



Mississippi Institutions of Higher Learning

Report of the Textbook Task Force

July 2007



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**REPORT to
COMMISSIONER
and
BOARD of TRUSTEES**

**Mississippi Institutions of Higher Learning
Textbook Task Force**

***Report to the Commissioner of Higher Education and the Board of Trustees of
State Institutions of Higher Learning***

July, 2007

Commissioner of Higher Education Thomas C. Meredith appointed a Task Force to review textbook costs on campuses. The charge given to the Task Force was to explore ways to make textbooks more affordable to Mississippi's university students. The increasing costs of textbooks may have a negative impact on the Board's goal to increase graduation rates. Worse, students may opt out of purchasing textbooks which may impact the quality of the education received.

The first meeting of the Task Force was held on March 1, 2007. The objective of the Task Force was three-fold: (1) to share expertise and skills to collectively control costs, particularly for the lower-income students; (2) to develop an awareness by informing the Board of Trustees, Legislature, and national associations of the issues surrounding the price of textbooks; and (3) to provide guidance or information to faculty and students to help reduce costs.

The plan was to draft an awareness document to inform the Board of Trustees and the Legislature of the serious issue and its potential negative effect on more Mississippians obtaining higher education.

As part of the review, it was noted that the price of textbooks for the 2006 academic year ranged from \$809 to \$904 per student. Gross margins on new textbooks averaged 22.3 percent and 35.1 percent for used textbooks. According to the Government Accountability Office (GAO), textbooks prices have risen at twice the inflation rate with prices averaging approximately six percent per year since 1987. As a percentage of tuition and fees, the cost of textbooks range from 75 percent at two-year public institutions and 26 percent at four-year public institutions. The cost was eight percent at private schools. A graphic of "Where the New Textbook Dollar Goes*..." as presented by the publishing industry, is included in the appendix.

A study, chaired by University of Mississippi student Shad White, detailed the issues, nature, and causes of textbook prices to the University of Mississippi Associated Student Body in August, 2006. The study included recommendations for Mississippi Legislators, university administration, faculty senate, and the campus bookstore.

Mississippi Not Alone

Mississippi is not alone in the concern over the high cost of textbooks. Several states have pursued and/or are pursuing legislative action. These states and their corresponding legislation were studied by the Task Force. Other states are pursuing actions such as acknowledgement of the growing concern, requirement of price disclosures, "unbundling"

of course materials, and the investigation of rental programs. In addition to Mississippi's Textbook Task Force, other states, including California, Connecticut, Georgia, Illinois, Maryland, Missouri, New York, Oregon and Washington, have established task forces to review like problems, concerns and issues.

The GAO was tasked to conduct a study to determine 1) changes in textbook prices; 2) factors contributing to textbook changes; and 3) factors impacting price differentials between retail within and outside the United States. The GAO study found factors affecting the price of textbooks were directly related to supplement materials such as CDs, websites, and other instructional materials. Publishers argue these were created in response to instructors' demand. GAO concluded that given the current market environment, textbook prices will continue to rise, although at a slower rate.

Key Issues and Work Plan

The Task Force identified a number of key issues on matters such as textbook selection and availability; pricing transparency, and edition "churn." Churn is how quickly a textbook changes editions; i.e., 1st edition, 2nd edition, etc.. Data were gathered from four-year public institutions, two-year public institutions, and private institutions in Mississippi. The Task Force also reviewed a study from University of Mississippi Associated Student Body, the GAO study, documents from the National Association of College Stores (NACS) and other states. Interviews were conducted with publishers and publisher websites were reviewed.

It was determined that there is very little consistency among entry level courses textbook selections at Mississippi's four-year institutions. Among these selections the larger institutions were more likely to customize the textbooks. The two-year public institutions did not respond to the Task Force inquiry.

Several key issues were noted in the review. The timing of the textbook selection was critical. Timing factors include the role the faculty plays as to when the textbook is selected and the process for communicating and coordinating faculty's selection of textbooks to the campus bookstore.

Choices and availability were factors impacting cost. The publishers' distribution methods affected the students' purchase options which affect cost. Options include new, used, or "bundled" course materials. Bundled means a textbook includes supplemental materials that may or may not be used in classroom instruction. Some students were not aware of options to find the best price when shopping for textbooks. The Task Force identified the need to publicize options for students to save on textbook purchases.

Adding to the problems were (1) the publisher's failure to discuss pricing with the buyers; i.e., faculty, (2) the lack of transparency in pricing and (3) lack of competition. The Task Force found the frequency of revised editions affect cost when, in fact, changes were very minor and failed to change the major thoughts in the textbooks. Hence, the shelf-life of a book was shorter than necessary and affects the resale prices. Some campuses faced the inability to resell books because of customization of the course material at the campus level.

The task force found that if technology was integrated into the curriculum, it might ease the burden for students by allowing students more purchase options.

Various Constituents

There are numerous constituencies affected by the textbook issue – students, faculty, administration, bookstores, and publishers. Each group has their own roles and perspectives. Students perceive things are happening too slowly. Students think the administration either has no clear rules on when things should occur or there is no enforcement of the current policy.

Faculty are the decision makers when it comes to the purchase of textbooks. Faculty play a key role in selection but price is not typically part of their decision. Rather, faculty are more concerned with content and usability by the student.

Administration's dilemma is balancing student needs, academic freedom of faculty in selection of textbooks, and profitability of the bookstore. Self-operated bookstore operations must at least breakeven. Outsourced operations received most of their commissions based on new book sales. Bookstore operations typically wait on faculty decisions. They push for quicker decisions on textbook selections. Publishers are looking for market share.

Local Action

Mississippi campuses are pursuing some actions to assist the student in the cost of textbooks. They are allowing students to charge textbooks to their campus accounts. They are posting the International Standard Book Number (ISBN) online. They are allowing book orders during pre-registration and enforcing policies regarding book selection by students.

Some joint actions underway on campuses include looking to find ways to maintain academic freedom for campuses and professors while leveraging purchasing power of ALL colleges and universities in Mississippi. The Task Force looked at textbook use across introductory biology, chemistry, math and psychology courses but found no consistency.

Comprehensive Solution

The Task Force realized that a comprehensive solution would require recommendations encompassing actions by all participants. The Task Force subdivided the recommendations into three categories. The subdivisions include recommendations for the campuses, the System, and the System Recommendations for the Mississippi Legislature. A set of resource materials reviewed by the Task Force are included in the report. They include (1) appointment letters, Task Force members, and minutes; (2) outsourced versus self-operated bookstores on campuses; (3) entry-level textbooks for selected courses; (4) interviews with publishers; (5) additional resource materials; and (6) the University of Mississippi study.

Recommendations

I. Campus Recommendations

a. Administration

- i. Administration should task orientation departments to develop and distribute “Tips for Saving Money on Textbooks” during orientation to freshman and transfer students.
- ii. Administration should develop resource materials and educational sessions for professors on the importance of selecting low-cost books, avoiding bundles, using photocopied packets of excerpted materials, and assigning texts which are available on line. Steps to assist in this may include:
 1. Faculty senate members, textbooks selection committees and new faculty should be given an overview of the dangers of ignoring cost and sound selection methods when selecting textbooks.
 2. Professors should be required to sign a university written notice in order to assign a bundle.
 3. Administration should conduct meetings with textbook selection committees, faculty senate members and new faculty on free online alternative textbooks that students can access for free.
 4. Administration should review with faculty senate, book selection committees, and new faculty the legalities of photocopying materials.
- iii. Institutional Executive Officers should sign a unified letter to publishing companies acknowledging the high cost of textbooks and their concern of the effect on educating students.
- iv. Copies of new editions of textbooks for popular classes should be placed in the campus libraries.
- v. Open forums should be held on campus with bookstore officials, faculty, and students to simultaneously answer questions and raise awareness.
- vi. Administration should look for ways to assist university bookstores in the buyback process. Steps for implementation may include:
 1. Involving student government volunteers and
 2. Placing buyback desks in residence hall lobbies or other strategic locations.
- vii. A public records notice should be posted on campuses to notify the public of changes in textbook policy changes. The policy changes should also be monitored.
- viii. Administration should improve the timeliness and accuracy in textbook adoption processes.
- ix. Students should be provided access to textbook selections via the web as early as possible in order to improve consumer choice.

- x. Administration should provide departments and instructors with a web-based interface for reporting textbook selections that are flexible, straightforward and easy to use.
- xi. Administration should provide academic administrators with web-based reports and reminder tools to monitor textbook submissions.

b. Suggestions for future review and discussion include:

- i. Administration should consider placing the ISBN of a professor's book selection online. This gives the student information on textbook selections in advance of the beginning of the semester which could result in immediate cost reductions. Necessary steps may include:
 - 1. Setting hard deadlines for the selection of textbooks.
 - 2. Educating faculty on the importance of early textbook selections.
 - 3. Creating software which allows professors to select textbooks when confirming classes they will teach in the upcoming semester.
 - 4. Creating software which allows students to view ISBNs when registering for the upcoming semester.
 - 5. Designating a textbook "czar" at each institution to ensure timely submission of textbook choices and faculty confirmation of abiding by the deadline are received.
 - 6. Adopting a university-wide policy that a professor's text choice will remain the same as his or her choice from the previous semester if a new choice is not submitted by the deadline date.
- ii. Encourage all universities to review Jackson State University's book award program to see if it can be replicated throughout the System. Jackson State University's Development Foundation awards \$10,000 to \$15,000 per year in book awards to their students.
- iii. Administration should begin conversations with bookstores and publishers to provide book scholarship for students.

c. Recommendations for Student Body Associations on Campuses:

- i. The System should initiate a bill for Legislative consideration acknowledging the problem.
- ii. Administration should work with the campus bookstores to increase buyback.
- iii. The University of Mississippi Associated Student Body (ASB) started an "ASB Book Award" program as a result of the Textbook Task Force on campus. This award should continue to be expanded and other institutions' Student Body should investigate similar awards.
- iv. Electronic remotes ("clickers") are used at some institutions to take role and in-class quizzes. This is particularly efficient for large classes since computers can automatically take attendance and grade papers. Students are required to purchase the remotes for the classes which

can cost up to \$50. There is no standardization of remotes on campuses, meaning a student could conceivably have to buy four or five different remotes in a semester if taking four or five classes requiring different clickers. At a minimum, institutions should standardize remotes on campuses.

- v. Institutions should find ways to ensure other public universities have access to findings included in this report to present a coherent lobbying voice to state legislatures and university administrations.

d. Recommendations for Bookstores on Campuses:

- i. Bookstores at some institutions have a policy of price-matching for textbooks. This policy should be more widely publicized and utilized.

e. Recommendations for Faculty Senates on Campuses:

- i. Faculty Senate should support a bill publicly acknowledging the textbook problem.
- ii. Faculty Senate should encourage faculty to commit to changing textbooks as infrequently as possible.
- iii. Faculty Senate should encourage faculty to commit to choosing the least expensive textbook that will maintain academic integrity.
- iv. Faculty senate should adopt a resolution supporting administration's adoption of a hard deadline for decisions on textbooks.
- v. Faculty Senate should encourage the administration to commit to the release of ISBNs to the information technology department by said deadline.
- vi. Faculty Senate should encourage faculty to distinguish between required books and recommended books.

II. System Recommendations

- a. The Board of Trustees should encourage the institutional executive officers to pursue a common set of textbooks among the universities on for certain introductory courses.
- b. The Board of Trustees should issue a resolution acknowledging the seriousness of the textbook dilemma for our Mississippi students.

III. System Recommendations for Legislative Actions

- a. The System should work to encourage passage of a bill by the state legislature which publicly acknowledges the textbook problem.
- b. The System should encourage the Legislature to pass a bill requiring publishers to disclose the changes being made in new editions of textbooks and the prices of the editions.
- c. The System should encourage the Legislature to pass a bill requiring publishing companies and retailers selling textbooks in Mississippi to sell bundled items separately as well.

APPENDICES

**APPOINTMENT LETTER
and
MEMBERSHIP LIST**

MEMORANDUM

TO: List Members of the Textbook Task Force

FROM: Thomas C. Meredith
Commissioner

DATE: February 2, 2007

SUBJECT: Textbook Study

The overarching goal of the Board of Trustees is to increase graduation rates and critical thinking of our Mississippi residents. Research shows family income and graduation rates have a direct relationship. A national problem affecting our students is the increasing costs of textbooks at our institutions.

One impact of the increasing costs of textbooks is some students are opting out of purchasing textbooks which can have an effect on the quality of education they receive. It is time for us to look at this issue and develop strategies to deal with this ever growing problem.

I am establishing a task force to explore ways to make textbooks more affordable for our students. You have been selected for participation on this task force because of your abilities to think creatively and your leadership. Please put both of these to the test.

I am asking you to provide me with your recommendations by **DATE**, 2007. This will give us time for your report to be fully vetted before the **DATE** meeting of the Board.

Thank you again for your service to your university system.

Cc: Board of Trustees
IEO's
Cabinet Members

TEXTBOOK TASK FORCE COMMITTEE

Institution	Name	Title	Mailing Address	Phone Number	E-MAIL
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MEETING SCHEDULE,
AGENDAS
and
MINUTES

**IHL Textbook Task Force
Meeting Schedule
Chair: Troy Stovall**

Date	Activity
March 1, 2007	Introduction and Development of Workplan
March 22, 2007	Review Assignments from Previous Meetings
April 25, 2007	Develop Consensus
July, 2007	Finalize and Present Report to Commissioner

MS STATE INSTITUTIONS OF HIGHER LEARNING
TEXTBOOK TASK FORCE
March 1, 2007

- **Introductions**
 - Name, school, position
 - Why you are here?
 - What you hope to get accomplished for your school and/or system?

- **Task force charge**
 - Commissioner Meredith

- **Task force membership outside of IHL**

- **Review of materials in Textbook Taskforce binder**
 - Any additional base data required?

- **Review of recommendations and development of action plan**
 - Agreement on focus areas
 - Agreement on deliverables and timing
 - Committee assignments & responsibilities

- **Closing**
 - Q&A
 - Next steps/next meeting

**Textbook Task Force
March 1, 2007 Meeting
Minutes, Objectives and Timelines**

Committee Chair-Troy Stovall (Jackson State University)

Committee Members Present: Mr. Troy Stovall (JSU), Dr. Claudine Gee (ASU), Dr. Doris McGowan (ASU), Dr. Wayne Blansett (DSU), Dr. Beverly Moon (DSU), Mr. Larry Belton (JSU), Mr. Bill Broyles (MSU), Ms. Nora Miller (MUW), Mr. Shad White (UM), Ms. Kathy Hayman (USM), Mr. Joe Morgan (USM), Dr. Linda McFall (IHL), Dr. Lynn House (IHL), Mr. Van Gillespie (Attorney General's Office), Mr. Chris Halliwell (IHL), and Ms. Cheryl Mowdy (IHL)

Commissioner's Welcome

Targeted Completion Date- April 11, 2007

Next Scheduled Meeting-Thursday, March 22, 2007 at 1:00 pm

Objective of the Committee Members related to the task force

- Share expertise/skills to collectively control costs, particularly for the lower-income students;
- Develop awareness by informing the Board of Trustees, Legislature, and national associations of the issue; and
- Provide guidance/tips to the faculty and students to help reduce costs.

Consensus

- Committee agreed to include private institutions and community/junior colleges at some point in our process.
- Committee agreed textbook rental store is not viable particularly for the big three institutions.

Work Plan/Targeted Deliverables

- Draft an awareness document with the objective being to inform the Board of Trustees and Legislature that this is a serious issue.
 - Obtain Board of Trustees acknowledgement and support of issue.
 - Draft letter for Commissioner to distribute to the National Association for System Heads.
- Set a hard/early deadline for when professors must choose textbooks.
- Establish a program whereby students can charge their textbook costs to their bursar account. Also compile a listing of those institutions who issue book awards. This issue will be added to the March CFO agenda.
- Develop a "tips" listing for faculty and students.
- Determine appropriate time to discuss message with the private institutions and the community/junior colleges.
- Address the issue of bundling.
- Schedule a meeting with Publishers and compile a listing of questions (include copyright purchase and usage fees) beforehand. Committee will be polled for applicable questions for discussion. Subcommittee will be formed to have meeting.

**Textbook Task Force
March 1, 2007 Meeting
Minutes, Objectives and Timelines**

Tasks for all committee members

- Self-identify those institutions that have enrollment management linkage to the bookstore (registration integration).
- Identify local bookstore competition (brick and mortar only) and price differential.
- Provide general data requested via attached spreadsheet, if not already done.

*MS Institutions of Higher Learning
Textbook Task Force
Agenda*

Thursday, March 22, 2007, Jackson MS
Meeting convened at 1:00 p.m.

1. Review minutes from March 1, 2007 meeting and deliverables.
 - a. Identify institutions with registration integration.
 - b. Identify local bookstore competition (brick & mortar only) and price differential.
 - c. Provide general data requested via original spreadsheet.
 - d. Establish a program whereby students can charge their textbook costs to their bursar account. Also, compile a listing of those institutions who issue book awards. (This issue was discussed at the March CFO meeting.)
 - e. Determine an appropriate time to discuss message with the private institutions and the community/junior colleges.
 - f. Schedule a meeting with publishers and compile a listing of questions (include copyright purchase and usage fees) beforehand. Committee will be polled for applicable questions for discussion. A subcommittee will be formed to conduct this meeting.
2. Review publisher interviews.
3. Develop a broad outline for taskforce report.
4. Assign subcommittees for preparation of the report by section and timeline.
5. Other business

**Textbook Task Force
March 22, 2007 Meeting
Minutes, Objectives and Timelines**

Committee Chair-Troy Stovall (Jackson State University)

Committee Members Present: Mr. Troy Stovall (JSU); ASU substitute; Mr. Dave Haffly (MUW), Dr. Wayne Blansett (DSU), Dr. Beverly Moon (DSU), Mr. Marcus Chanay JSU), Mr. Bill Broyles (MSU), Mr. Shad White (UM), Dr. Carolyn Staten (UM), Ms. Kathy Hayman (USM), Mr. Todd Rose, (Millsaps College), Ms. Deborah Gilbert (State Board for Community & Jr. Colleges), Mr. Steven Yates (University Press of MS), Dr. Linda McFall (IHL), Dr. Lynn House (IHL), Mr. Chris Halliwell (IHL), and Ms. Cheryl Mowdy (IHL), Ms. Keyla McCullum (Attorney General's Office), Ms. Jamie Christian (Attorney General's Office)

Absent were Ms. Claudine Gee (ASU), Dr. Doris McGowan (ASU), Mr. Larry Belton (JSU), Dr. Peter Rabideau (MSU), Ms. Nora Miller (MUW); Dr. Roy Hudson (MVSU), Mr. Joe Morgan (USM), Mr. Van Gillespie (IHL), and Ms. Mary Jane Covington (IHL).

Targeted Completion Date- April 11, 2007

Next Scheduled Meeting-Wednesday, April 25, 2007 at 10:00 a.m. via video conference, if not earlier.

New Committee Members: Todd Rose from Millsaps was welcomed as representing the private institutions, Deborah Gilbert from the State Board for Community and Junior Colleges, and Steve Yates from University Press of MS.

Copies of the previous meeting's minutes (3/1/07) were distributed to all committee members.

