

First Edition: Publica Hopes Author's June ICO Will Be a Bestseller

The publishing company will conduct a new kind of book launch on June 6, hoping fans of globe-trotting travel writer Matt Kepnes will buy blockchain-based book tokens.

By **Joanne Cleaver** - May 24, 2018

Matt Kepnes plunged into [full-time travel blogging](#) and built a millennial-driven brand that has a quarter of a million Facebook followers and a million monthly website visitors. On June 6 he'll test the depth of his fans' pockets when he opens the first author initial coin offering on the [Publica](#) publishing platform.

Publica plans the ICO as a "marquee" rollout to a particularly receptive market of young first-adopters who, like Kepnes, consider themselves citizens of the world.

Publica's goal is to illustrate to authors that its platform erases vexing difficulties inherent in monetizing their reputations and social media followings, says Josef Marc, Publica CEO and co-founder. Publica is headquartered in Riga, Latvia.

"This opportunity gives me a chance to reach a wider audience and a whole set of new people I would never have otherwise," [Kepnes](#) tells *ThirtyK* via email. "We're always trying new, innovative ways to reach people and help them to travel more. By doing this ICO, we have yet one more way to get our content out there and (hopefully) get more people to travel better, cheaper and longer. Anything that helps us do that has strategic value."

He and Marc are counting on the NomadicMatt community to erase the chicken-and-egg dilemma of the early adoption of new technology: how to attract enough pioneer users to create critical mass and convert the new technology or process from novel to normal.

JUST AS CROWDFUNDING MONETIZES PEER PRESSURE FOR STARTUPS, BOOK ICOS MIGHT ERODE EMBEDDED RESISTANCE WHEN ENOUGH FANS START ASKING FAVORITE AUTHORS FOR CRYPTO-ENABLED SALES.

The ICO, which opens at 9 a.m. EDT on June 6, will be for tokens that give buyers an immediate download of Kepnes' latest title: "Backpacker's Guide to Europe." One thousand book tokens will be available for \$10 each.

Publica takes a 10 percent cut as a platform maintenance fee. The rest of the revenue goes to the author.

Publica's tokens govern access to the books sold in its ICOs. Readers will be able to trade tokens or transfer them to friends, just as they do with paper books. There's one key difference, however. When readers resell a book token, revenue will be automatically directed to the author's digital wallet.

"Authors say they love this feature," Marc says. It gives them "resales revenue they never had before, even with paper books. Their entire readership becomes their potential sales force."

A New Kind of DIY Publishing

The success of the ICO pivots on the revenue it raises, which pivots on how the NomadicMatt community converts its loyalty to using a new payment technology to buy in a new way the same kind of thing it has been buying all along.

To illustrate the potential for book tokens for all genres, Marc promises a steady stream of Publica ICOs this year. “The next one is fiction and after that is another marquee author,” he says.

Kepnes and his array of traditionally published guides, digital reports and digital courses are the perfect test case, explains Marc. The direct-sales platform Publica offers is in sync with [other do-it-yourself publishing](#) and marketing platforms that have opened a new way for authors to cultivate relationships and sales directly with their readers.

Each Author Is an Island

In 2016, the most recent year for which data are available from the [International Publishers Association](#), revenue for the U.S. publishing industry totaled \$23.86 billion, with retail products accounting for two-thirds of that and educational and scholarly titles the remainder. [Five traditional publishers](#) dominate the market. In 2016, U.S. print book sales totaled 674 million, according to the [Frankfurt Book Fair](#). Adult nonfiction – which includes titles such as Kepnes’ “[How to Travel the World on \\$50 a Day](#)” – is the fastest-growing category, logging 6.9 percent growth over 2015. Separately, the Fair counted 727,125 self-published titles.

One vexing problem Publica hopes to solve with the book coin is how to give digital books. Influential [book clubs](#), reviews and celebrity endorsements predate digital social sharing and represent both a powerful catalyst for potential adoption and a barrier, if tech-averse readers stick with traditional sales channels. A giving function is embedded in the Publica app, says Marc.

Just as crowdfunding monetizes peer pressure for startups, book ICOs might erode embedded resistance when enough fans start asking favorite authors for crypto-enabled sales, predicts Marc. Authors can help by positioning their own ICOs and book tokens as part of their service to loyal readers. “The tipping point for Publica will be when readers tell their authors that this is what they want,” he says.

“Most of the time people think of blockchain and crypto as only financial tools but the technology behind it has much wider applications, and I wanted to be a part of that application,” adds Kepnis. “I wanted to help prove that this technology has widespread uses in our daily lives. It’s just not a gold rush to buy and sell ‘coins’ for profit.”

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