher, until they're in exactly the same place with exactly the same problem, only this time you won't even have central gathering places for new comics fans to be indoctrinated.

But *hey*, you say. How bad *is* that problem? Right now a six month old comic usually costs more than cover price. At least now the price isn't going *up* with time. To which I say true, and stop giving them ideas. But that's not the point — and you don't realize the economy of scale I'm discussing here.

Let's use a direct example. Since we're discussing the New 52 (it's quite an unusual thing, the animals talk and si— *oh God make it stop, make it stop*), let's go back a few years to one of their grand experiments — in the immediate aftermath of *Infinite Crisis*. One of the great epic storylines of the DC Universe. I am speaking, of course, of the year long, weekly comics maxi-series (anyone else remember the term maxi-series?) 52. This was the saga of what happened in the full year between the end of *Infinite Crisis* and the return of Superman, Batman and Wonder Woman to the world of superheroing, which was skipped over in the *One Year Later* event designed to shake up the DC Universe and give mythical new readers a place where they could jump in without reams of continu... now I'm depressing myself again.

Let's say I wanted to read the entirety of 52. Now, that's not actually a problem. They came out with a four volume set of graphic novels which include both the stories, plus some bonus artwork and insights into the writing process, and writer commentary with extra bonus love for Grant Morrison by all his co-writers and the bemoaning of the fact that the joke about a Lesbian faking all her orgasms got cut.

I swear to *God* I'm not making that up.

If I go down to my Friendly Local Comics Shop, they have all four graphic novels at the cover price of \$19.95 apiece. Because I live in New Hampshire (Live Free or Die), there is no sales tax, so if I want, I can get the full series there for \$79.80. Also while I'm there, I can also spend like ninety bucks on a maquette statue of Supergirl flashing her panties inadvertently, so hey — bonus! It's not impossible I could get the entire run of 52 in the back issue bins there too, but those tend to run at least three to four bucks an issue, so it's nowhere near worth it.

Good enough, but it's hardly my only option. If I instead decide to go to Barnes and Noble to get those four books, I can buy them *and* use my Member's Reward card, which gives me 10% off. Since the Barnes and Noble is *also* in New Hampshire (Live Free or Die), that means I'm saving \$7.98 on my purchase — and if they don't have them in stock, they'll order them from their distributors or other stores for me at no extra charge. It might take a couple extra days, but *eh*. If it's taken me this long to read freaking 52, how much of a hurry could I be in? So, right there we're looking at a total of \$71.80. Hu-zzah. Better and better.

But wait! There's also the internet! In particular, there's Amazon.com. Hitting that website — holy crap! They've got it new for *\$13.59 per volume!* If you happen to be an Amazon Prime member, that throws in free two day shipping but even if you're not, the shipping will still be free if you don't mind waiting for the Super Saver — and like I said, how anxious could I possibly be?

(Actually, I have Amazon Prime anyway, so hey — two day shipping. But I digress.)

So, at *this* point I can get the four volumes for a grand total of \$54.36, without even a shipping charge! Score! I'm already saving \$17.62 on the cover price, still getting these things 'new.' That's almost the full cost of one of the books at my Friendly Local Comics Shop. Yeah, there's a *reason* they're in decline even without electronic publishing. But I digress.

But let's say I don't care about getting them 'new.' Because why would I care about it? I just want to read the damn things. Well now — now we get into eBay or Amazon Marketplace territory. And doing a fast review of those sites, I can see that depending on Buy it Nows, and shipping....

Wait. There's an Amazon Marketplace seller selling all four of the issues, and they're Amazon Prime. And they're charging \$9.95 used. So... right! We are at \$39.80 for the whole lot of them, no shipping cost with two day delivery. A full \$40 savings off of cover price.

That last, by the way? That's the worst case scenario for DC Comics. I'm not giving them any of my money by buying those books. I'm getting copies they've already been paid for. So those copies have now been sold twice. And I'm hugely in favor of that, but for DC, it represents me getting delicious morose Ralph Dibny action without handing any of my money over to them.

So, we have a basic continuum for me to read the full story of 52, with a forty dollar spread from used on Amazon up through full cover price, all with very little work needing to be done on my part in crunching the numbers.

But wait... there is another option. Because there's Comixology, DC's partner in digital goodness! So not only can I get the full series from them — it is available — I'll have it instantaneously! And DC will even get cut in on the money! Further, they're not hosting the servers or managing the inventory — Comixology is. So they have effectively no production costs. After all, this was a series that ran in 2006-7. That print run's done. They don't even need to spend the money on printing the graphic novels. It's genius! After 4-5 years, it's practically like handing them free money for no additional effort!

So I go to the [DC Store page at Comixology](#). Excellent! And hey — there's a graphic right in the top row inviting me to check out 52! Even better. So I [click on that graphic](#), and it brings me to....

Well... now... wait a second....

It's all here — all fifty-two issues. And the first one is free! Excellent! I'll read that one no doubt! And then the others are....

Well, they're... \$1.99 apiece. Except for issue #52 of 52, which is... \$2.99.