Review of Tasks/Deliverables required from 3/1/07 meeting:

Legal issues: Keyla McCullum and Jamie Christian from the Attorney General's Office distributed memorandums to the committee members addressing exclusivity provisions in University bookstore contracts and laws regarding textbook pricing and bundling. Regarding exclusivity provisions, the provisions vary to some degree and are specifically identified in the memorandum. Concerning laws applicable to textbook pricing and bundling, it was noted concerns may arise regarding free speech and academic freedom; however, it would not be illegal for the state legislature to pass a bill requiring publishers to discuss textbook prices and revision history, or to require publishers to sell bundled items separately.

Textbook Charging: At the March 13, 2007 CFO meeting, the CFOs were polled to determine if the institutions allowed students to charge textbooks. All institutions allow students some type of limited charging of textbooks through mechanisms such as vouchers or institutional credit cards, contingent on the student having a refund of financial aid sufficient to cover the cost.

Institutions with Registration Integration: refer to attached spreadsheet for summary.

Other general information related to institutions textbook centers: refer to attached spreadsheet for summary.

**Textbook Task Force
March 22, 2007 Meeting
Minutes, Objectives and Timelines**

Identify local bookstore competition (brick & mortar only) and price differential:

For MSU, UM, and USM the local competition is Campus Book Mart. Kathy Hayman indicated USM Barnes & Noble offers a lowest book price guarantee so it cuts out the competition. She noted the guarantee is not applicable to online orders. JSU has no competition.

Other Documents distributed for Committee Members Review:

- 1) Copy of Power Point presentation prepared by the Board of Regents for the University System of Georgia's Textbook Cost Task Force dated November 17, 2004 entitled *Textbook Costs-Report of the Task Force on Textbook Pricing*;
- 2) Copy of CNN.Com article entitled *States Grapple with College Textbook Prices*;
- 3) Copy of article from Textbookfacts.org identifying key facts at a glance (article is from the publisher's perspective)
- 4) Copies of the interview questions recommended by polled committee members posed to publishers; interview notes from Chair's discussion with three publishers; Bartell (Pearson), Serburn (Houghton Mifflin), and Hochheiser (Thompson); and course materials issues furnished by Bartell of Pearson.

Chair provided an overview of discussions with publishers-key points from perspective of publishers:

- o Used book market drives publishers' economics.
- o Faculty has a key role in the process. When publisher is in discussion with the faculty, there is no inquiry related to cost of books or frequency of edition issues. Need to have changes in faculty behavior.
- o Require written approval to issue bundles.
- o Publishers are on salary; however, they receive bonuses based on sales.
- o Stressed value, i.e., online tutoring is offered by Publishers for certain books purchased, some books purchased are used for multiple semesters, etc.
- o K-12 will not purchase books unless there is a guaranteed shelf life of five to seven years.
- o In favor of moving content to a digital platform.
- o Willing to lower cost if they can be guaranteed greater, reoccurring units purchased. Consequence is this philosophy denies the students the right to resell.
- o Cannot respond to overseas competition-significantly cheaper.
- o Consider different teaching styles. This is the IPOD generation, move content to IPODISH devices.

Work Plan for Upcoming Meeting:

- o Institutions bookstores will be polled to obtain a listing of the current general, entry-level books/supplemental materials offered for the following disciplines: Math, Biology, and Chemistry. Kathy Hayman will email Linda McFall a listing of the specific data that should be provided by each institution. Upon receipt of this information, Cheryl Mowdy will compile the requested information from the institutions.

**Textbook Task Force
March 22, 2007 Meeting
Minutes, Objectives and Timelines**

- Chair suggested formation of three subcommittees to start drafting recommendations.
 - 1) **Committee for Campuses (Students, University Administrators, Faculty, Bookstore Managers)**
Committee Members: Wayne Blansett (DSU) (Chair), Shad White (UM), Carolyn Staten (UM), Bill Broyles (MSU), Dave Haffly (MUW), ASU representatives, Troy Stovall (JSU).
 - 2) **IHL System**
Committee Members: Marcus Chanay (JSU) (Chair), Lynn House (IHL), Beverly Moon (DSU), Chris Halliwell (IHL), Kathy Hayman (USM), Deborah Gilbert (JCJ), Todd Rose (Privates), Troy Stovall (JSU), Cheryl Mowdy (IHL), Linda McFall (IHL).
 - 3) **Legislators**
Committee Members: Troy Stovall (JSU)(Chair), Shad White (UM), Kathy Hayman (USM), Deborah Gilbert (CJC), Todd Rose (Privates), Van Gillespie (IHL) , Linda McFall (IHL), Chris Halliwell (IHL), Cheryl Mowdy (IHL).
- Subcommittees will communicate and develop list of recommendations via phone calls and email, and will forward onto the Chair.
- Committee will reconvene to discuss recommendations on Wednesday, April 25th at 10:00 a.m., if not earlier.

**Textbook Task Force
April 25, 2007 Video Conference Meeting
Minutes, Objectives and Timelines**

Committee Chair-Troy Stovall (Jackson State University)

Committee Members Present: Mr. Troy Stovall (JSU), Ms. Claudine Gee (ASU), Mr. Marcus Chanay (JSU), Mr. Bill Broyles (MSU), Mr. Shad White (UM), Ms. Kathy Hayman (USM), Ms. Deborah Gilbert (State Board for Community & Jr. Colleges), Dr. Linda McFall (IHL), Ms. Cheryl Mowdy (IHL), and Ms. Jamie Christian (Attorney General's Office). **Also in attendance:** Ms. Kay Bush and Mr. Larry Lee (USM).

Absent were: Dr. Wayne Blansett (DSU), Dr. Beverly Moon (DSU), Dr. Carolyn Staten (UM), Dr. Doris McGowan (ASU), Mr. Larry Belton (JSU), Dr. Peter Rabideau (MSU), Ms. Nora Miller (MUW); Mr. Dave Haffly (MUW), Dr. Roy Hudson (MVSU), Mr. Joe Morgan (USM), Dr. Lynn House (IHL), Mr. Chris Halliwell (IHL), Mr. Van Gillespie (IHL), Mr. Todd Rose (Millsaps), and Mr. Steve Yates (University Press of MS).

Review of Draft Recommendation: The Committee discussed the draft recommendation (attached) prepared by Chair, Troy Stovall, that was emailed to committee members on April 25, 2007. The Committee approved the format and storyline of the presentation.

Tasks/Deliverables:

- IHL Executive Office staff will insert already compiled data into the presentation.
- Chair, Troy Stovall, will insert recommendations from subcommittee chair's Dr. Wayne Blansett and Mr. Marcus Chanay into the presentation.
- Refer to *slide number 3*-Deborah Gilbert and Todd Rose will provide data for privates and two-year colleges.
- Refer to *slide number 13-key issues*. Key issues were assigned to the following schools to address via the format on slide number 15:
 - **Timing of textbook selection-JSU.** Identify when and process followed on campus.
 - **Choices/availability of textbook (bundling, new vs. used)-UM and USM.**
 - **Pricing transparency/oversees pricing-MSU.**
 - **Edition Churn-DSU and MVSU.**
 - **Customization and Technology Integration-ASU and MUW.**
 - **Deborah Gilbert and Todd Rose will compile this information from their school(s).**

Deadline: Presentation/Report complete by May 9, 2007.

**IHL SYSTEM
TEXTBOOK CENTERS**

Institutions of Higher Learning-Textbook Centers

Institution	Outsourced Bookstore? Y=Yes N=No	If Yes, Name of Company	Basic Economic Operational Information-Definition: General Sales, Pre-Tax Profit, Commissions	Length of Contract	Contract Expiration Date	Identify Fund Commissions/Revenues/ and Costs Recorded	Allow Students to Charge Textbooks via voucher or institutional credit card (contingent on Financial Aid Refund)	Registration Integration
Alcorn State University (ASU)	Y	Follett	See tab labeled <i>sales</i>	Has been outsourced for more than 20 years.	2009	Auxiliary	Yes	No
Delta State University (DSU)	Y	Follett	See tab labeled <i>sales</i>	3 Year	2007	Auxiliary	Yes	Going live July '07
Jackson State University (JSU)	Y	Follett	See tab labeled <i>sales</i>	10 year	2015	Auxiliary	Yes	Yes
Mississippi State University (MSU)	Y	Barnes & Noble	See tab labeled <i>sales</i>	5 year	2010	Designated	Yes	Yes
Mississippi University for Women (MUW)	Y	Follett	In last contract year (Nov-Oct), MUW had a little over \$1.3M in sales and approx \$100K in Commissions. Other than e-tailers, closest competition would be in Starkville.	10 year	2011	Records transactions in Auxiliary , and transfers most commissions over to General Fund to defray PC replacement plan & IT improvements.	Yes	Currently working on this with Follett
Mississippi Valley State University (MVSU)	N	NA				NA	Yes	NA
University of Mississippi (UM)	Y	Barnes & Noble		5 year	2012	Auxiliary	Yes	Scheduled for June '07
University of Ms Medical Center (UMMC)	N	NA		Makes a little money, not much.		NA		NA
University of Southern Mississippi (USM)	Y	Barnes & Noble	See tab labeled <i>sales</i>	10 year	2014	Auxiliary	Yes	Scheduled for the upcoming few weeks

**TEXTBOOK DATA for
SELECTED
ENTRY-LEVEL COURSES**

Mississippi Institutions of Higher Learning
Textbook Data for Entry Level Courses for Biology, Chemistry, Math and Psychology

Biology Course No.	Institution	Title	Author	Edition	Recommended or Required	Custom Text? Yes or No	ISBN	Publisher	Current Price	Buyback?
BI 111	ASU	Concepts of Biology	Enger	11th	Required	No	74264753	Mcgraw - Hill	155.00 New	50% If Readopted
BIO 100	DSU	Biology	Krogh	3rd	Required	No	9780131414495	Pearson	116.25 Used	
BIO 110	DSU	Biology	Belk	NA	Required	No	9780131063013	Pearson	121.50	yes
BIO-101	JSU	Essential Biology	Campbell	2nd	Required	Yes	0805374736	Pearson Custom	96.00	yes
BIO-101	JSU	Concepts in Biology	Enger	NA	Required	Yes	0072363738	McGraw Hill	101.75/75.75	no
BIO 1203	MSU	Biology of Plants	Raven	7th	Required	No	9780716710073	VHPS	30.25	Yes
BIO 1203	MSU	Lab Exercises in Plant Biology	Wise	custom	Required	Yes	9780757523113	Kendall/Hunt	126.65	No
BIO 1504	MSU	Integrated Prin of Zoology	Hickman	13th	Required	No	9780073101743	McGraw-Hill	25.15	Yes
BIO 1504	MSU	Gen Zoology Lab Guide	Lytle	14th	Required	No	9780072349009	McGraw-Hill	154.65	No
BSB 102	MUW	Biology: Unity and Diversity of Life	Starr	11th	Required	No	4950155997	Thomson	88.00	Yes
BSB 102 L	MUW	General Biology BSB102	MUW	N/A	Required	Yes	N/A	MUW	Used \$104.25 Used \$10.50 New \$13.75	Yes
BISC-102	UM	Essentials of Biology	Campbell	N/A	Required	No	9780536953315	Pearson	90.85	Yes
BSC-110	USM	Biology	Campbell	7th	Required	No	9780805371468	Pearson Custom	164.30	yes
BSC-110 Lab	USM	Principles of Biological Sciences	Lee	NA	Required	Yes	9780536987990	Pearson Custom	50.00	no
Chemistry Course No.										
CH 121	ASU	General Chemistry	Hill	4th	Required	No	131620711	Pearson	177.75 New	50% If Readopted
CHE 101	DSU	Chemistry	Petrucci	9th	Required	No	9780132388269	Pearson	133.50 Used	
CHEM-141	JSU	General Chemistry	Hill/JSU	NA	Required	Yes	0536337535	Pearson Custom	169.25	yes
CHML-141	JSU	Chem 141 lab	CER	NA	Required	Yes	0534620175	Thomson	122.50	no
CH 1043	MSU	Chemistry for Changing Times, v. 1	Hill	custom	Required	Yes	9780536961808	Pearson Education Custom Pub	30.00	no
CH 1053	MSU	Chemistry for Changing Times, v. 2	Hill	custom	Required	Yes	9780536972347	Pearson Education Custom Pub	61.80	No
PSC 111	MUW	General Chemistry (w/math tool)	Hill	4th	Required	No	131402838	Pearson	61.80	No
Chem 105	UM	General Chemistry (UM)	Hill	3rd	Required	Yes	9780536303776	Pearson Custom	Used \$127.00 New \$169.25	Yes
CHE-106	USM	Chemistry and Chemical Reactivity	Kotz	6th	Required	No	9780534997663	Thomson	180.75	Yes
CHE-106	USM	Owl Access Code	Brooks	NA	Required	No	9780495111061	Thomson	183.85	yes
CHE-106 Lab	USM	Chemical Principles Custom Lab	USM	6th	Required	Yes	9780534199005	Thomson	46.65	no
Math Course No.										
MA 111	ASU	College Algebra	Sisson	1st	Required	Yes	918091713	Hawkes Learning	25.35	no
MAT 104	DSU	Algebra	Beecher	2nd	Required	No	9780321159342	Pearson	111.50 New	50% If Readopted
MATH-111	JSU	Graphical approach to College Algebra	Hornsby	7th	Required	Yes	0536265402	Pearson Education	125.75	yes

Biology Course No.	Institution	Title	Author	Edition	Recommended or Required	Custom Text? Yes or No	ISBN	Publisher	Current Price	Buyback?
MA 1313	MSU	College Algebra w/ My Mathlab	Beecher	looseleaf custom	Required	Yes	9780536267740	Pearson Education Custom Pub	85.70	No
MA 113	MUW	Essentials of College Algebra (w/my math lab starter kit)	Lial	1st	Required	No	321385233	Pearson	Used \$81.75 New \$108.75	Yes
Math 121	UM	College Algebra Software	Sisson	NA	Required	Yes	9780918091598	Quant Syst	71.45	no
Math 101	USM	College Algebra Package	Chen	1st	Required	No	9780536339782	Pearson Custom	111.45	no
Psychology Course No.										
PH 132	ASU	Pathway to Psychology	Sternberg	2nd	Required	No	534434495	Thompson	111.00 New 83.25 Used	50% If Readopted
PSY 101	DSU	Psychology	Weiten	6th	Required	Yes	9780495079149	Thomson Cust	95.25	no
PSY-201	JSU	Psychology	Davis	5th	Required	No	0132308282	Pearson Education	94.00/70.50	yes
PSY 1013	MSU	Psychology: A Journey	Coon	2nd	Required	No	9780006541226	Thomson	77.00	Yes
PSY 101	MUW	Psychology: Modular Approach	Coon	10th	Required	No	534605931	Thomson	Used \$75.75 New \$101.00	Yes
PSY 201	UM	CME,ACP ADV Psych,LLF Themes Custom Text	Nairne	1st	Required	Yes	9780495315902	Thomson Custom	73.60	No
PSY 110	USM	Package	Weiten	7th	Required	Yes	9780495301240	Thomson Custom	103.60	?

PUBLISHERS' INTERVIEWS

MS Institutions of Higher Learning (IHL)
Textbook Taskforce
Thomas Meredith, IHL Commissioner
Troy Stovall, Chair Textbook Taskforce
Publisher Interview – Daniel Bartell, Pearson Higher Education
March 14, 2007

- *General background*
 - Daniel Bartell, VP – Director of Campus Relations; Daniel.bartell@personed.com , 609-395-6164
 - Pearson (it is two companies Prentice Hall and Addison Wesley) has about 35% market share. McGraw Hill and Thompson are the other two large companies, both north of 20%. The National Association of College Stores estimates the course materials market is 6.5 billion. But to give you an idea of the impact of used books, our sales are nowhere near one third of this estimate. We are part of Pearson plc, a worldwide company that also includes a K-12 Pearson Education division, Penguin Publishers and Financial Times.

- *Summary of any previous discussions held*
 - CT: Lots of misinformation: two key ones: 1) don't advertise prices; 2) bundles are forced
 - On Pricing: pricing is transparent, available on website; “we will provide prices to anyone who asks”
 - On Bundles: “ we do sell separately (See below)”

- *General economics*
 - Disconnect between buyer (student) and book chooser (faculty)
 - The student wants the lower price, the faculty want best and most timely content appropriate for students at their institution
 - #1 reason for price increases on new textbooks has been growth of used book market
 - Wholesale market is very efficient; key players are MBS (Barnes & Noble), Follett, Texas Book Co & Nebraska Book Co.
 - A book bought in MS maybe resold in CA or vice versa
 - A book can be sold 4-6x, but the publisher only gets the 1st time it is sold
 - As an edition ages, there becomes less units that are possible to be sold and therefore, less units to absorb costs

- *Sales process*
 - Sales reps are paid a full salary and benefits, they are professional sales employees. But it is very common practice to provide incentive bonus plans. But they are not looking at the price when they sell books, they are looking for market share and if it's a lower cost alternative that wins, that is what they go for. We are driven by winning adoptions, not the dollars per unit.

- *Bundling*
 - Less than 5% of our SKUs are bundles that CANNOT be un-bundled, primarily due to rights issues

- *Utilization of textbooks*
 - Pearson does do custom publishing, which provides only the materials requested by a professor, however, this may or may not drive down costs
 - Limited runs – it costs more to print 500 of something versus 5,000
 - Resale of that item is limited to that campus – if out of 25 chapter book, the professor uses 15 chapters, only that campus will have need for that and student will not be able to resale

- *Edition “churn”*
 - By 3rd-4th year, very few books are being sold of an edition by publisher and they become supplier of last resort, when a campus needs the material
 - The publisher is required to support the book and thus may have to make short “runs” which are uneconomically
 - Most books are on a 3 year cycle as professors like to “change every 4-5 years to keep content current”
 - *Editions are released year-round and sales reps know the revision cycles of textbooks to inform professors, however, unless asked the professors are not told of the cycle*

- *Overseas sales*
 - Admit this is a tough issue – “price to local market conditions”
 - Trying to normalize across countries like UK, Canada & Australia, but will not happen “overnight”
 - Bigger issues is India, given the per capita is 10% of US, the price differential for textbooks will become even more dramatic

- *Summary*
 - Better use of technology, more specific content and new delivery options (i.e., iPod), digital content
 - However, in new models, students will need to “give up notion that they can resell anything if we are able to lower price of the 1st purchase”
 - Need to better educate professors on customization & digital solutions, new learning tools, and online courses

- Saw great opportunity for system-based textbook decisions to help mitigate costs and edition churn
- *What I learned/So-whats*
 - Extent to which used/re-sale market has on new textbook prices
 - Professors need to be made more aware of bundles, costs & other options, esp. use of technology

Issue	Pearson Response
Packaging/Bundling	Pearson does not believe in non-required bundles and we make all of our titles and almost all components available for sale separately. The only exceptions are based on permissions issues, where the original rights holder will not allow us to sell the component outside of a bundle. Almost all of our bundles represent a savings versus purchasing the items separately. At Pearson, bundles are designed to represent a value to those students who choose to purchase them.
Bundling and Used Books	Bundles should not prevent a student from selling his or her book into the used market. A requirement that all components be sold back together is unnecessary since almost all components are available separately. In fact, many bookstores around the country offer the highest buyback price without considering if the book was originally purchased in a bundle.
Pearson Policy of Cooperation	Pearson representatives and Pearson customer service will always cooperate with the instructor and the bookstore to offer the student purchaser the best purchase options and value available. Our prices to the bookstore are published on our websites and always available to faculty decision makers and bookstores.
Pearson Choices	Please see www.pearsonchoices.com . We believe faculty and students should have access to alternate forms of our books, print, electronic or custom. The reality is that when given choices, instructors most often choose the more pedagogically rich options. Perhaps this is because instructors always give prime consideration to which material will help their students master the skills and learn the material necessary to pass their courses.

Custom Course Material	Customization is always a faculty decision, and increasingly, a very popular one—after all, <i>it represents a rare opportunity to give students precisely what they need!</i> Often, custom books can be a less expensive alternative. Pearson Custom Editors work closely with faculty to insure we offer the best value to the student purchaser.
Custom Course Material and the Used Book Market	Bookstores sometimes object to custom titles because they have difficulty trading them on the national used market. However, this should not impact the trade of used custom titles on the campus for which they were created. Custom books can offer a campus store a unique opportunity to retain their customers—because custom books are not typical available elsewhere.
Retail Mark-Up versus Retail Margin	Markups are what consumers understand, retailers use margins. A 33% markup is equivalent to a 25% margin. For example, when a book is purchased by the retailer for \$60 and sold for \$80, the consumer would consider it a 33% markup, \$20 on top of the \$60. The store calls this a 25% margin; as \$20 is 25% of the final price of \$80.
Final Price to Student	College Publishers do not set the final purchase price of their textbooks. We will inform the instructor and the bookstore of the net price to the store before the decision to adopt is made. A typical markup is 33%, margin of 25%, though each store sets its own financial policies.
Incentives to faculty	Pearson does not offer financial incentives for adoption to faculty. We believe this is unethical and ultimately will have to be reflected in the price to students.
International pricing	Like all multinational companies, we price to local market conditions. In developed nations (e.g. England and Australia) with similar purchasing power parity (PPP), our

	<p>prices are close to U.S. prices. In nations like India, where PPP is one tenth that of the U.S., the market requires we set prices that local consumers can afford. At times we are legally required to do this to protect our copyright. Ethical concerns also argue that we set our prices to local conditions. U.S. producers can't justify the same price to a person who makes just one tenth the income of the average American. Can the U.S consumer justify spending the same amount as the person who earns on average just one tenth the income?</p>
<p>New editions</p>	<p>Our average revision cycle is between 3 and 4 years. In fast-moving disciplines like Political Science, Biology, Engineering, etc... it should be quicker. A good point of comparison is a course syllabus—how often should they be revised or updated? In other disciplines like mathematics or introductory sciences, there is a need for new examples and problems. Regardless, instructors have many options to choose from if they believe a book was revised unnecessarily.</p>

MS Institutions of Higher Learning (IHL)
Textbook Taskforce
Thomas Meredith, IHL Commissioner
Troy Stovall, Chair Textbook Taskforce
Publisher Interview – David Serburn, Houghton Mifflin
March 16, 2007

- *General background*
 - David Serburn, VP – Corporate Vice President, Director of Partnerships, College Division, Houghton Mifflin, (617) 351-5774, david_serburn@hmco.com
 - 6% market share, they focus primarily on introductory/freshman-level courses – about \$200M of \$3.5B US market

- *Summary of any previous discussions held*
 - Has testified in VA, CT & MA
 - His focus has been extent of support services offered by publishers, quoted the GAO study several times – “Publishers are taking on more roles given state budget cuts, esp. in the area of online course development”
 - Some of these support services include faculty training, general support of tech-based offerings, online tutoring for students w/ book adoption, instructional course/content design
 - All these services have to get paid and the only revenue the publisher gets is the 1st time a book is sold new

- *General economics*
 - Used books can be re-sold 5-6x, publisher only gets money the 1st time it is sold

- *Sales process*
 - Sales rep wants to know from faculty “what are you trying to accomplish” – approach, retention, readability – price of the textbook is not generally part of the discussion or rarely considered
 - Sales have become more consultative as professors seek to “inspire students...and seek for ways to get them (students) to think about subject “inspirationally”
 - Sales team is compensated via salary and commission (25-30%)

- *Bundling*
 - Everything sold can be unbundled
 - ***Beginning to see on some campuses where on-campus book store has to get signature from professor on use of a bundle***

- *Utilization of textbooks*
 - 20% of business is customer publishing, but “business model is tricky”
 - For publishers, need long runs to make it cost feasible; for students, buybacks limited to that campus and that professor’s sections

- *Edition “churn”*
 - 4 years on average, but some maybe on 3 or 5 year cycles
 - No set timing on releases as they are at mercy of the author(s)
 - They tend to know cycle 1-2 semesters back
 - They do not buy books once an edition is released
 - Some math/science titles are also used in high schools’ advanced placement courses and school districts require long-shelf lives (5+ years in some cases) and on these titles, publishers keep editions stable

- *Overseas sales*
 - GAO quote: “Publishers are pricing outside the US according to local markets...like any other industry...”
 - Due to nature of HM’s focus, few of their titles are sold overseas
 - “Don’t know what answer is/should be on this”

- *Summary*
 - New model needed: “more (new) units sold on recurring basis @ a lower price” (eliminate/minimize used/re-sale market)
 - Need a change in faculty selection behavior – more cognizant of pricing, edition churn & bundles
 - Increased use of more digital offerings & customization
 - Issue needs to be re-framed as value vs. cost

- *What I learned/So-Whats*
 - Recurring theme of better use of digital offerings can help lower price & better customize learning experience

MS Institutions of Higher Learning (IHL)
Textbook Taskforce
Thomas Meredith, IHL Commissioner
Troy Stovall, Chair Textbook Taskforce
Publisher Questionnaire

BACKGROUND

The eight (8) public institutions of higher learning in MS are governed by the Board of Trustees of the Institutions of Higher Learning (IHL). I serve as Sr VP, Finance & Operations at Jackson State University (JSU), but have been asked to serve as Chairman of the Textbook Taskforce. Two of our students at the University of MS (Ole MS) developed a very comprehensive look at the issue of what drives the costs of textbooks and developed a series of recommendations that have been presented to the IHL Board as well as key legislators, from that the Commissioner decided to put together the IHL Textbook Taskforce.

PURPOSE

MS along with many other states are looking at the overall cost of attendance for our students and one area that has caused much debate is the price of textbooks. The Taskforce using the recommendations from the Ole MS students has set out to determine what recommendations are needed for the campuses & faculty, IHL Board, State Legislators, bookstores, and publishers

- *General background*
 - Name, title, responsibilities, email address and phone number
Stephen Hochheiser
Vice President College Store & Public Affairs
stephen.hochheiser@thomson.com
650.637.7537
 - Background on firm: US market share & sales, key areas of focus (i.e., introductory courses, science/tech, liberal arts, general)
Thomson Higher Education is the world's second-largest publisher of course materials for colleges and universities. We publish in almost every discipline and for courses from the introductory to the senior levels.
- *Summary of any previous discussions held*
 - Any comments made to other States and/or commissions
We have testified in front of the Congressional Advisory Committee on Student Financial Assistance (see attached Word and PowerPoint documents).

- *General economics*

- What, in your opinion, are the 2-3 key factors driving the costs of new textbooks?

The key drivers of course materials price increases are:

- **The cost of developing the educational technology needed to address diverse learning needs and various teaching styles and that must be available in order to secure adoptions**
- **The training and support roles that college publishers have been called upon to play in light of the budget issues, larger class sizes and increased hiring of adjuncts occurring within academic institutions (as identified in the 2005 GAO report on textbook costs)**
- **The impact used books are having on publishers' sales.**

- What role, if any, does the re-sale market play in the economics for new textbooks?

The sale of used books has had a major impact on the price of new books. Neither publishers nor our authors realize any revenue from used copies of our titles. We must recoup our investment from fewer new books sold which means we must make more per copy.

- *Sales process*

- What are some of the key factors in your sales team assisting a professor in selecting course material?

The key factors in this process include:

- **Identifying the most appropriate content for that adoption.**
- **Meeting the instructor's teaching needs as defined by student preparedness, class management needs, class size, etc.**
- **Determining the role of technology in supporting the teaching process.**
- **Addressing the specific learning styles of the class.**

- Are your sales teams salaried and/or commission-paid? If commission, what incentives are in place to have professors select a potential lower-priced alternative?

Our sales people are salaried with bonuses awarded for meeting sales goals. They are motivated to market lower-priced alternatives to faculty who have identified price as a factor since they want to meet the instructor's specific needs and know that our competitors will do just that if we do not.

Our Thomson Select program provides faculty with a spectrum of course materials based on a number of factors including:

- **The level of teaching and learning support needed (beyond the textbook alone)**
- **Finding just the right content for the course, including developing custom solutions**

- **The role that technology plays in the course**
- **Price**

- Are professors informed that a new edition is planned for material they maybe considering? What time frame does it occur (i.e., for books to be used for the Fall, when in the Spring are they notified of a new edition)?

Faculty and college stores are always informed and aware of the timing of our new editions. This information, in addition to appearing on our faculty and college store Web sites (we are the only publisher that provides college stores the specifics on the changes to the new edition content), is actively shared by our reps early in the spring for fall term.

- *Bundling*

- What percent of your SKUs are bundles? How many of that number can be un-bundled? What issues prevent you from un-bundling?

Thomson Higher Education has a policy of minimizing the number of “default” bundles (those books that are available only packaged with other components) we publish. There are some situations in which contractual agreements with third parties disallow the sale of the stand-alone, non-book component in order to prevent cannibalization of sales in other channels by restricting the sale of these items to individuals buying the textbook. There are also some courses like Art History for which the CD of images is essential to the teaching of the course and must accompany every book.

- Why not offer all books and materials "unbundled" to give professors the opportunity to assign only the materials they need?

See previous response.

- *Utilization of textbooks*

- Many times, only 60-80% of a textbook is used through the course of a class; however, a student has paid assuming 100% of the textbook will be used, what is your firm doing to allow for a better match of utilization to the cost paid?

Our Thomson Custom Solutions division works with faculty to identify the content that would be a perfect fit for the course, ensuring that students pay only for the materials they need. This can be any combination of sections of one or more of our textbooks plus original content from the instructor or institution. We identify Custom opportunities when a faculty member makes us aware of this type of need or a college store alerts us that students in a class complain that they did not use the entire adopted textbook. Our Custom division represents a significant percentage of our sales and has been the fastest-growing part of Thomson Higher Education for a number of years.

- *Edition “churn”*
 - Why not offer a guide with each new edition explaining exactly what changes are being made in a new edition?
We do make this information available to both instructors and college stores.
 - Does your company buy used copies of books to pull them off the market to make way for new editions? If so, why?
No, we do not.
 - Is there a standard time of the year when new editions come out?
We strive to publish new editions early in the calendar year to give instructors an opportunity to consider them for use in the following academic year.
 - Please address the following:
 - “Many professors assert they choose a text before the break for the next semester (i.e. in October before the Spring), and then a new edition is released and the older edition is removed from the market before the next semester begins, forcing professors to change their text choice. This also presumably prevents the university from giving students the professors' choices, because students may be asked to buy a book which will be in limited supply.”
Again, we make our new edition information available to both faculty and college stores. We do not surprise them with unannounced publication dates.

- *Overseas sales*
 - Why do you sell books to non-US based students at lower prices?
Publishers follow the same regional pricing practices used by many consumer goods industries. These fall into two categories:
 - **Third-world countries whose economies dictate that we must charge considerably less in order for people to afford their course materials. Without this process in place, publishers would suffer widespread piracy that would erase any sales possibilities.**
 - **Developed countries in which the cost of a college education is a small fraction of what it is in the U.S. For example, the cost of an education at a top university in the U.K. is just 20% of the cost of a comparable education in the U.S. Course materials must be priced in line with those tuition costs in order to be considered for use.**
 - Example: At Thomson Learning's e-catalog, Alan Stockman's 2nd edition of 'Introduction to Microeconomics' for a UK student is 28.99 pounds (\$55.95, based on that day's exchange rate), but is \$101.66 for US students; James Stewart's 'Single Variable Calculus: Early Transcendentals, Vol. 2, 6th edition' is \$70.16 for US students and 24.99 pounds (\$48.23) for UK students.

- Summary

- Any thoughts, comments, not addressed that you wanted to have expressed?

We provide a broad spectrum of choice to the nation's college instructors so each can find the best fit possible to address specific course needs. These run the gamut from the lower-priced, book-only options to state-of-the-art print/technology solutions.

When students purchase their adopted course materials, they are paying for the entire teaching and learning package. This includes the costs of what we make available to institutions, departments and instructors to provide the support previously supplied by the school and to facilitate student retention and success.

We also provide students with the opportunity to purchase their course materials in the format and at the price point they want through our iChapters.com website. The site features content in the following formats:

- **Discounted print textbooks**
- **e-textbooks**
- **Electronic textbooks by the chapter**
- **Interactive assignable homework programs**
- **Print and digital study tools**

- If you could paint the perfect picture, what does the end game look like from your perspective on this matter?

The perfect picture would include all students recognizing the value of their education and the role their course materials play in their academic success. They would understand that their adopted textbooks and technology represent an investment in their future and are not simply commodities. This would also include instructors utilizing all of the materials and tools they tell their students are required.

- What, in your opinion, should MS and this taskforce focus on?

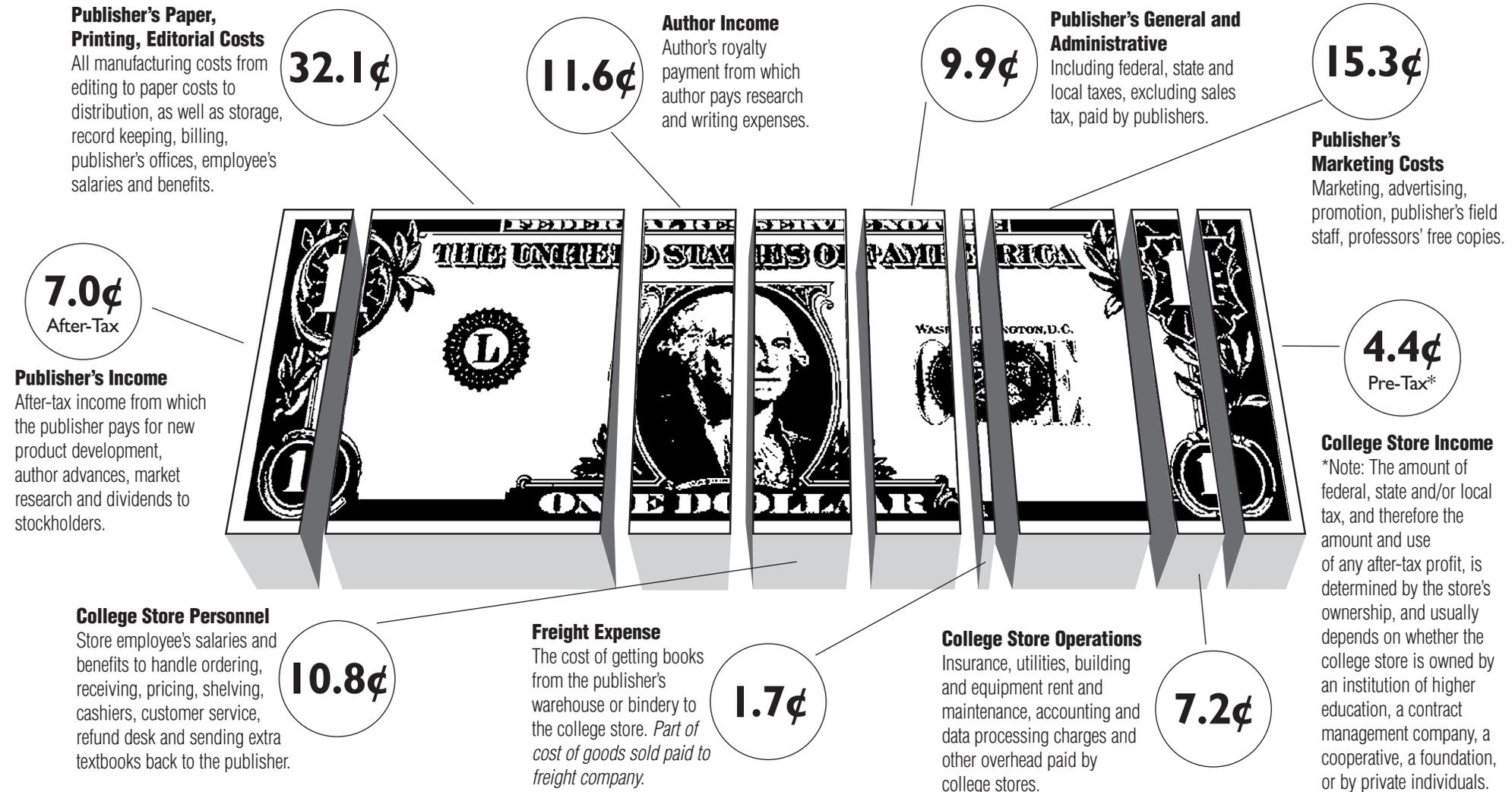
The taskforce should focus on ensuring that college students in Mississippi get the best education possible and that they use the course materials and study tools that will maximize their retention and success. This includes faculty being able to select the content they believe best suits the needs of their course.

THANKS FOR YOUR TIME AND CONSIDERATION IN THIS MATTER

**ADDITIONAL
RESOURCE MATERIALS**

WHERE the NEW
TEXTBOOK
DOLLAR GOES....

Where the New Textbook Dollar Goes* ...



*College store numbers are averages and reflect the most current data gathered by the National Association of College Stores. Publisher numbers are estimates based on data provided by the Association of American Publishers.

FREQUENTLY ASKED QUESTIONS

(National Association of College Stores)



National Association of College Stores
500 E. Lorain Street
Oberlin, OH 44074

Phone: (440) 775-7777 • Fax: (440) 775-4769 • www.nacs.org

FAQ on College Textbooks

How much do students spend on textbooks and supplies each year?

While this information varies based on factors such as course load, The College Board has reported that the cost of books and supplies for the 2005-06 academic year ranged from \$801 to \$904 depending upon the type of institution a student attended. This figure does not include the savings achieved by students selling their used textbooks or by using financial aid.

How much does the college store make on textbooks?

For new textbooks, college stores typically obtain the books they sell directly from publishers. Publishers establish the amount they charge college stores for each title. College stores then establish a retail price (the amount a student pays for the textbook). The difference between what the college store paid for the textbook and the amount they charge the student is called the *gross margin*. This gross margin is used to cover the personnel costs, the cost of freight, and other costs related to operating the store (utilities, insurance, etc.). The average gross margin on new textbooks is currently 22.4% according to NACS' *2007 College Store Industry Financial Report*. This margin has remained relatively constant since 1989.

After the store expenses have been paid, a college store makes 4.4 cents for every dollar's worth of new textbooks sold. In most cases, the money that is made goes back to the institution or into student programs to help defray other costs of higher education.

In the case of used textbooks, the gross margin is higher (35.8%). Used textbooks require more handling, and incur more operating expenses. They also present a higher risk to the store. Unlike new textbooks, used textbooks can't be returned if they're not sold. There's also a chance that a new edition of the textbook may make them obsolete.

How do college store margins compare to average retail margins?