I look for a 'collect this whole series' link or a discount plan for volume purchase or the like, but none appears. I have a 'put all in cart' button, so I go ahead and hit it. Maybe the discount is automatic. They're put into the cart...

Wait, no they're not. I have to sign up for an account before they'll put these things into a cart and total it. Okay, okay, whatever. Go through, fill out form, enter e-mail address, choose password... yeah yeah... oh, right. Got to wait to get my confirmation e-mail before I can log in and actually put comics in a cart....

Right. Got it. Activated account. Log in... nothing in cart. Fine. Click on DC Store—

Wait. This is a different storefront now. Now it's organized by this week's releases. And *everything* seems to be \$1.99. Old issues of *Young Justice* during *Our Worlds at War* — a crossover event from *ten years ago* — are \$1.99! And there's no sign of 52! And no easy place to go and find the series-specific page that I had before logging in!

Fine... fine... there have been UI problems before. I know inside of a week I'd get used to it... just... work out how to find 52...

Okay, the search brought up all the aftermath stuff too, but from it I could get to the 52 page. Excellent. Go through and check... yup. The prices are all still the same. Still, let's see what add to cart gives us *now*....



One hundred and two dollars and forty nine cents?

One hundred and two dollars and forty nine cents?!

You have got to be *kidding* me.

Let's review, shall we? A comic book series that ran from four to five years ago — *four to five years ago* — can be purchased at full graphic novel cover price from a comic store for \$22.69 *less* than buying the same content *minus* the behind the scenes stuff, disturbing stories about attempts to put jokes about Lesbians and orgasms into the comic, and Dan DiDio once again confirming in print how half his decisions come back to *I really loved the Metal Men when I was a kid so I told them to put the Metal Men in* and it's almost twenty-three dollars *more expensive*?

And remember, I can buy it 'new' in graphic novel format for another nearly eighteen bucks off and I can get them used for \$40 less....

...I can get this entire story, perfectly legally (albeit without DC seeing nickel one from me) for \$62.69 *less* than the digital version of the comic with the *lowest* per-unit cost to produce for DC? For a nearly five year old storyline?

Go through the DC store on Comixology. It's everywhere. Stuff from fifteen years ago? \$1.99 Stuff from 1985 with the cover price of 75¢ still on the thing? \$1.99.

I'm sorry. I probably shouldn't work blue. But honestly. *Are they out of their fucking minds?*

And it's not like they're just keeping up with the competition. Marvel offers a yearly subscription to their online content — one I picked up, out of a driving desire to reread the Christopher Priest run on *Black Panther* — for currently just shy of \$60 per year. (Less money, I would point out, than the digital run of 52 by over \$40). That gives me access to *thousands* of comics from across their history. If I feel like rereading the adventures of 80's hair Iron Man, I do a fast search for David Michaeline (the writer) and Iron Man and *boom*, Darryl Hall and Tony Stark are ready to tour. I can relive half my childhood (the *Marvel* half, anyway) as part of that yearly fee, and more stuff's getting scanned in all the time.

And it's not just my childhood. During the same 2006-2007 time period 52 was running, Marvel was doing a little thing called *Civil War*. Now, it's not my favorite moment in comics history, as I've made plain in the past. At the same time, it's a *significant* moment in comics history.

You know what? I can read all of it — including all the side comics, as near as I can tell. Right now. No extra charge. I just pulled up *Civil War #3* to prove it. It was simple, since they have a freaking *Chrome App* now.



I've always liked DC better than Marvel. I'm one of those guys. Those guys who like DC better than Marvel. But right now Marvel's digital house is getting sixty bucks a year from me, and DC isn't getting jack. And a big reason why is I can read *Avengers Disassembled* or *House of M* at will, but I can't read *The Sinestro Corps War* or *Identity Crisis* without shelling out more cash than I would for actual physical graphic novels. *Lots* more cash, if we count eBay or other used outlets in there.

So. Let's say someone gets into the New 52 (Delicate and feminine is Henrietta Hippo. Very wise and very smart is Charlie the Owl—*MAKE IT STOP MAKE IT STOP!*), but like most of the folks who do so, they don't buy all of the comics. They decide to just get a few. And let's say we get to 2013 or 2014, and someone says to them "hey Bob—" (apparently his name is Bob) "—have you been reading Gail Simone's *Batgirl*?"

"Nah," says Bob, who in fact hasn't. "I was a Steph fan. Didn't seem right."

"Yeah, well — it turned out to be pretty good. They haven't collected it yet but you know — you should check it out."

So he decides 'what the heck,' and hits the website, and sees what Batgirl #1-12 would set him back....

And discovers that, in that it was holding the line at \$2.99, a year's worth of the comic would cost \$35.88. Even if, after a year or so, they dropped the price to their standard \$1.99, that single year of digital comics would be \$23.88. And of course, he can't even thumb through them to see if he likes them, because previews on the DC store are pretty sparse — maybe a page or two. Maybe.

Bob might decide to go for it. But man, I'm sure not considering it, even for the comics friends of *mine* tell me I should have gotten into.