It's important to remember that college stores are not traditional retailers. They are unique in that they do not select the bulk of their inventory (textbooks). Also, because college stores are service driven, they attempt to provide the lowest possible prices for students as opposed to trying to make the largest profit.

This is confirmed in the *Annual Benchmark Report for Retail Trade and Food Services: January 1992 through February 2006*, by the U.S. Census Bureau, U.S. Department of Commerce, March 6, [Table 8, page 52] estimated annual gross margin as a percentage of sales by kind of business ranges from 19.2% to 50.4%. College stores report an average margin of 26.8% according to NACS' *2007 College Store Industry Financial Report*.

What are the trends in textbook prices? Are they going up?

A study conducted by the Government Accountability Office (GAO) found that college textbook prices have rose at twice the rate of annual inflation over the last two decades, but have not risen as much as tuition costs and other higher education expenses.

What percentage of students buys textbooks online?

In spite of the attention paid to online sales of books and course materials, students reported purchasing only 23% of their textbooks online in a fall 2005 *Student Watch*™ report. We know from previous research that about one-third of these textbooks purchased online are bought from the college store’s web site.

How can the same textbook, or a virtually identical textbook, be less expensive to buy over the Internet from an overseas supplier than through a U.S. college store?

Lower prices on college textbooks are available overseas because some U.S. publishers have sold these titles to wholesalers or retailers abroad at prices that are greatly reduced in comparison to those available to U.S. college stores and other retailers. The Internet has made it possible for foreign wholesalers and distributors to pass along lower prices on textbooks to U.S. consumers, placing them in direct competition with U.S. college stores. This adds to students’ distrust and frustration regarding U.S. college textbook prices.

NACS supports a "one price" system in which U.S. students are not paying more than non-U.S. students, particularly those in developed countries. U.S. students should not, by themselves, bear the sole burden of course material development costs or suffer the consequences of underdeveloped countries' inability or unwillingness to enforce copyright laws. All segments of the textbook industry should be working together to see how we can best maintain the extraordinary high quality of U.S. higher education – which is the envy of the world – without making the price of that education prohibitive to many Americans.

Additional Resources

The Association of American Publishers 71 Fifth Avenue, 2nd Floor New York, NY 10003 (212) 255-0200 www.publishers.org	The Book Industry Study Group 19 West 21st Street, Suite 905 New York, NY 10010 (646) 336-7141 www.bisg.org
R.R. Bowker, The Book Industry Resource 630 Central Ave. New Providence, NJ 07974 (888) 269-5372 www.bookwire.com	The College Board 5 Columbus Avenue New York, NY 10023-6992 (212) 713-8043 www.collegeboard.org
Subtext, The Book Business in Perspective Open Book Publishing, Inc. PO Box 2228, Darien, CT 06820 (203) 316-8008 www.subtext.net	Consumer Price Index U.S. Bureau of Labor Statistics www.bls.gov/CPI Producer Price Index U.S. Bureau of Labor Statistics www.bls.gov/PPI
GAO Report on College Textbooks http://www.gao.gov/new.items/d05806.pdf	



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FAQ on Bundles

What are “bundles”?

Bundles are packages that contain a textbook along with other course materials that may assist a student in their studies. These additional course materials may include such items as study guides, CD-ROMs, and pass codes to textbook-companion web sites. Bundles are typically packaged and sold as a single unit.

Is the use of bundles increasing?

College stores report that the use of bundles is increasing because a greater number of instructors are adopting (or requiring) bundles, or utilizing some of the components that are contained in a typical bundle.

Do customers like them?

According to a 2005 *Student Watch*TM survey, 59% of students “agreed” or “strongly agreed” that course materials are more valuable when packaged with other materials like study guides or computer software.

Other students, however, have complained that bundles make course materials more expensive. This complaint is exacerbated when bundled materials are required, but not all of the materials in the bundle are utilized in the classroom.

College stores are working with faculty and publishers to find ways to include only the necessary or fully utilized materials in bundles.

What is NACS’ position on bundling?

The National Association of College Stores (NACS) supports the effective design, packaging, and utilization of course materials that improve learning and are valued by faculty and students.

NACS opposes legislation that includes mandates that restrict the sale of faculty adopted course materials, including bundles, at the point of sale by college stores – thus undermining the ability of college stores to support the academic mission of the colleges and universities they serve.

NACS encourages publishers to provide the opportunity to acquire individual components of bundled course materials for adoption and resale at a reasonable cost. NACS applauds those publishers who offer this option to fit the specific needs of faculty and students.



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FAQ on Used Textbooks

Why do college stores sell used books?

College stores sell used books as a service to students. The process of buying back and reselling used textbooks is "perhaps the most direct way for students to save on textbook expenses" according to the Advisory Committee on Student Financial Assistance in their report "Turn the Page: Making College Textbooks More Affordable."

Are used books as valuable as new books?

Yes. According to the fall 2003 *Student Watch*[™] report, 76% of students agree that used course materials are as valuable as new.

Because of student demand, used books accounted for \$1.7 billion in college store sales during the 2005-2006 academic year and made up 17.1% of U.S. college store sales according to NACS' *2007 Industry Financial Report*. Many stores believe that given students' demand for used books these percentages would be higher if more used books were available.

What is the average price for a used textbook?

Used textbooks are typically priced at 75% of the retail price of the new book. Prices on used books range from \$22 to \$72, with the average price being \$44 according to NACS' *2007 Industry Financial Report*.

Do college stores price used books differently than new books?

Yes. Although used textbooks provide students with a 25% savings compared to the cost of a new textbook, there is a slightly higher margin on used textbooks (35.8%) when compared to new textbooks (22.4%).

The process of acquiring, cleaning, pricing, and re-shelving used books involves significantly more time than that of new textbooks and increases college stores' operating expenses. In addition, because used books are non-returnable to publishers (as new books are), college stores assume a higher risk on their used book inventory. There is also the possibility that the publication of a new edition will make inventoried used textbooks obsolete, even though the store has already purchased them.

Does the sale of used textbooks raise the price of new textbooks?

In 2005 the U.S. Government Accountability Office, the independent investigative research arm of Congress, investigated the recent rise of textbook pricing. The GAO concluded "While many factors affect textbook pricing, the increasing costs associated with developing products designed to accompany textbooks, such as CD-ROMs and other instructional supplements, best explain price increases in recent years."

How do college stores acquire used books?

College stores use a variety of methods to secure used books for students. One familiar strategy for obtaining used books is through buyback events, where books are purchased from students for resale. College stores also work with textbook wholesale companies to secure additional copies of used books, or books that may not have been available during their campus' buyback. Because wholesale companies are integral suppliers of used books and experts on the used book market, many college stores seek their help to run buyback events. New textbooks are typically not ordered until the used book market has been exhausted.



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FAQ on Textbook Rental Programs

How many schools offer rental programs?

As of spring 2006, textbook rental services were offered by only 1.8% of NACS member stores in the U.S. and Canada. Some campuses provide a hybrid model of rental program where only a limited number of titles are available for rent, often entry-level courses.

While recent legislative activity has spotlighted rental programs because of their potential savings to students, such programs have prohibitive start-up costs. In addition a successful rental program requires that faculty members commit to their textbook choices for four to six semesters before changing, often a difficult proposition.

How much can students save on textbooks through rental programs?

Students can generally rent a textbook for approximately one-third of the cost of a new text; however the savings may not be as great as many expect since it's difficult to account for all of the various factors that are involved. For example, some students already opt for used books or sell their books to realize greater savings on their textbook purchases than the norm. In some cases, students using rental programs are also required to purchase supplementary, consumable materials, which can add significantly to baseline costs. It's also difficult to measure the less tangible costs inherent in rental programs.

What are the start-up costs associated with rental programs?

Exact figures for starting up a rental program today are difficult to estimate. The initial capital outlay would need to include money for administration, maintenance, inventory, and the cost of additional space for storage.

Do college stores support rental programs?

NACS does not have a formal position on rental programs because each situation is unique.

Generally, textbook rental programs have worked well under particular circumstances when strong local community support and leadership exist, and where faculty members are willing to make long-term commitments to their adopted course materials.

However, college stores also recognize each professor's right to choose the materials they feel will best educate their students. In some cases rental programs may violate state contracts between college boards and faculty associations regarding faculty's right to select instructional materials.

NACS, Inc.

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Higher Education Retail Market Facts and Figures 2007

The National Association of College Stores (NACS) plays a key role in serving its members by tracking relevant segments of the higher education retail market and reporting the latest findings. The major topics covered in the following pages are:

- [College and Universities - General Information](#)
- [College Students - Demographics and Spending](#)
- [College Stores - Market Information](#)
- [College Textbooks - General Information](#)

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Colleges and Universities - General Information

Number of Institutions

The National Center for Education Statistics, Dept. of Education reported a total of 4,216 institutions of higher education in the United States. There is a 60/40 split between the type of institution and the years of study.

- 60% [2,516] are private colleges or universities
- 40% of the schools [1,700] are public institutions

- 60% [2,533] are four-year colleges or universities
- 40% [1,683] are two-year schools

School Size

Almost half (49%) of U.S. colleges and universities have enrollments between 1,000 and 10,000 students. Thirty-nine percent of institutions have enrollments of less than 1,000 students, and just 12% of colleges and universities have enrollments of more than 10,000 students. The top 100 campuses enroll about 20% of all students. The top ten campuses are listed below.

Schools with the Largest Enrollments

University of Phoenix Online Campus	115,794
Miami-Dade College	57,026
Ohio State University - Main Campus	50,995
University of Minnesota - Twin Cities	50,954
University of Texas - Austin	50,377
Arizona State University Tempe	49,171
University of Florida	47,993
Michigan State University	44,836
Texas A&M University - College Station	44,435
University of Central Florida	42,465

To see the full list, go the National Center for Education Statistics, Dept. of Education Fast Facts at <http://www.nces.ed.gov/fastfacts/>.

Tuition and Fees

Average tuition and fees for the latest full academic year were \$5,038 at public four-year schools and \$1,847 at two-year schools. Private four-year colleges and universities average \$18,838 per year for tuition and fees.

[The above figures were reported in *Almanac 2006-2007*, published by the Chronicle of Higher Education, Aug. 25, 2006.]

College Students - Demographics and Spending

Enrollment in Higher Education

The college student population is formed from a wide mix of consumers with substantial buying power. College enrollment continues to rise. There were 17 million college students in Fall 2004.

- 86% were undergraduates
- 53% of students attended four-year institutions, compared to 61% last year
- 44% were between the ages of 15 and 21
- 32% were between the ages of 22 and 29
- 57% were women
- 61% of the total attended college or university full-time

[The above figures were all reported in *Almanac 2006-2007*, published by the Chronicle of Higher Education, Aug. 25, 2006.]

Projected Enrollments

The Department of Education projects enrollment for the next ten years. For 2007, the forecast for total college enrollment was 17.9 million students.

[The above figures were reported in *Almanac 2006-2007*, published by the Chronicle of Higher Education, Aug. 25, 2006.]

Student Spending

In 2005-2006, students spent an average of \$763 in the college store. The average reported for 2004-2005 was \$720 per student.

The cost of books and supplies for the academic year does not vary much from two-year to four-year institutions, or from public to private schools. The expense for books and supplies rose from \$745 - \$843 last year to \$801 - \$904 for 2005-2006 according to figures reported by The College Board.

[The above figures were reported in *Almanac 2006-2007*, published by the Chronicle of Higher Education, Aug. 25, 2006]

College Stores - Market Information

Size of the College Store Market

The National Association of College Stores estimated U.S. college store sales of \$10.5 billion for the 2005-2006 academic year.

College stores sell a variety of items, ranging from textbooks to toothpaste. The percentage of sales in each category will vary by store depending on both the size of the school served and whether it is a two-year or four-year institution.

The following figures are provided to give an estimate of average product sales in the U.S. college store market, from largest to smallest segments.

Required course materials	59%	\$6.195 billion
Computer products	14%	1.470 billion
Insignia merchandise	10%	1.050 billion
Other merchandise	8%	.840 billion
Student supplies	5%	.525 billion
General/trade books	<u>4%</u>	<u>.420 billion</u>
	100.00%	\$10.5 billion

Number of College Stores

There are approximately 4,450 college stores serving 4,216 institutions in the United States and 200 college stores in Canada. Larger universities will often have several stores to serve students, smaller schools in a local area may be served by a single store, and several schools in an urban community may share multiple retail outlets. While many college stores share a common mission, they vary widely in size, location, ownership, and customer base.

As of Jan. 2007, NACS U.S. membership included 3,112 stores.

The largest percentage of stores are owned or operated by the institution. On-campus stores are mostly institutional, but they may also be contract managed, cooperatives, or student associations. Off-campus stores are typically privately owned.

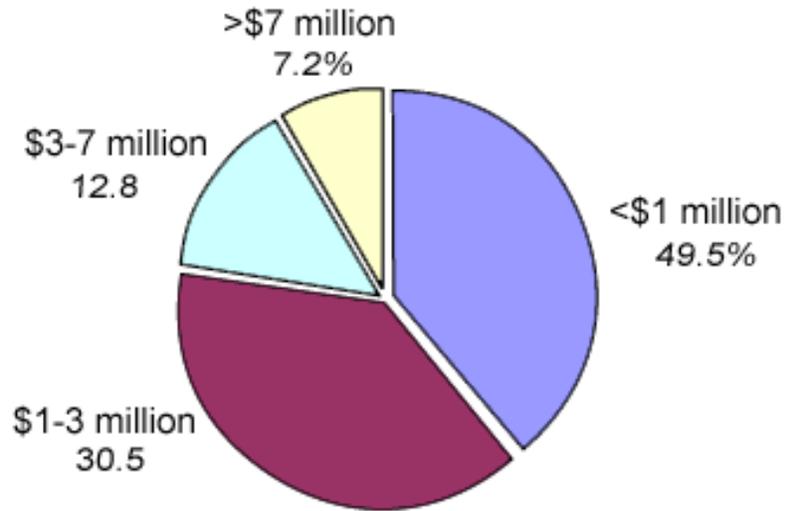
Size of College Stores

Sales volume in college stores is determined by many factors, but the major influence on sales seems most closely tied to the size of the institution served. Average sales for college stores were \$6 million. As seen in the following pie chart, the majority of college stores have less than \$3 million in sales each year.

College store size in square feet also shows a wide range between the average and median. The average, based on all responding college stores in

the 2007 Financial Report, was 16,416 square feet. The more typical college store is probably closer to the median reported by all respondents, at 8,320 square feet.

NACS Membership by Estimated Sales



College Store Profits / Contribution to Institution

According to the *NACS 2007 College Store Industry Financial Report*, college stores returned an average net income of 7.5% of net sales to their institutions.

On top of this, they contributed an average of 5.8% of net sales to support campus activities such as scholarship funds, donations of merchandise, advertising dollars to school media, store revenue paid to institutional accounts, rent paid to the institution, non-store administrative salaries, alumni gifts, and many other such valuable contributions to the college or university.

Overall, college stores returned an average of 13.3% of sales back to their institution.

College Textbooks - General Information

Size of the U.S. College Textbook Market

The total U.S. college textbook / course materials market was estimated at \$6.5 billion based on sales data for the 2005-2006 academic year.

NOTE: Textbook publishers have specific criteria to determine what they publish as a "textbook," as opposed to a trade or other category of book. College store sales of textbooks are based on requirements by a professor, regardless of format or type of publication, and including digital materials. For this reason, publisher sales data for "college textbooks" are not directly comparable to college stores' sales of new textbooks. Also, many college stores ring up custom coursepacks as new textbook sales, and do not use the separate Custom Publishing category in the survey. The 2006 survey form added a new sales category for reporting sales of digital materials and electronic clickers.

New vs. Used Textbooks

The textbook market is made up of four segments—new texts; used texts; custom-published materials, or course packs; and course technology. Course technology sales were added in the 2006 survey questionnaire and were not sufficient in number to report a percent of sales.

2005-2006

New texts	40.8%
Used texts	17.1%
Course packs	1.1%
Course technology	<u>0.0%</u>
Total Course Materials:	59.0%

[Data from the NACS 2007 College Store Industry Financial Report.]

The above percentages are based on U.S. market estimates. The full range of percentages of course materials reported by all responding college stores are shown below.

New text sales as a percent of store sales	30.6% to 71.8%
Used text sales as a percent of store sales	7.7% to 26.8%
Course pack sales as a percent of store sales	<u>0.0% to 3.8%</u>
Total course material sales as a percent of store sales	46.3% to 91.1%

Average Price of Required Course Materials

Tracking book prices is a difficult and labor-intensive process, especially at a national level. In Fall 2006, new and used book price information was obtained from 86 college stores. Based on sales of 8.8 million new texts and 3.8 million used texts, the average price for new and used books required for class were:

Average

New:	\$53
Used:	\$44

See where the money spent on "new" textbooks goes:

[U.S. Version \(PDF\)](#) | [Canadian Version \(PDF\)](#)

College Store Sales Online

Based on the 2007 College Store Industry Financial Report, total online sales at college stores for 2005-2006 were estimated at \$350 million or 3.3% of U. S. college store sales. With a "click and mortar" strategy, the college store offers the best of both worlds to students—the convenience of web ordering, paired with:

- ease of returns

- the ability to pick up items for immediate use
- one-stop shopping
- accurate information on what textbooks students need for their courses

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**TALKING POINTS:
THE 2005 G.A.O. STUDY**



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Talking Points: The 2005 GAO Study

Background:

Congress considers the overall costs of a higher education (tuition, housing, textbooks and supplies), and their potentially negative impacts on access and affordability, as a matter of national importance. Recent reports of escalating textbook prices and instances in which publishers sell U.S. textbooks in other countries at lower prices led 14 members of Congress in 2004 to ask the Government Accountability Office (GAO) to determine:

- (1) What has been the change in textbook prices?
- (2) What factors have contributed to changes in textbook prices?
- (3) What factors explain why a given U.S. textbook may retail outside the United States for a different price?

The GAO is the independent, investigative arm of Congress. In preparing its response to Congressional requesters, the GAO met with NACS, publishers, wholesalers, and student advocacy groups, and considered college textbook pricing data from the U.S. Bureau of Labor Statistics' Consumer Price Index (CPI) and the U.S. Department of Education's Integrated Postsecondary Education Data System (IPEDS).

In July 2005, prior to the GAO releasing its report to Congressional requesters, NACS had an opportunity to review and comment on a draft version of the report. In August 2005, "*College Textbooks: Enhanced Offering Appear to Drive Recent Price Increases*," was made public. Copies of the full report are now available online at: <http://www.gao.gov/cgi-bin/getrpt?GAO-05-806>

Findings:

The GAO report made several findings regarding textbook pricing. Among them:

- ❑ College textbook prices have risen at twice the rate of inflation during the past two decades, but have trailed other higher education costs.
- ❑ Specifically, textbook prices have risen at an average of 6 percent each year since academic year 1987-88, compared with overall average consumer price increases of 3 percent each year.
- ❑ The impact of textbooks and supplies cost increases on students can vary greatly depending on the type of institution they attend. The cost of textbooks and supplies as a percentage of tuition and fees ranges from 72 percent at 2-year

public institutions; to 26 percent at 4-year public institutions; and 8 percent at 4-year private institutions.

- While many factors affect the rising prices students and parents pay for textbooks, the increasing costs publishers incur to develop supplements (e.g. CD-ROMs, websites, and other instructional materials) best explain price increases in recent years. Publishers report these materials are developed in response to instructors' demand for them.
- Publisher-developed supplements for textbooks are reflective of changes in the nature of postsecondary education. As teaching and learning have become more reliant on technology, college textbooks have evolved to include a wide array of ancillary products designed to enhance students' educational experience. These supplementary offerings include CD-ROMs, websites, and other tools.
- The price of a U.S. textbook may differ when it is sold in other countries because publishers price their texts to compete in local markets (e.g. based on local incomes, students' willingness to pay for them, the availability of competing textbooks produced locally, differences in instructional styles, etc).
- The GAO concludes that given the current market environment, textbook prices will continue to rise, although they appear to be slowing relative to other higher education costs.

NACS' Position on the GAO Report:

NACS generally believes the report accurately portrays the post-secondary course materials industry and captures many of the key factors affecting textbook pricing and student costs. NACS continues to support efforts that will enhance affordable and equitable access to course materials, and will work with all parties concerned as an ally for student interests.

Additional information that may be useful in responding to this report (e.g. FAQs on textbooks, bundling, used books, and information on overseas textbooks) is available online in the *Industry Information* section of the NACS website, www.nacs.org

What's Next?

Since Congress requested the GAO study, it's likely that its contents will contribute to the ongoing higher education policy debates at the federal, state and institutional levels. In addition to the federal study, several states are also studying this issue. It's possible that the report may trigger legislative and other policy proposals. NACS staff will be closely monitoring these situations and reporting any developments to members.

Chronology of Overseas Textbook Issues and NACS Responses

April 2002 - At the Private Stores Conference in Tucson, AZ, NACS was apprised of the increasing number of textbook titles that were available from overseas suppliers. There were anecdotal reports that in some cases, sales to “overseas” suppliers were never leaving the United States.

May 2002 - At an Industry Leaders Summit in Washington, DC, at which several executives of higher education publishers were present, the overseas textbook issue was raised for discussion. Initially, publishers expressed minimal concern recognizing that the practice of selling “international” editions has been in effect for several years. However, there was an acknowledgment that the additional practice of applying unique markings to international editions had been phased out, but was going to be reconsidered as a result of increased quantities of titles coming back to the domestic market.

September 2002 - Several NACS member stores begin using the Textbook Discussion List to exchange information about stores acquiring books from overseas sources. At the same time, several members express concerns about the publishers selling to overseas markets, at such substantial price differences.

September 2002 - Attorneys with the law offices of Arent Fox Kintner Plotkin & Kahn complete research related to possible legal ramifications of the overseas textbook pricing issue. Their determination is the current practice of higher education publishers may be in violation of the Robinson-Patman Act. In addition, the attorneys noted there may be other legal grounds to challenge the practices of publishers. Those cited were false or deceptive advertising, and unfair trade practices, as defined by the Federal Trade Commission in correlation with the possibility of “substantial injury” to consumers.

September 2002 - NACS CEO Brian Cartier meets with the executives of the three largest higher education publishers. The purpose of the meeting was to seek common ground on addressing various industry issues related to textbook sales. One of the issues discussed was the overseas textbook pricing and the potential impact this current publisher practice has on both college stores and student consumers. The group agrees to reconvene at ConTEXT 2003, to meet with a representative group of stores and other publishers.

October 2002 - Marc Fleischaker (Arent Fox), the general counsel to NACS, discusses with the NACS Board of Trustees possible communications with higher education publishers. The NACS Board concurs that, as a result of the legal research conducted by Arent Fox, sufficient information exists to call it to the attention of publishers, and request they work directly with NACS to find reasonable, industry-benefiting solutions to the overseas pricing issues.

December 2002 - Marc Fleischaker sends letters to eight higher education publishers. These letters summarized the legal basis from which NACS believes publishers may be in violation of the Robinson-Patman Act, as related to their practices of overseas textbook pricing and parallel importation. The letters request individual publishers to contact NACS to begin a discussion on the issue.

January 2003 - Patricia Schroeder, president and CEO of the Association of American Publishers (AAP) responds to NACS on behalf of the eight higher education publishers that received Marc Fleischaker's letter. The AAP expresses their disagreement with the legal interpretations offered by Arent Fox. However, they indicate a willingness to work with NACS "to explore possible solutions to the reimportation problem."

March 2003 - As the "tone" of the AAP response seemed to defend the publisher pricing practices of overseas textbooks, the NACS Board decides to establish a strong position on the issue. At its meeting held in conjunction with CAMEX 2003, the board passes a resolution denouncing the overseas pricing practice. Subsequently, copies of the resolution were mailed to the AAP and individual higher education publishers.

April 2003 - A gathering of college store representatives and higher education publishers is convened at ConTEXT 2003 in Anaheim, CA. Among the topics discussed is that of overseas textbook pricing. Legal constraints restrict the extent to which this matter can be discussed in a group setting, but NACS is apprised that the AAP has established a task force to advance their own study of the issue and explore ways in which the issue can be discussed collaboratively with NACS.

April 2003 - At the request of a NACS member, an educational session is presented at ConTEXT. This session provided college stores with information about the international markets and overseas sources for textbooks. One of the purposes of the session was to help college stores gain a better understanding of the potential impact overseas textbook sales might have on their store sales, and to provide stores with information about alternate suppliers for textbooks.

April 2003 - Brian Cartier re-establishes communication with the AAP, acknowledging the formation of their task force and expressing NACS' desire to work cooperatively with the AAP to identify and implement mutually favorable solutions. It was noted that one of the first steps in this cooperative endeavor would be for both NACS and the AAP to collect and exchange relevant industry data about the scope of the international markets, and the potential consequences projected by future parallel importation.

May 2003 - Patricia Schroeder responds to NACS, expressing antitrust sensitivity about publishers being contacted individually to discuss parallel importation issues. Instead, the AAP advises that their outside counsel will contact Marc Fleischaker directly to determine "a legally appropriate and productive course for our discussion of these issues."

July 2003 - Marc Fleischaker meets with the outside counsel of the AAP to discuss the legally appropriate course for discussions on the overseas pricing and parallel importation issues.

August 2003 - Bruce Rich, representing the AAP, agrees to provide Marc Fleischaker with a proposal that represents the parameters within which the AAP and its members are willing or able to discuss the overseas textbook pricing and parallel importation issues. As of late October 2003, Bruce Rich had not yet produced this documentation for Marc Fleischaker or NACS.

October 2003 -As a result of an article in the Oct. 21, 2003, edition of *The New York Times*, the issues related to overseas textbook pricing and reimportation of textbooks are made public nationwide. Patricia Schroeder quickly offers a response to the article, in a letter to the editor of *The New York Times* (Oct. 22, 2003). In an editorial appearing Oct. 25, 2003, *The New York Times* offers an opinion on the high cost of textbooks. The opinion suggests that publishers must moderate textbook prices and colleges should exercise their role in helping to control textbook prices.

July 2004 - The subcommittee of the House Education and the Workforce Committee held a hearing, "Are College Textbooks Priced Fairly?" Among those to testify was NACS legal counsel Marc L. Fleischaker. While Fleischaker pointed out during the hearing that NACS wants to work with publishers in appropriate ways to address the issue of textbook pricing, he also said that NACS plans to protect the interests of its members. It is "extremely difficult to conclude that the margins (20-25%) earned by college stores are the primary causative factor in the escalating price of textbooks," he said, referring to publishers' responses to escalating textbook prices and the dual-pricing system—higher American book prices than overseas. Even if the dual-pricing system is well intentioned, Fleischaker said it is "unfair" to students and college stores.

August 2005 - NACS welcomes the findings contained in a new Government Accountability Office (GAO) report to Congress, "*College Textbooks: Enhanced Offerings Appear to Drive Recent Textbook Price Increases.*" The report is available online at <http://www.gao.gov/>. NACS generally believes the report accurately portrays the post-secondary course materials industry and captures many of the key factors affecting textbook pricing and student costs. NACS continues to support efforts that will enhance affordable and equitable access to course materials, and will work with all parties concerned as an ally for student interests.

March 2006 = *The New York Times* takes a look at textbook importation from India. The article details how books, while printed legally under copyright arrangements, can only be sold on the Indian subcontinent and in surrounding countries. The AAP asked the Indian government to crack down on the middlemen who are exporting the textbooks.

NACS Position on Overseas Textbook Pricing

NACS supports a "one price" system in which U.S. students are not paying more than non-U.S. students, particularly those in developed countries. U.S. students should not, by themselves, bear the sole burden of course material development costs or suffer the consequences of underdeveloped countries' inability or unwillingness to enforce copyright laws. All segments of the textbook industry should be working together to see how we can best maintain the extraordinary high quality of U.S. higher education - which is the envy of the world – without making the price of that education prohibitive to many Americans.

Five Hints for Talking About Overseas Textbooks on Campus

1. **Be prepared.** Review the documents provided by NACS and carefully review your store's history with this issue. Also, don't forget to consider what your campus' position might be on this issue; what two or three points will most help others' understanding of the issue or gain additional support for your store?
2. **Deflect the questions that you can't answer.** You may be asked many questions that you don't know the answer to. That's okay. Simply promise to look into the issue further and then remember to share what you find out.
3. **Use specific statistics and anecdotes to support your main discussion points wherever possible.** The [FAQ on College Textbooks](#) provided by NACS contains a wealth of information on this issue that you can share with administrators and others. And don't forget that additional information is available on the NACS website at www.nacs.org., or might be accessed by a phone call to NACS staff. NACS collects a lot of data on the industry each year and you might have simply overlooked something that could benefit you now.

If you have them, don't forget to share anecdotes from your store that might help paint a picture of the impact this issue is having on your campus. Stories can help bring your points to life in a way that is often more memorable than statistics.

4. **Focus your attention on communicating the solutions that will work best for your operation.** Many stores are being asked to explore purchasing abroad, so be prepared to discuss your store's ability (or lack thereof) to purchase textbooks from overseas sources.
 - What will you need that you don't currently have (e.g. a credit card with a large line of credit)?
Would you be able to achieve a significant level of savings or would the savings only be minimal?
 - Do you have the required manpower to facilitate this type of purchasing change? Would your staff need additional training and money to accommodate that?
 - Will a sufficient quantity of books be available?
What will your pricing policy be?
 - How will you handle returns?
 - What are the possible ramifications you may experience?

Consider the obstacles that might be encountered, and be prepared to discuss the plan that will work best for your store.

5. **Remember that you're playing on the same team.** If you focus too much energy on having all the answers you risk appearing defensive, so remain open to new perspectives and focus your energy on how your store might contribute to them.

Also, remember to be inclusive. Involve students, faculty, and administrators in your discussions. Like you, your campus wants to support the academic mission of your school and its students in the best manner possible. Celebrate the store's involvement, and be sure to thank people for listening to your perspective.

UNIVERSITY of MISSISSIPPI

ASSOCIATED STUDENT BODY
TEXTBOOK TASFORCE

FINDINGS AND POWERPOINT

**THE ASSOCIATED STUDENT BODY TEXTBOOK TASKFORCE FINDINGS
UNIVERSITY OF MISSISSIPPI**

THE COMMITTEE

ASB TREASURER SHAD WHITE, CHAIRMAN
DIRECTOR OF ACADEMIC AFFAIRS ANTHONY YUEN
DIRECTOR OF STUDENT SERVICES STERLING KIDD
ASSIGNMENT EDITOR OF THE DAILY MISSISSIPPIAN MEGHAN BLALOCK
SENATE DIRECTOR OF PUBLIC RELATIONS JERMAINE JACKSON
SPECIAL COUNSEL TO THE PRESIDENT JORDAN DOWNS
SENATOR RUTH MAULDIN
SENATOR ALYSSA MAHAFFEY
EXECUTIVE LIAISON SUSAN LAWRENCE
FRESHMAN FOCUS MEMBER ROB PETIT
FRESHMAN FOCUS MEMBER ERIN WIGGERS
COMMITTEE MEMBER ELIZABETH HARRINGTON

BACKGROUND:

On August 29, 2006, Associated Student Body President Roun McNeal used his power as President to commission the Associated Student Body Textbook Taskforce. The purpose of this taskforce, to quote Executive Order 06-02, was to “investigate short term and long term strategies that will combat the rising costs of textbooks” and to submit “a full report of the taskforce...to the President of the Associated Student Body” by November 1 on their findings.

STRUCTURE OF THE COMMITTEE:

Upon the signing of Executive Order 06-02, Chairman White began the process of hand selecting the members of the committee. Members were chosen for their a) knowledge of the ASB, b) knowledge of academic affairs on our campus and in our state and nation, c) access to media outlets to publicize the committee’s findings, d) interest in intelligently researching textbook problems and solutions, and e) year at the University of Mississippi. The members represent nearly every structure of the ASB and every year of undergraduate studies. Since early September, members have been researching, discussing and sorting through the various problems and solutions regarding the textbook problem. The first questions to be addressed were: Are textbook costs actually a problem, and to what extent does the problem reach? Upon answering in the affirmative to first question, Chairman White identified three tiers of government and three corresponding questions which would be useful for investigation: For what measures should we lobby state government to alleviate the problem? For what measures should we lobby the university’s administration? And what can the ASB do for students in this regard? Using this outline as a guide, members of the taskforce were assigned specific tasks in their work. Director Yuen was asked to provide a base of information regarding current textbook policies in place on campus. Director Kidd was asked to investigate the feasibility of placing ISBN (International Standard Book Number) numbers of textbooks in use on campus online. Editor Blalock, Director Jackson, and Member Petit were asked to investigate what state legislatures around the nation were doing to combat the textbook

crisis. Special Counsel Downs and Member Wiggers were asked to investigate what programs other universities were undertaking. Senator Mahaffey and Member Harrington were asked to investigate what the ASB could do to mitigate the problem on campus. Senator Mauldin and Executive Liaison Lawrence were instrumental in crafting the specific legislation the taskforce is proposing.

In addition to the general research arm of the taskforce, it has expanded its original calling to a more tangible project as well. Since the start of the fall 2006 semester, Chairman White has directed a t-shirt sale to raise money for the “ASB Book Award,” a series of small scholarships to be awarded to low income students by the financial aid department. Director Kidd has also been working with the Faculty Senate of U.M. and the Information Technology Department (I.T.) to implement the placement of ISBN numbers into a student-accessible online database. While these measures are vital, this report focuses on the taskforce’s research and recommendations based on that research.

FINDINGS

SEVERITY OF THE PROBLEM:

Is the textbook problem a myth propagated by disgruntled students? Our conclusion prompts a definitive “no” in response to this assertion. The problem not only exists, but in most cases, it far surpasses the general public’s understanding of its severity. The Government Accountability Office (GAO) of the United States Congress and various Student Public Interest Research Groups (PIRGs) concluded that, on average, a student spends \$898 per year on textbooks. That price constitutes 26 percent of the cost of tuition at an average four year university. Moreover, the problem is growing increasingly worse. The GAO found that textbook prices have increased at two times the rate of inflation in the past 25 years and four times the rate of inflation in roughly the last 10 years. The student response to this price increase is disheartening. Many simply refuse to buy their books. In a state of close proximity (Virginia), more than 40 percent of students surveyed by the State Council of Higher Education said they sometimes just do without [*Washington Post*].

NATURE AND CAUSES OF THE PROBLEM:

The root of the textbook problem stems from the publishing companies. Five major publishing companies dominate the industry: Pearson, McGraw-Hill, Houghton-Mifflin, Harcourt General, and Thomson. Because there are so few competitors, publishing companies can operate as a cartel to maintain unfair practices and prices. According to the National Association of College Stores' *Industry Financial Report of 2003*, 66% of the cost of an average textbook is absorbed by publishing companies. The breakdown of that 66% is as follows: 32.3% for publisher’s production costs (paper, printing, editorial costs, etc.), 15.3% for publishing marketing costs, 10% for publisher’s administrative costs, 7% for publisher’s income, and 1.3% for freight and shipping. On average in 2003, 21-22% of the cost of a textbook was absorbed by the college store, in our case Barnes and Noble. At the University of Mississippi, Barnes and Noble accounts for 25% of the cost of a new textbook. When one considers that Barnes and Noble

donates some of their profits back to the university, their profit margin probably falls near the national average.

One of the most telling anecdotes from our research about the ability of publishing companies to lower costs if they so desired came from the *San Francisco Chronicle*. In an article, the *Chronicle* interviewed a student required to purchase a new \$122 calculus text that contained few changes from an older edition. Some exercises in the new edition had been “shifted around” to prevent the professor from assigning an older version of the text. Upon further investigation, the *Chronicle* learned that, had the student lived in Britain, the same exact edition of her text would have only been \$59.

To address the negative impact that publishing companies can have, one must first understand the tactics used to inflate textbook prices. One problem is disclosure. Publication companies should be responsible for telling professors what changes are made when a new edition of a textbook is released. Often times, a professor may find that the changes are not substantial and that reassigning the old text is still appropriate. In these instances, it is profitable for publishing companies to withhold information on edition changes from professors. According to California’s Student PIRG (CALPIRG), 76% of surveyed faculty thought new editions were justified “half the time” or less. Proof of publishing companies’ general unwillingness to responsibly issue new editions comes from the experience of the University of Washington’s mathematics department. When Thomson Learning stopped issuing an older edition of a calculus text, UW’s math department petitioned the corporation to re-release its older version so students could buy used texts at a lower cost. Ultimately, 700 professors from 150 universities signed a letter of complaint regarding this issue. Thomson Learning ignored their requests. Also, many professors are aware of the severity of the textbook problem but are unaware of how much the text that they assign costs. Again, it is profitable for publishing companies to withhold information regarding text cost. Though the taskforce has been told that publishing companies usually release this information at the University of Mississippi, codifying some mandatory disclosure of edition changes and costs can only help.

Another problem arises from bundling by publishing companies. “Bundling” is the practice of packaging (usually by shrink-wrap) several pieces of material together with a textbook for sale as a single unit. For example, a needed text might also be sold with an atlas or a CD or both. The GAO found in a recent study that bundles are, on average, 10% more expensive than regular books and can be up to 50% more expensive. CALPIRG surveyed numerous professors and found that 65% believed bundled items were “rarely or never” necessary.

Other, more minor problems have arisen across the United States. In some cases, a university’s relationship with the campus bookstore precludes fair competition between a campus bookstore and off campus stores. For instance, it is the opinion of the taskforce that Barnes and Noble does not publicize its price matching policy well enough. Students have never been given instructions or a guide on how to buy more affordable textbooks online or through alternate sources. As a result of these facts, many students are unaware of all the resources available online with which to buy and supplement texts. To our knowledge, the university has done little to encourage professors to use photocopied versions of text sections and has done little to inform professors about websites offering free material that may be used in the place of texts. In other cases, a university’s faculty can have concerns that students’ desire to buy affordable textbooks is an attempt to usurp

their academic freedom to choose an appropriate text or remove a significant portion of the university's funding. This is an understandable position and one that we believe can be reconciled with our commitment to providing broad access to education here through communication with the faculty about our intentions and goals.

RECOMMENDATIONS

FOR STATE GOVERNMENT:

PASS A BILL PUBLICLY ACKNOWLEDGING THE PROBLEM.