Now consider when there's three years of backstory. Or five. Say the graphic novel/trade paperback business largely bottoms out, and if you're not a major event, Superman or Batman, you're out of luck. Will someone commit almost seventy bucks to digital only comics to get into the swing of things? Or will he just kind of shrug and stick with what he knows?

What about *entirely new* readers? The very ones they're trying to lure in. What will *they* do then?

Don't count on word-of-mouth. Where will they hear it? The Friendly Local Comic Shop? Good luck with that.

Five or six years from now, DC will be largely vested in digital comics. It's entirely possible enough comics stores and bookstores will have closed by then to make those options incapable of supporting pamphlet style comics. And let's face it. We all know the day of the *comic book* as we've always known them are numbered. Do they put out everything as trade paperbacks, even as loss leaders, in hopes of letting someone get into comics without having to fight for five years of backstory *per title*? Or will they just reboot *again*, this time with whoever's Teh Hotness in five years' time?

So, what should they do? What would *I* do? After all, Comixology needs to get paid and creators need royalties, and we can't just shaft what comics retailers are left.

Well, okay. Here's my thought:

As with things right now: on the same day that comics come out, the print and digital versions have the same cover price. \$2.99. The folks who want their comics *as physical comics* get them. The folks who want the immediacy get *them*.

All comics also have a preview. The first six pages, *not counting the cover*. That's not enough to get more than a taste, but it's more than enough to get people clicking through to see if they like something, and if it's well written and drawn, by page six they'll want to see page seven, eight and nine.

After sixty days from release? The digital comic drops to \$1.99. One dollar off. At that point, the back issue sales for the comic shops are far from their price leader, and that has to be recognized.

After one year from release — one full year — the price drops again. To 75¢ per comic.

That's right. *Seventy five cents a comic*. After a full year, your individual comics aren't going to be bringing in major cash, but in today's day and age, dropping seventy-five cents on a thing is negligible. If you've got that six page preview, they won't think twice about seventy five cents for the rest of it, assuming you were able to hook them.

Further... if you have at least 12 comics in a series at the 75¢ mark, offer an automatic discount for buying 12 sequential back issues. \$7.50 for 12. That's two issues free. Now you have a cheap way to sell people a full year of comics — comics that otherwise wouldn't be making any profit at all. And remember, it's not like you'll have print costs, your only distributor will be Comixology, so all the rest goes back to the company. Give a percentage of the gross to creators as royalties and *everyone* wins.

Any time you release a graphic novel, that same graphic novel goes onto your digital site, in place of the individual comics it covers (have their pages redirect to the digital graphic novel). Upon release, and while that graphic novel remains in print, they're either at price parity or they're a dollar or two less. The digital graphic novel should include all the commentary or bonus stuff the graphic novel does.

When the graphic novel goes out of print, drop the cost of the online version accordingly, and return the individual 75¢ comics to the store.

When *any* major storyline's completion in any series hits the year old mark, put a specific bundle of that storyline in your store. Keep the cost the same as for the individual issues (along with the discount for buying 12 consecutive issues in a row) — this is just a convenient way for someone to grab the comics storyline by storyline instead of year by year. Choice is good. Keep the same special pricing for 12 comics of something that comes out twice a month or weekly — so a twice monthly comic would cost \$15 for a full year instead of \$7.50, after all the issues hit the 75¢ range. As for higher bits — well, see below.

If some series hits the five year mark at the 75¢ mark, and someone wants to get the full five years, charge them \$25 instead of \$30 in another bundle. At this point, the older issues are old enough and the digital distribution is so inexpensive this can only *increase* your profit margin, not decrease it. At the 10 year mark, charge \$40 for ten years instead of \$50.

If this system was in place now, and I went to get 52 — all of which would be more than a year old — each issue would be 75¢ instead of \$1.99. Getting the whole 52 issue run would be (48 issues at 12 issue blocks for \$7.50 each + 4 additional issues) \$33 even. A full six bucks less than I could get them used from Amazon Marketplaces, and way more than six bucks less than getting even the discounted graphic novels. Of course, while the graphic novels were in print, the block of issues each graphic novel cost would cost the same, perhaps minus a moderate discount, would include all the extras, and — oh yeah, would have *instantaneous delivery and no possibility of their being destroyed*. Still a better bargain than in print, and the difference between the in-print cost and the used cost wouldn't be nearly so jarring as the difference between the current online cost and the used cost is.

Would it be a success? Maybe. It has a shot at it, certainly. I think it has a much, *much* better shot than the current apparent plan, which is to pretend like people will want to spend two bucks for twenty two pages of content that's nine years old. It would reward people who want to go back and grab older stuff with discounts, while still being absurdly profitable for Comixology and DC.

And if it inspires people to grab stuff going back years or even decades, at seven-fifty for a year's worth of a comic? That's absurdly profitable even if the worst happens to the New 52 (Magic and wonder are waiting for you—)

Wait. Wait, wasn't that last one *Zoobilee Zoo*? Jesus, how many 70's/80's live-action fursuit-clad song-and-dance childrens' shows *were* there?