On a purely symbolic level, we believe it would be beneficial for the state legislature to publicly acknowledge that textbook costs present a credible deterrent against widely available higher education. Hopefully this point has been made clear by our "Severity of the Problem" section above. Model legislation currently exists that would serve this purpose. To this end, CALPIRG recommends states pass a bill approved by California's state legislature in 2003. We request the language from this bill (see Attachment 1 of this report) be passed.

PASS A BILL REQUIRING PUBLISHERS TO DISCLOSE THE CHANGES BEING MADE IN NEW EDITIONS OF TEXTBOOKS AND THE PRICES OF THOSE EDITIONS.

As previously stated, publishing companies have a duty to inform professors about their practices so professors can help students save money. If professors know there have been few changes made to a new edition of a text or that a text is too expensive, it is likely the professor will do what is possible to ease the financial burden on students of his or her university. Codifying the mandatory disclosure of edition changes and prices is a necessity. The state of Connecticut passed a bill in 2006 that has been used as a model across the nation (see Attachment 2). Also provided is language from a California bill that serves a similar purpose (see Attachment 3). We request either of these bills or a combination of language from the two be passed.

PASS A BILL REQUIRING PUBLISHING COMPANIES AND RETAILERS TO SELL BUNDLED ITEMS SEPARATELY AS WELL.

Hopefully the negative impact of bundles has been made clear in our "Nature of the Problem" section. Publishing companies, retailers, and universities should give students the opportunity to avoid this unnecessary cost. We request passage of language from a California bill that would serve this purpose (Attachment 4).

We feel strongly about these three measures. Also:

CONSIDER PASSING A BILL ENCOURAGING OR FUNDING TEXTBOOK RENTAL PROGRAMS FOR PUBLIC UNIVERSITIES. TO ACCOMPLISH THIS, A COMMISSION OF PROFESSIONAL ANALYSTS MAY BE NEEDED TO ASSESS A RENTAL PROGRAM'S FEASIBILITY FOR MISSISSIPPI'S PUBLIC UNIVERSITIES.

Textbook rental programs represent, in our opinion, the fastest institutionalized means of cutting textbook costs for students. They are also the most complicated to organize and start, the most expensive, and potentially the most politically controversial. Many universities have reciprocal relationships with campus bookstores whereby bookstores contribute back some of their profits to the university. Clearly both of these

entities, the university and the bookstore, would be opposed to rental programs, making it politically difficult to achieve. If faculty are somehow benefited by the funds donated back to the university by the bookstore, then students represent the only group on campus that would be proponents of such a program. Though rental programs could steadily earn back the money needed to start the program, sufficient startup capital to implement a rental program is also a major hurdle that would need to be addressed via state or private university funding. Despite these difficulties, the benefits of rental programs are evident where programs exist. The University of Massachusetts, the University of Wisconsin at River Falls, and Southern Illinois University Edwardsville offer such programs. Southeast Missouri State University students pay \$83.75 per semester to rent books for five courses. The financial benefit to students is clear. Textbook costs are almost completely eliminated as a financial barrier to education at these universities. Several states have passed bills encouraging rental programs and offering guides as to how rental programs should be implemented (see California's version in Attachment 5). In a more aggressive and noteworthy move, Illinois has voted to provide startup capital for universities to establish rental programs. Other states have commissioned professional research committees to evaluate ways to implement rental programs. We realize the establishment of a rental program is a difficult, controversial, and expensive move. In light of the facts, we request the state consider commissioning a research group in the near future to evaluate the feasibility of implementing a statewide rental program for the eight public institutions of higher learning. For this commission's consideration, we have provided a guide for organizing a rental program that was written by CALPIRG (see Attachment 6).

FOR THE UNIVERSITY ADMINISTRATION:

SET A HARD DEADLINE DEFINING WHEN PROFESSORS MUST CHOOSE TEXTS.

At present, the university has a deadline of March 15 as the date professors must submit their texts to the bookstore for purchase for the fall semester. The deadline for the spring semester is the first week of October. In our conversations with several professors, we have noted that these deadlines are not taken seriously. To paraphrase one professor, there is no incentive to follow the deadline because the bookstore still must order your requested text even if you submit your text choice two weeks before school. As one would expect, this use of a "soft deadline" (as we have chosen to label it) is a major stumbling block in the way of publishing ISBN numbers online. For the ISBN number initiative to be effective, students must have access to the numbers far in advance of the semester to be able to order texts online. The soft deadline prevents this initiative. We request the university begin enforcing the deadlines so the ISBN number initiative can be effective when it is implemented. If the ISBN initiative is not successful, the hard deadline is still useful. Students who are already on campus could conceivably go to the campus bookstore to find which books they would need far in advance of the beginning of the next semester by bringing their schedules for next semester into the store. This is not as convenient as the online ISBN database but is still a possibility, should other plans fail. Again, this is only possible with a hard deadline.

If the enforcement of a hard deadline is deemed impossible, offer incentives to professors who obey the deadline. For instance, James Madison University has a raffle to reward professors who follow text deadlines. As another incentive, include the following question on the online teacher evaluation forms: "Did the teacher make the textbook

ISBN number available to you with enough time before the semester to allow the purchase of your textbook online?” This information will allow low income students to target the classes and professors that will be least strenuous on their budget.

ESTABLISH A PROGRAM WHEREBY STUDENTS CAN CHARGE THEIR TEXTBOOK COSTS TO THEIR BURSAR ACCOUNT AND MAKE INCREMENTAL PAYMENTS THROUGHOUT THE SEMESTER.

Much of the difficulty for low income students is the need to pay for textbooks all at once. For families living paycheck to paycheck, a \$500 bill can be impossible to pay. Allow students to swipe their Ole Miss I.D. in the campus bookstore for a period of one week at the beginning of each semester to pay for their textbooks. The Bursar should divide this total into four equal units to be billed to the student or their families through the course of the semester. The University of Virginia at Wise has a model program to follow for this purpose.

REQUIRE FACULTY TO RELEASE THE ISBN NUMBERS OF THEIR CHOSEN TEXTS TO THE INFORMATION TECHNOLOGY DEPARTMENT FOR PLACEMENT IN A STUDENT-ACCESSIBLE ONLINE PROGRAM, ALLOWING STUDENTS TO BUY THEIR TEXTS ONLINE BEFORE THE SEMESTER.

Discussion of the benefits of this initiative has already been covered in this report (see “Structure of the Committee” section and the “Set a hard deadline...” portion of the “Recommendations” heading). Nevertheless, the ISBN initiative deserves to be explicitly recommended. The taskforce believes that this can be the most effective and feasible measure to immediately reduce the cost of textbooks for students. The I.T. Department has already agreed in principle to build and maintain the software needed for such a system to be put in place. At present, the stumbling blocks for this initiative include approval by the Faculty Senate and university administration to submit their chosen ISBNs and commit to a hard deadline, respectively.

REQUIRE THE ORIENTATION DEPARTMENT TO PRODUCE AND DISTRIBUTE “TIPS FOR SAVING MONEY ON TEXTBOOKS” DURING ORIENTATION TO FRESHMAN STUDENTS.

First-year students are among the most vulnerable to paying exorbitant textbook prices. Freshmen should be pre-warned of the severity of textbook costs, made aware of their effect on one’s pocketbook, and given a guide on how to avoid paying such high prices. We request the orientation department produce and distribute copies of our recommendations on how to avoid inflated text costs (see Attachment 7).

ENCOURAGE PROFESSORS NOT TO ASSIGN BUNDLES. IF A CD OR SOFTWARE IS NECESSARY FOR A CLASS, PURCHASE THE COPYRIGHT OF THE CD, IF FINANCIALLY FEASIBLE, TO MAKE FREE COPIES AVAILABLE TO STUDENTS.

To review the negative effects of bundles, see the “Nature of the Problem” section. With the exception of publishing companies, there is a general consensus that bundles are harmful. Students do not like paying for superfluous materials. Bookstores do not like losing sales because students are unwilling to purchase superfluous materials. We request that the administration encourage professors to ensure they are not assigning bundles. If software is necessary, it is beneficial to students for the university or a group

of students to buy the copyright of the disc. Often times, the copyright costs are less than the sum of what students would pay individually for a disc, especially if the software will be used for more than one semester. An example of where a copyright purchase has been successful is in the university's first year Intensive Chinese class.

ENCOURAGE PROFESSORS TO USE PHOTOCOPIED PACKETS OF EXCERPTED MATERIAL FROM TEXTS THAT ARE NEEDED.

Though we understand that copyrights often prohibit or limit the availability of texts to be photocopied, few professors employ the practice of using photocopied packets. We request the university administration publicly encourage professors to use these packets when feasible.

ENCOURAGE PROFESSORS TO ASSIGN TEXTBOOKS THAT STUDENTS CAN DOWNLOAD FOR FREE AT VARIOUS WEBSITES.

Several websites exist that allow students to access complete textbooks for little or no cost. We would not recommend students use these websites in place of a different text that a professor assigns. However, online textbooks can be useful to supplement assigned texts. More importantly, if professors choose to assign texts from one of these websites, students generally have to make few sacrifices in order to access the texts. Some examples of these websites are as follows: freeloadpress.com (which can be applicable to several offered courses of accounting and web design for our campus, among others), aplia.com, textbookrevolution.org, and worthpublishers.com. In some cases, students must fill out a survey to access the textbooks. Another similar program is called Creative Commons Textbooks where universities pay single fees, ranging from \$5,000 to \$25,000 per year, for access to licensed textbooks online. For some popular courses, dividing this fee among students could represent a large price reduction from the price students would normally pay in the purchase of a traditional text. For the immediate future, we request the university publicly encourage professors to use the aforementioned websites if applicable to their course. For the long-term, the university should investigate the feasibility and price-saving efficacy of registering with Creative Commons.

PLACE COPIES OF NEW EDITIONS OF POPULAR CLASSES IN THE LIBRARY.

Though we realize every dollar is valuable to a public university, requesting the university spend a limited amount of money each semester to outfit our library with copies of widely needed texts is a valuable expenditure. The lowest-income students deserve an alternative to purchasing their texts, especially when one considers 40% of surveyed students in Virginia universities go without their texts when the prices are too high. If well publicized, we believe a limited number of publicly accessible free texts from the library will have an immediate impact. In all likelihood, those texts will be used by students who would otherwise not purchase the text. We request the university purchase a limited number of copies of widely used textbooks for in-library use only.

WRITE A LETTER TO PUBLISHING COMPANIES ACKNOWLEDGING THEIR ROLE IN THE PROBLEM AND REQUESTING FAIR DISCLOSURE AND PRICING POLICIES.

As we have already stressed, symbolic, public acknowledgement of the role that publishing companies play in inflating textbook prices is integral to our goals. Presidents

and chancellors from across the country have signed CALPIRG's model letter to the Association of American Publishers (APA). We request Chancellor Khayat send a similar letter to the APA (see Attachment 8).

KEEP PUBLIC RECORDS OF HOW OFTEN PROFESSORS CHANGE TEXTS.

Encouraging professors to change texts as seldom as possible is important, but not sufficient. There must be some measure of accountability to determine if that encouragement has efficacy. We request the university use the bookstore to keep records of how often professors change their textbooks. This gives students some means of determining which professors have the best interests of the students at heart and which do not.

FOR THE BOOKSTORE:

PUBLICIZE YOUR PRICE-MATCHING POLICY MORE.

Few members of the taskforce or members of the student body that were consulted knew that Barnes and Noble offered a price-matching policy before our research. If a student finds that a text is on sale for a lower price somewhere else in Oxford, Barnes and Noble has a duty to match that price according to company policy. We request the bookstore publicize this policy more.

FOR FACULTY SENATE:

PASS A BILL PUBLICLY ACKNOWLEDGING THE PROBLEM, COMMITTING TO CHANGE TEXTS AS SELDOM AS POSSIBLE, AND COMMITTING TO CHOOSE THE CHEAPEST TEXTS THAT STILL MAINTAIN ACADEMIC INTEGRITY.

California State University's Faculty Senate has passed model legislation being used across the country to serve this purpose (see Attachment 9). We request similar language be passed by the University of Mississippi's Faculty Senate.

PASS A BILL ADOPTING A HARD DEADLINE FOR DECISIONS ON TEXTBOOKS AND COMMITTING TO THE RELEASE OF ISBN NUMBERS TO THE I.T. DEPARTMENT BY SAID DEADLINE.

Please refer to the "Set a hard deadline..." portion of the "Recommendations" heading and the "Require faculty to release the ISBN..." portion of the "Recommendations" heading.

FOR THE ASSOCIATED STUDENT BODY:

PASS A BILL PUBLICLY ACKNOWLEDGING THE PROBLEM.

Hundreds of student senates across the nation have passed CALPIRG's model legislation (see Attachment 10). We request similar language be passed.

IF THE UNIVERSITY AND FACULTY ARE UNWILLING AS A WHOLE TO INTRODUCE A HARD DEADLINE OR PUBLISH ISBN NUMBERS, APPROACH FACULTY ON AN INDIVIDUAL BASIS TO DEVELOP AN ISBN DATABASE OF THE TEXTS OF WILLING MEMBERS.

We recognize that the university and Faculty Senate may not respond to our requests for a hard deadline or the release of ISBN numbers with new institutionalized policies. As a last resort to implementing the ISBN initiative, ASB leaders should establish a taskforce for the express purpose of approaching faculty members on an individual basis and requesting their textbook information. Many faculty members are empathetic to the threat that textbook prices play for low income students. The taskforce should use contacts in the Dean of Students office to set up a database of every professor on campus, including their contact information. Faculty members should be asked which texts they currently use for which classes, what are the ISBN numbers of those texts, and if they are planning on changing texts for next semester. This taskforce will eventually have to become a permanent fixture in the ASB to ensure ISBNs are updated every semester.

WORK WITH THE CAMPUS BOOKSTORE TO INCREASE BUYBACK.

The most effective way for the bookstore to work for students is through the textbook buyback program. When students sell their used textbooks back to Barnes and Noble, the bookstore either returns the textbooks back to a publishing warehouse or keeps the books in storage on campus, depending on whether or not the bookstore believes they can easily sell the used version of the textbook in a short amount of time. Textbook buyback is most effective when students sell commonly used editions back to the bookstore. After a successful buyback, the bookstore does not have to charge for publisher's fees or fees to retrieve a text from the warehouse when they sell the used textbook to students again. This saves both the bookstore and the student money. We request the ASB assess the feasibility of offering buyback tables in a greater number of convenient locations for students. If necessary, ASB officials should recruit personnel to work the tables.

CONTINUE AND EXPAND THE "ASB BOOK AWARD" PROGRAM STARTED BY THE TEXTBOOK TASKFORCE.

The "ASB Book Award" program was intended to be a pilot program to assess the feasibility of larger scholarship efforts to ease the financial burden that textbook costs present. In short, the program raised money to allocate in an account with the University Foundation. The money will be dispersed before the spring semester (2007) by the financial aid department in small increments to some of the neediest students on campus. From this pilot program, there are several lessons to be learned. 1) Raising money through the ASB requires the efforts of many people. Currently, the personnel structures are not available for someone to dedicate their full efforts to raising money. For money raising efforts to be successful for any purpose, ASB leaders must put aside their customary roles and be willing to go above and beyond their job descriptions. Special thanks go to those who did so. 2) The benefits of the pilot program are tangible. In an age where the ASB must constantly battle to maintain credibility on campus, the pilot program represented a practical benefit for students that the ASB achieved. This is enough of a reason to continue and expand the program. 3) The program must be expanded. For this pilot program to develop into a legitimate force on campus, more man hours must be committed to its success, more people must be invested in its future, and more money must be raised. Though we realize the book award is a relative patch in the

sinking ship of spiraling textbook costs, we request the book award program be continued for at least another year.

INVESTIGATE THE PROGRESS BEING MADE ON THE CONSOLIDATION OF CLICKER PROGRAMS.

In many classes, students are required to individually purchase “clickers.” These electronic devices are used to answer questions in in-class quizzes, etc. Prices for clickers can reach \$40 to \$50 per class. Moreover, there is no “standard clicker” in use by the university. Students taking more than one class requiring a clicker may be forced to buy multiple types of clickers. Currently, the I.T. Department is working to reach consensus on which clicker to use as a standard so students will not have to invest in multiple types. To our knowledge, the ASB has never addressed this issue. We request ASB officials look into the progress being made to standardize clickers and ensure that this task is completed in the next two academic semesters.

ENSURE OTHER PUBLIC UNIVERSITIES HAVE ACCESS TO AND UNDERSTAND THESE FINDINGS TO PRESENT A MORE COHERENT LOBBYING VOICE TO THE STATE LEGISLATURE AND UNIVERSITY ADMINISTRATIONS.

At its onset, the Textbook Taskforce drew relatively little attention. Today, after over two months of work and countless newspaper, video, and radio interviews, the notice given to our findings has been significant. Universities as close as Mississippi State and as far away as California have requested a copy of the report. Individual state legislators as well as entire committees have done the same. Our hope is that this series of findings and recommendations can serve as the definitive guide of textbook efforts and policy for our state and campus for the next two academic years. In order for our work to achieve its potential, it must be put into the hands of many decision makers. We request ASB officials ensure this report reaches the both the student and faculty senates of all eight public institutions of higher learning in Mississippi. In addition, officials should ensure state legislators have and understand our recommendations. By forming a coherent alliance with other like-minded students across the state, we believe legislators and university administrators will respond to our recommendations. Let us be clear: the role of this taskforce thus far has been to research textbook solutions and assess their political feasibility. The chief role of the ASB in coming months is to ensure these recommendations are carried out, whether that be through action or lobbying.

MESSAGE FROM THE CHAIRMAN:

I hope you found this report informative. I assure you that countless hours of preparation went into its production. I also hope that it can serve as an organized guide of the steps we as a state, university and student body need to take in the coming months and years to mitigate the costs of textbooks. At our university, it is well known that the administration’s ultimate goal is to provide higher education that is accessible to the masses. In a state like Mississippi, this is a vital function. Skyrocketing textbook costs undoubtedly affect this mission in an increasingly negative way. To ensure a new generation of Mississippians is well prepared to contribute to society and give back to their state, we must ensure now that they have the materials needed to learn in the classroom. In an era where virtually every politician is concerned with education funding

and bureaucratic waste, this is a perfect example of a problem where good policy and more money will only lead to an undeniable practical benefit – more textbooks in the hands of students. If we succeed in achieving this goal, then Mississippi’s future is that much brighter. If we fail, then the doctors, lawyers, and engineers of tomorrow may be serving the leaders of today without having learned their craft with a textbook in hand.

SHAD WHITE, ASSOCIATED STUDENT BODY TREASURER
stwhite@olemiss.edu
Cell: 601.498.3178
Mailing: PO Box 5455
University, MS
38677

ATTACHMENT 1:

(The language below is excerpted from legislation adopted by the State of California in 2003.)

Section 1. The Legislature finds and declares all of the following:

- (a) Textbooks are an essential part of a comprehensive and high-quality postsecondary education. The availability and affordability of textbooks directly impact the quality and affordability of postsecondary education. It is in the best interests of the state that high-quality course materials be available and affordable to students.
- (b) Textbooks are expensive. The General Accounting Office and independent student research has shown that textbook prices are, as of 2005, 26 percent of the cost of tuition at an average four year university and 72 percent of tuition at the average community college.
- (c) Textbook publishers artificially inflate prices through a number of practices, including:
 - (1) Undermining the used book market by often producing new editions of textbooks that contain few, if any changes from one edition to the other
 - (2) Inflating textbook prices by “bundling” textbooks with additional items that both students and faculty report they do not actually use for class, but drive up textbook prices.
 - (3) Keeping faculty members in the dark about the costs of textbooks, so that they are unable to make educated purchasing decisions for their students.
- (d) To deliver high-quality materials to students that are affordable, all of the following should occur:
 - (1) Textbook publishers produce textbooks that are as inexpensive as possible without sacrificing the educational quality of the textbooks.

- (2) Textbook publishers should keep their products on the market for as long as possible without sacrificing educational quality. Textbook revisions should only be done if there is significantly new content to the subject materials.
 - (3) Textbook publishers should disclose to faculty members and the public all of the different products they sell, list how much each of those products cost, and the length of time they intend to produce each product
 - (4) Textbook publishers should ensure that any textbooks and supplementary items that are bundled together should also be available for purchase separately.
 - (5) Faculty should consider the least costly practices in assigning textbooks when these practices are educationally sound, as determined by the appropriate faculty.
 - (6) College and university bookstores should work with faculty to review timelines and processes involved in ordering and stocking selected textbooks, disclose textbook costs to faculty and students, and actively promote and publicize book buyback programs.
 - (7) Colleges and universities should do everything within their power to promote a vibrant used book market, including, but not limited to: used book exchange programs and rental programs.
- (e) The Legislature finds and declares that the production and pricing of college textbooks deserves a high level of attention from educators and lawmakers because they impact the quality and affordability of higher education.
- (f) The Legislature urges textbook publishers, faculty members, bookstores and universities to adopt the solutions outlined in section (d) above.

ATTACHMENT 2:

(Excerpted from legislation adopted by Connecticut in 2006)

Public Act No. 06-103

Be it enacted by the Senate and House of Representatives in General Assembly convened:

Section 1. (NEW) (*Effective July 1, 2006*) Each publisher of college textbooks shall make available to a prospective purchaser of their products who is a member of the faculty of an institution of higher education (1) the price at which the publisher would make the products available to the store on the campus of such institution that would offer such products to students, and (2) the history of revisions for such products, if any. For purposes of this section, "products" means all versions of a textbook or set of textbooks, except custom textbooks or special editions of textbooks, available in the subject area for which a prospective purchaser is teaching a course, including supplemental items, both when sold together or separately from a textbook.

ATTACHMENT 3:

(Excerpted from legislation adopted by California in 2003)

Section 1. College Textbooks Disclosure Act. Chapter X of the General Laws is hereby amended by adding the following section:

(a) Definitions:

- (1) "Products" includes all different versions of a particular textbook or set of textbooks in a particular subject area, including supplemental items, both when sold together and separately from a textbook.

- (b) (1) All publishers and or agents of college textbook publishers must provide prospective purchasers of their products a complete list of all of the company's products, wholesale price, and estimated length of time that the publisher intends to keep the product on the market. This list shall be provided at the start of any sales interaction, whether it be in person, by phone, or electronically. This list must also be made available in an easy to locate section on the company's website and generally be easily accessible by any member of the public.

ATTACHMENT 4:

(Excerpted from legislation adopted by California in 2003)

Section 1. College Textbooks Affordability Act. Chapter X of the General Laws is hereby amended by adding the following sections:

(a) Definitions: "Bundled Textbook" = A textbook offered for sale in combination with additional related products.

(b) Any entity that sells textbook and related products to a public college or university in the [State] that offers textbooks bundled with other products must also offer the option of buying the textbook and each of the individual products separately.

(c) Any entity that sells textbook and related products to a public college or university in the [State] shall disclose to end users of such textbooks, including college faculty and students, information indicating the availability and cost of the textbook when purchased separately from such textbook bundle. The publisher shall include this disclosure in all printed, electronic, and verbal communications to faculty and students regarding availability of the textbook for purchase and use.

ATTACHMENT 5:

(Excerpted from legislation passed in California in 2003)

Section 1. Subsection A. The people of the State of California do enact as follows:

(a) Textbooks allow for basic equity in education, particularly at the college level, and they provide a common source of information and common reference points for class discussions.

(b) It is critical that each and every college student have access to all required textbooks to ensure their academic success.

(c) As the cost of higher education continues to climb, students in California's higher education system and their families often struggle to find the hundreds of dollars each year to pay for the textbooks they are required to purchase for their courses.

(d) Textbook rental arrangements funded by a small fee can provide a valuable and economical alternative to the high cost of purchasing vital textbooks.

(e) Textbook rental programs can ensure equity and opportunity for all students while saving them thousands of dollars over their college careers.

(f) Several colleges and universities around the country have instituted textbook rental programs, particularly in the State of Wisconsin, and have successfully reduced textbook costs for students. Innovative approaches that increase student access to textbooks and decrease the cost of access, including, but not limited to, textbook rental services and revenue sharing arrangements between textbook publishers and bookstores or rental services, should be explored by colleges and universities in California.

Section 1. Subsection B. [Section] is added to [Existing Law] to read:

- (a) The governing board of each public college and university in the state are authorized to establish textbook rental services for the students at each of their campuses,
- (b) A textbook rental service may be established at a public college or university under this section only if the president or chancellor of the campus certifies that all of the following conditions have been met:
- (1) The recognized student body organization of the campus votes to request the establishment of a textbook rental service.
 - (2) The president or chancellor of the campus approves of the establishment of a textbook rental service.
 - (3) An appropriate mechanism for shared governance, such as an academic senate, approves of the establishment of a textbook rental service.
 - (4) Any existing contracts, or other established arrangements, with entities operating campus bookstores permit, or can be changed, cancelled, or renewed to accommodate, the establishment of a textbook rental service.
 - (5) In the case of a community college campus, the governing board of the community college district approves the establishment of a textbook rental service at that campus.
- (c) The Trustees of the California State University, the governing boards of community college districts in the state, and the Regents of the University of California are each urged to convene task forces at the systemwide, district, or campus level to determine recommended procedures and policies for the establishment and operation of textbook rental services. The task forces established pursuant to this subdivision may include, but not necessarily be limited to, representation from students, faculty, administrators, and bookstore managers.
- (d)
- (1) Any textbook rental program established at a campus of the California State University or the California Community College after January 1, 2005, shall operate in compliance with all of the following requirements:
 - (A) Students fund the textbook rental service, and the service is financially self-sustaining. No General Fund moneys or mandatory systemwide fee revenues available for the support of the respective educational missions of the California State University or the California Community Colleges shall be redirected to support a textbook rental service. It is the intent of the Legislature that any textbook rental service established by a public postsecondary institution be self-supporting through the revenues generated from the fees paid as part of rental charges, student tuition, campus-based fees, or course-based fees, but that textbook rental services be able to borrow funds to be repaid with a portion of rental fees and be granted the authority to seek supplemental funding not paid by students and received from nonstate sources.
 - (B) (i) The total cost to an undergraduate student for textbook rental or textbook rental administration, levied as a fee or as a charge of any type, other than the fine specified in paragraph (4) of subdivision (e), may not exceed 50 percent of the average annual retail purchase cost of textbooks for full-time undergraduate students as calculated by the California Postsecondary Education Commission pursuant to clause (ii).
 - (ii) (I) The California Postsecondary Education Commission shall calculate the average annual retail purchase cost of textbooks for full-time undergraduate students. The average annual retail purchase cost of textbooks shall equal the Consumer Price Index (CPI), multiplied by 0.01 and by the 2001 base year annual textbook cost (BYATC).
 - (II) As used in this clause, the BYATC is equal to eight hundred dollars (\$800), and the CPI is equal to the most recent June figure for the United States City Average Consumer Price Index for All Urban Consumers for College Textbooks published by the Bureau of Labor Statistics of the United States Department of Labor.
 - (III) Neither a course-based textbook rental fee nor a rental fee levied on a per-book basis shall exceed 50 percent of the amount charged by the rental service for the purchase of new, unused editions of the textbooks rented.

(C) The textbook rental service does not limit the rights of faculty to select appropriate texts in accordance with established campus policies and procedures.

(D) Students have the option to purchase the textbooks they rent in a manner determined by the textbook rental service.

(2) Any textbook rental service subject to the requirements of paragraph (1) may be disbanded in either of the following ways:

(A) By action of the student body organization of the campus in a manner deemed financially prudent by the president or chancellor of the campus, or by the governing board of the community college district, as appropriate.

(B) By the president or chancellor of the campus or by the governing board of the community college district, upon a determination that the service cannot be financially self-sustaining by levying fees or charges at the maximum allowable level.

(e) The trustees and the regents, as well as the governing board of each participating community college district, may do any or all of the following:

(1) Charge a campus-based or course-based textbook rental fee, or a rental fee levied on a per-book basis, to students as part of tuition or mandatory fees to cover the costs of administering a textbook rental service and maintaining appropriate stocks of books. As described in subparagraph (B) of paragraph (1) of subdivision (d), the average annual textbook rental cost for full-time undergraduate students may not exceed 50 percent of the average annual purchase cost of textbooks for full-time undergraduate students.

(2) Authorize financing mechanisms, including, but not necessarily limited to, revenue bonds or other bonds subject to existing law and to be repaid through the collection of textbook rental fees, to pay for the costs of starting a textbook rental service, including, but not necessarily limited to, information technology, textbook storage capacity, and textbook purchases.

(3) Establish systemwide or districtwide policies to apply to textbook rental services, including, but not necessarily limited to, implementing practices among institutions to achieve the best possible purchase price for textbooks and for the provision of rental services.

(4) Charge a student a fine for any late, lost, or damaged book if any book is not returned in a timely manner, as determined by the textbook rental service.

(5) Establish other regulations and guidelines as may be deemed necessary to implement this section.

(f) No provision of this section shall apply to the University of California except to the extent that the Regents of the University of California act, by resolution, to make that provision applicable.

(g) Nothing in this section shall be construed to prohibit a college or university from undertaking a textbook initiative, other than a textbook rental service, that is otherwise lawful.

(h) It is the intent of the Legislature to encourage private colleges and universities to employ the provisions of this section in the establishment and operation of textbook rental services.

ATTACHMENT 6:

The guide for implementing a campus textbook rental program is accessible through an online pdf file at http://www.maketextbooksaffordable.org/rental_report.pdf . If you are viewing a hard copy of this report, then the guide should be attached at the end of the report.

ATTACHMENT 7:

Orientation packets should include the following information, at minimum.

“Tips for Saving Money on Textbooks!”

Textbooks often represent a huge unanticipated cost to new students. According to the Government Accountability Office of the U.S. Congress, the average student pays \$898 per year for textbooks. That means 26 percent of the cost of tuition at an average four year university will go to purchasing textbooks. Begin now using smart purchasing techniques to save you and your parents money.

General tips:

- Buy books with your friends and classmates in bulk to save money on shipping costs.
- If possible, ask your professor long before the semester begins which text he or she will be assigning. This will allow you to purchase books online at a much lower cost.
- Share books with a roommate if you have the same class and professor.
- Supplement your texts with free online material from websites like freeloadpress.com, aplia.com, textbookrevolution.org, and worthpublishers.com.
- If a professor is assigning a text that would only be used to provide a few articles, see if those articles are available for free online using EBSCO or the J-Store. If you do not know how to access these databases, seek help at the library.
- Comparison shop for books at bookfinder.com.
- Get overseas prices for Thomson Learning books by going directly to <http://e-catalog.thomsonlearning.com/1501/> and clicking “UK” as your region.

Examples of sites to purchase textbooks online:

- Amazon.com
- Half.com
- Bookbyte.com
- Ecampus.com
- Dogears.com
- Textbookx.com

Examples of online book swapping programs:

- Umswapbook.com
- Swapsimple.com
- Campusbookswap.com

Did you know?

The campus bookstore has made a commitment to matching the prices of its competitors around town. If you find a textbook at a lower price from Rebel Books or the bookstore in the mall, inform Barnes and Noble on campus.

ATTACHMENT 8:

Pat Schroeder
 Association of American Publishers
 50 F St., NW
 Washington, DC 20001-1530

Dear Ms. Schroeder:

I am writing to express my concern about the high cost of college textbooks and the role that many in your industry play in contributing to this problem.

As you know, research by the Government Accountability Office of Congress and the Student Public Interest Research Groups (Student PIRGs) found that students spend an average of \$898 per year on

textbooks, or almost 20 percent of the cost of tuition at an average four year university and nearly half of tuition at the average community college. They found that textbook prices have increased at four times the rate of inflation between 1994 and 2004.

Their research found that many textbook publishers use gimmicks to increase the price of textbooks, such as adding bells and whistles to textbooks - CD-ROMs and workbooks - that over 65% of faculty surveyed say they "rarely" or "never" use. Their research also found that publishers put new editions on the market frequently - often with few content changes - making the less expensive used editions obsolete and unavailable. Over 76% of the faculty surveyed said that they found the new editions they used unjustified "half the time" or less. Additionally, over 700 math and physics professors from 150 universities have called on Thomson Learning to stop issuing unnecessary new editions of its introductory math and physics books.

This report confirms the experience and observations of our campus community, and naturally, I am concerned.

Therefore, I am joining my colleagues in asking textbook publishers to adopt the following practices:

- To keep the cost of producing textbooks as low as possible without sacrificing educational content;
- To give faculty and students to option of buying textbooks separately, without additional bells and whistles;
- To keep textbook editions on the market as long as possible without sacrificing the educational content;
- To give preference to paper or on-line supplements to current editions over producing entirely new editions;
- To pass on cost-savings to students once purely online textbooks are on the market;
- To disclose to faculty member all of the different products they sell - including both bundled and unbundled options, list how much each of those products cost, and the length of time they intend to produce the current edition;

I understand that as the director of an industry clearinghouse group, you are not, and in some cases, cannot be responsible for directly implementing these practices. However, I ask that you forward my letter to your members and urge them to individually adopt these points as a matter of general business practices.

Sincerely,

ATTACHMENT 9:

Faculty Role In Mitigating The Costs Of Textbooks

RESOLVED: That consistent with the fundamental right and responsibility of faculty to select course materials, the principles of academic freedom, and the goal of providing high quality education, the Academic Senate California State University (CSU) reaffirm the fundamental right and responsibility of the faculty to set curriculum and select those materials, either traditional or alternative, that are pedagogically most appropriate for delivering that curriculum; and be it further

RESOLVED: That consistent with these principles, which ensure the academic and intellectual soundness of course materials, the Academic Senate CSU encourage CSU faculty to consider—when appropriate, pedagogically sound and feasible -- selecting course textbooks and materials that minimize the cost to students; and be it further

RESOLVED: That the Academic Senate CSU recommend that the campus academic senates, where necessary, work with bookstores to arrive at mutually acceptable timelines for text adoption; and be it further

RESOLVED: That the Academic Senate CSU encourage faculty to submit their textbook requests within these timelines to ensure the availability of textbooks through the campus and other local bookstores; and be it further

RESOLVED: That the Academic Senate CSU encourage faculty to notify their campus bookstores as early as possible about re-adoptions of previously used textbooks to allow current students who wish to sell their copies back to the campus bookstore, which would also provide a larger quantity of cheaper, used textbooks for future students; and be it further

RESOLVED: That the Academic Senate CSU encourage faculty and campus bookstores to communicate clearly with publisher representatives about textbook pricing concerns and options; and be it further

RESOLVED: That the Academic Senate CSU reaffirm the fundamental right and responsibility of faculty to select traditional textbooks, alternative formats, and ancillary items with intellectual content and teaching effectiveness as the prime considerations.

RATIONALE: The Academic Senate CSU recognizes that the high cost of certain textbooks and ancillaries can adversely affect the affordability of higher education for CSU students; it also recognizes that the California State Student Association (CSSA) and the California legislature have expressed ongoing concerns about the rapid rise in textbook prices for CSU students and about associated cost factors such as the bundling of textbooks with sometimes unneeded supplements. These problems have received attention in the national media and in other legislatures as well. In 2004, the California Legislature and the Governor approved legislation (AB 2477) urging book publishers to offer lower-price textbook options whenever possible and encouraging campus faculty and bookstores to do likewise and to generally pursue more economical textbook pricing practices. Among options available to faculty are

- adopting the least expensive edition of books they wish to use;
- using the same book and edition as long as it remains appropriate pedagogically;
- telling students the probable cost of books and materials for their class(es);
- reviewing textbook adoption timelines and procedures with the campus bookstore;
- working with publishers and bookstores if bundles are necessary to ensure that they are economically sound;
- adopting texts and materials in a manner that allows students to buy parts of a bundle;
- developing course packs (course readers),
- using e-reserves.

While the Academic Senate CSU recognizes that course packs and e-reserves help reduce costs to students, it also urges faculty to remember that content included in such delivery mechanisms must follow federal fair use and copyright guidelines.

Even though they understand the financial constraints with which many students are faced, the Academic Senate CSU and the CSU must also protect the academic freedom necessary for and inherent to effective and independent faculty selection of textbooks. This resolution proposes that faculty can develop ways of both maintaining their professional and curricular integrity and helping students contain the cost of their education.

ATTACHMENT 10:

We also request the following bill be sent to key members of state government and the other public institutions of higher learning in Mississippi.

Affordable Textbook Resolution as written by CALPIRG:

Sample Resolution in Support of Affordable Textbooks

Whereas, according to the investigation by the Government Accountability Office of Congress and a survey by the Student Public Interest Research Groups (Student PIRGs), students spend an average of \$898 per year on textbooks, or 26 percent of the cost of tuition at an average four year university and 72 percent of tuition at the average community college, and;

Whereas, textbook prices have increased at four times the rate of inflation between 1994 and 2004, and;

Whereas, textbook publishers add extra items to textbooks - such as CD-ROMs and workbooks - that drive up average prices by 10-40% and that over 65% of faculty surveyed say they "rarely" or "never" use, and;

Whereas, textbook publishers put new editions on the market frequently - often with few content changes - making the less expensive used editions obsolete and difficult to find, even though 76% of faculty surveyed said they thought new editions were justified "half the time" or less, and;

Whereas, over 700 math and physics professors from 150 universities have called on Thomson Learning to stop issuing unnecessary new editions of its introductory math and physics books, and;

Whereas, access to education is so important to society that the education market must be held to a higher standard, therefore be it;

Resolved, declares that any commercial practices that serve to drive up educational costs while providing little to no additional educational value are unacceptable, and be it;

Resolved, calls upon college textbook publishers to adopt the following practices:

- Keep the cost of producing textbooks as low as possible and keep textbook editions on the market for as long as possible without sacrificing educational content;
- Give faculty and students the option of buying textbooks "unbundled";
- Give preference to paper or on-line supplements to current editions over producing entirely new editions;
- Pass on cost-savings to students once purely online textbooks are on the market; and
- Disclose to faculty member all of the different products they sell - including both bundled and unbundled options, list how much each of those products cost, and the length of time they intend to produce the current edition;

Resolved, encourages individual faculty and departments to give preference to publishers and textbooks that incorporate the above practices when the educational value is comparable, and be it;

Resolved, also encourages individual faculty and departments to submit textbook orders in as early as possible so that students and the bookstore have as much time as possible to search for low-cost books, and be it;

Resolved, calls upon the University to encourage as many forums for students to purchase as many used books as possible, including rental programs and bookswaps, and be it;

Resolved, will forward a copy of this resolution to the following parties: the Association of American Publishers, , , and the Student Campaign For Affordable Textbooks.

Textbook Taskforce Findings

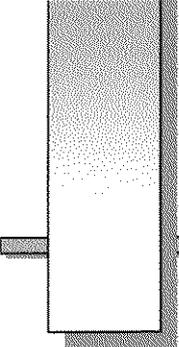
TIOASB



Associated Student Body

dy

The University of Mississippi



Textbook Taskforce Committee

Treasurer Shad White, Chairman

Director of Academic Affairs Anthony Yuen

Director of Student Services Sterling Kidd

Assignment Editor of the Daily Mississippian Meghan Blalock

Senate Director of Public Relations Jermaine Jackson

Special Counsel to the President Jordan Downs

Senator Ruth Mauldin

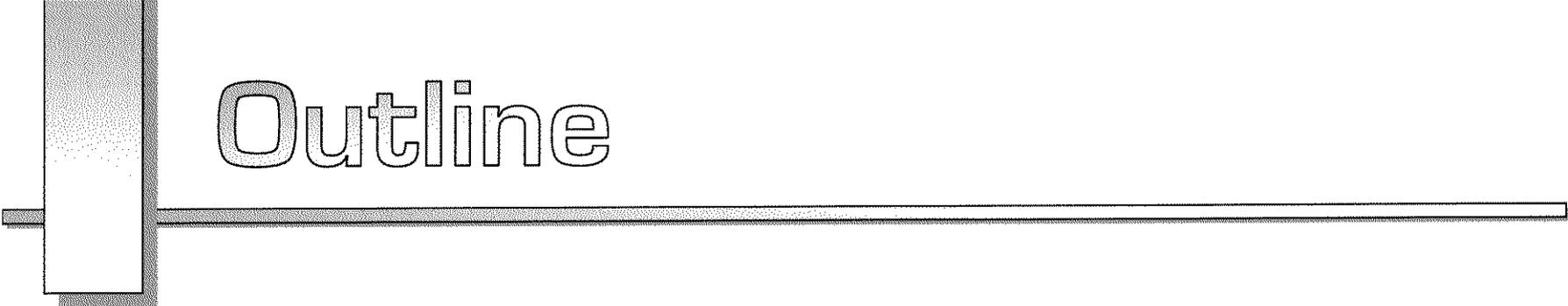
Senator Alyssa Mahaffey

Executive Liaison Susan Lawrence

Freshmen Focus Member Rob Petit

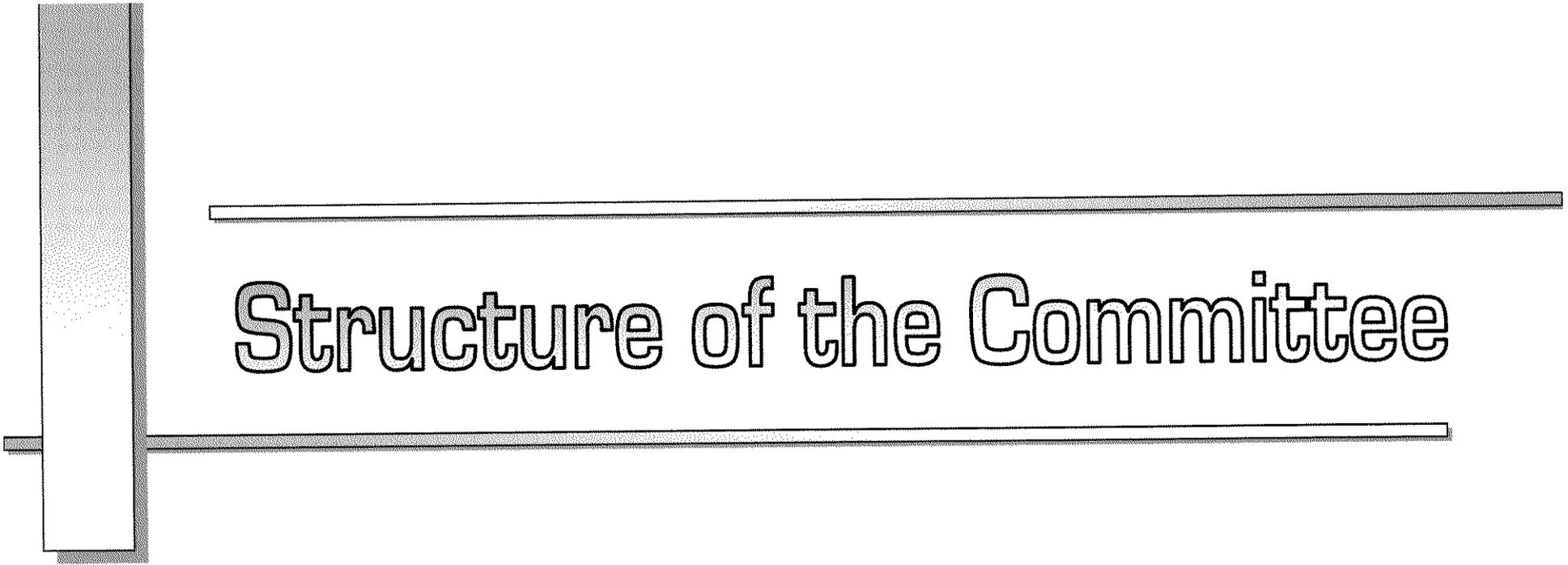
Freshmen Focus Member Erin Wiggers

Committee Member Elizabeth Harrington

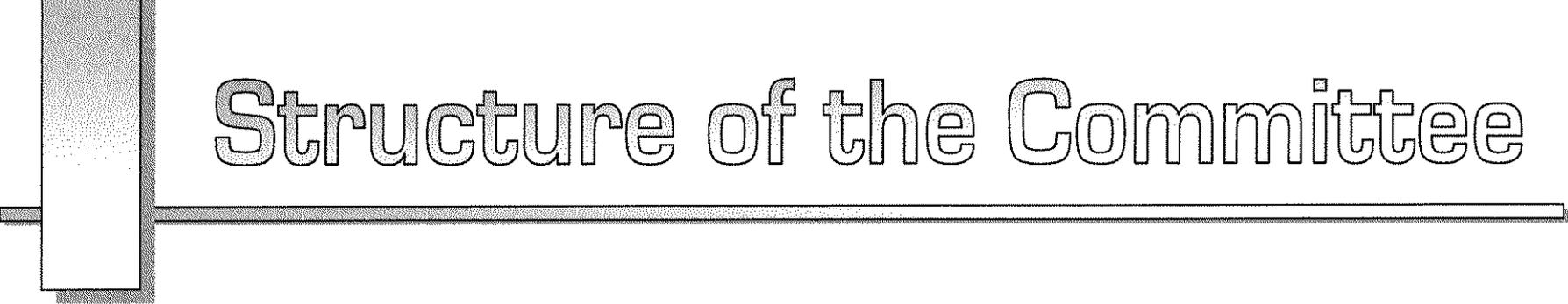


Outline

- Structure of the Committee
 - Findings
 - Severity of the Problem
 - Nature and Causes of the Problem
 - Recommendations
 - For the State Government
 - For the University Administration
- 

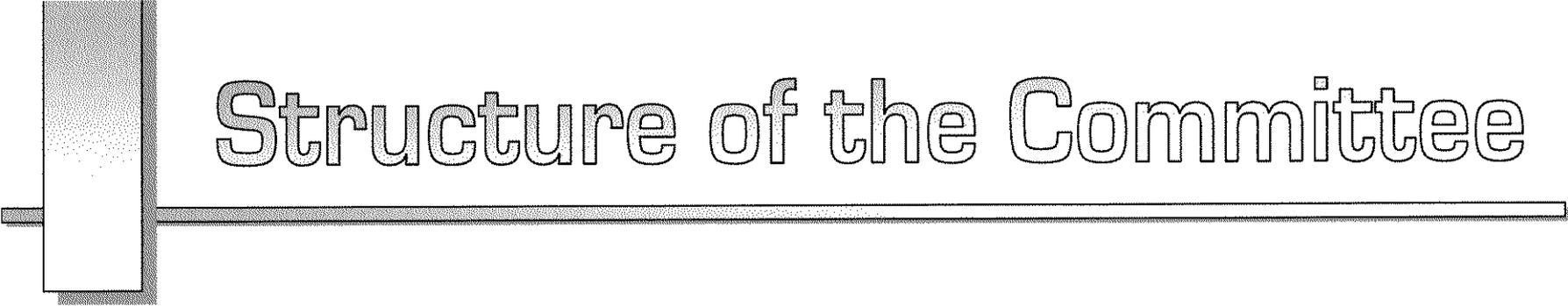


Structure of the Committee



Structure of the Committee

- Three tiers of government
 - Three questions
 - For what measures would we lobby state government to alleviate the problem?
 - For what measures should we lobby the university's administration?
 - And what can the ASB do for students in this regard?
- 



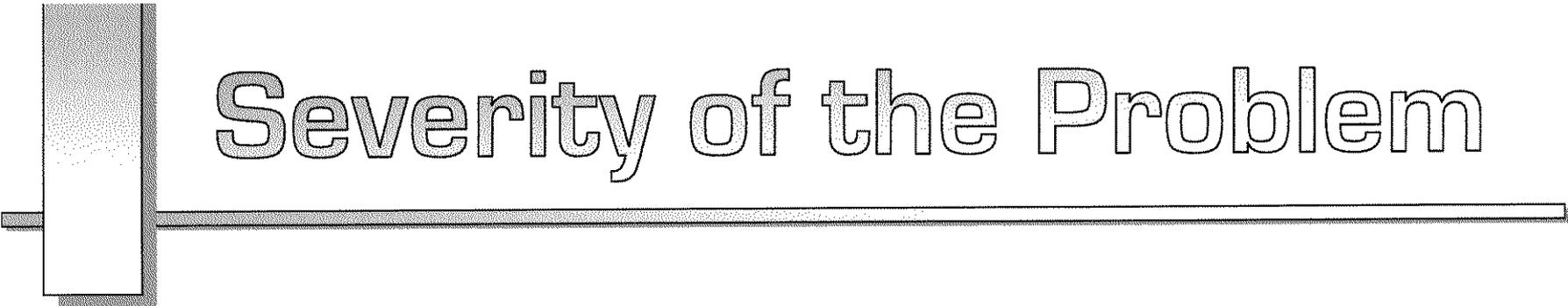
Structure of the Committee

- An implementation arm to compliment the research arm
 - ASB Book Award



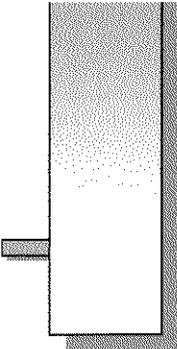


Findings



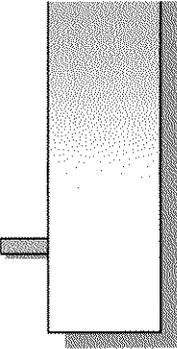
Severity of the Problem

- Government Accountability Office (GAO)
 - \$898 per year on textbooks
 - 26% of the cost of tuition at an average four year university
 - Increase at two times the rate of inflation in the past 25 yrs
 - Increase at four times the rate of inflation in the past 10 yrs
- 



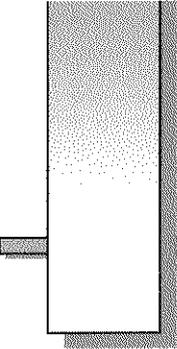
Nature and Causes of the Problem

- National Association of College Stores' *Industry Financial Report of 2003*
 - Of the cost of an average textbook
 - 66% absorbed by publishing companies
 - 21-22% absorbed by college store (20-25% for U of M's Barnes and Noble)



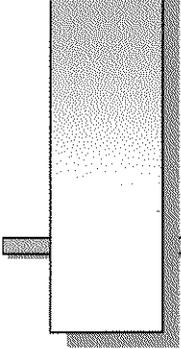
Nature and Causes of the Problem

- Of the 66% absorbed by publishing companies
 - 32.3% for publisher's production costs
 - 15.3% for publishing marketing costs
 - 10% for publisher's administrative income
 - 7% for publisher's income
 - 1.3% for freight and shipping
-



Nature and Causes of the Problem

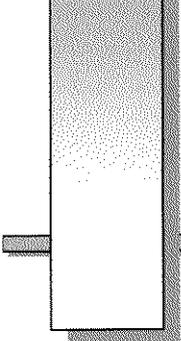
- Textbook Price Inflation Techniques
 - Full disclosure of price and content changes from edition to edition
 - California's Student PIRG (CALPIRG): 76% of surveyed faculty thought new editions were justified "half the time"
 - Lack of disclosure means some faculty are aware of severity of textbook problem but not aware of how much their assigned textbooks cost
-



Nature and Causes of the Problem

- Textbook Price Inflation Techniques
 - Bundling
 - GAO:
 - Books in bundles are 10% more expensive than regular books
 - Overall bundle may be up to 50% more expensive than book itself





Nature and Causes of the Problem

- Textbook Price Inflation Techniques
 - Bundling
 - CALPIRG:
 - 65% of surveyed professors believed bundled items were “rarely or never” necessary

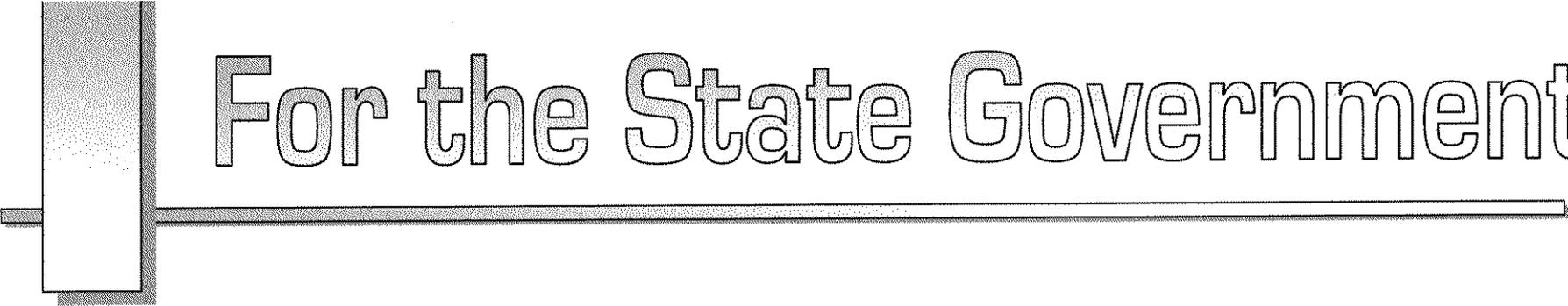


Recommendations



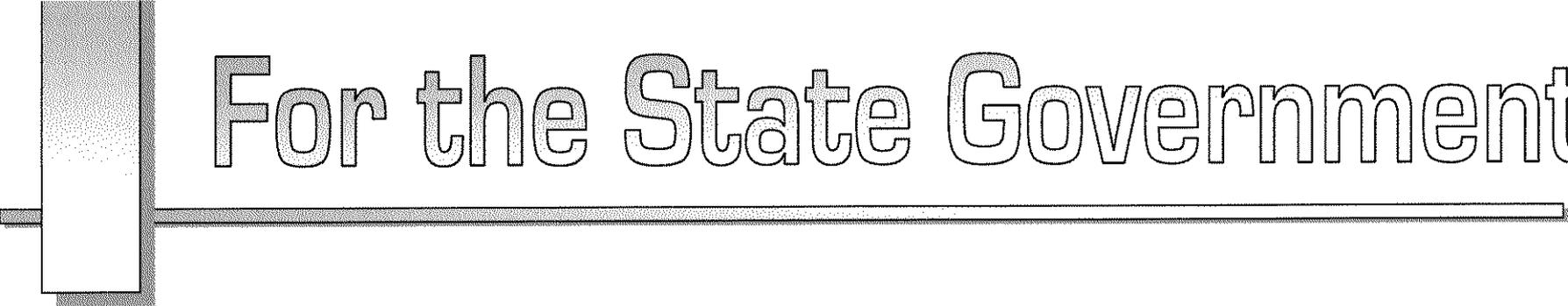
For the State Government





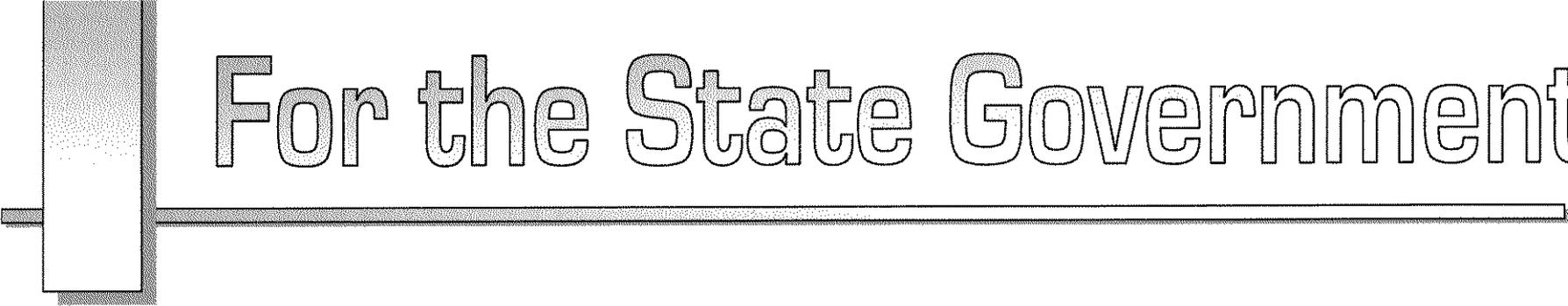
For the State Government

- **Pass a Bill Publicly Acknowledging the Problem**
 - California legislative bill passed in 2003



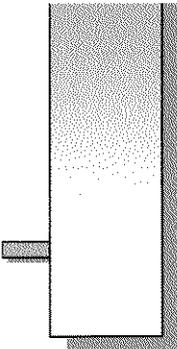
For the State Government

- **Pass a Bill Requiring Publishers to Disclose the Changes Being Made in New Editions of Textbooks and the Prices of Those Editions**
 - Connecticut legislative bill passed in 2006



For the State Government

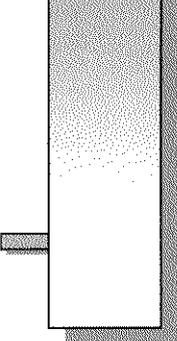
- **Pass a Bill Requiring Publishing Companies and Retailers to Sell Bundled Items Separately As Well**
 - Language of that in California legislation



For the State Government

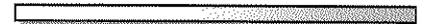
- **Consider Passing a Bill Encouraging or Funding Textbook Rental Programs for Public Universities.**
 - May require a commission of professional analysts to assess a rental program's feasibility in Mississippi's public universities
 - Rental program is a difficult, controversial, and expensive move





For the State Government

- Book Rental Program
 - Implemented at the U of Massachusetts, the U of Wisconsin at River Falls, and Southern Illinois University Edwardsville
 - SE Missouri State University, students pay \$83.75 per semester (5 courses)
 - Guide for implementation at U of Mississippi (California's version)



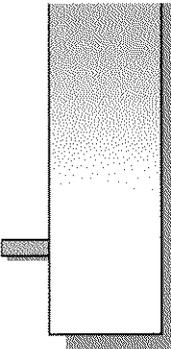


For the University Administration



For the University Administration

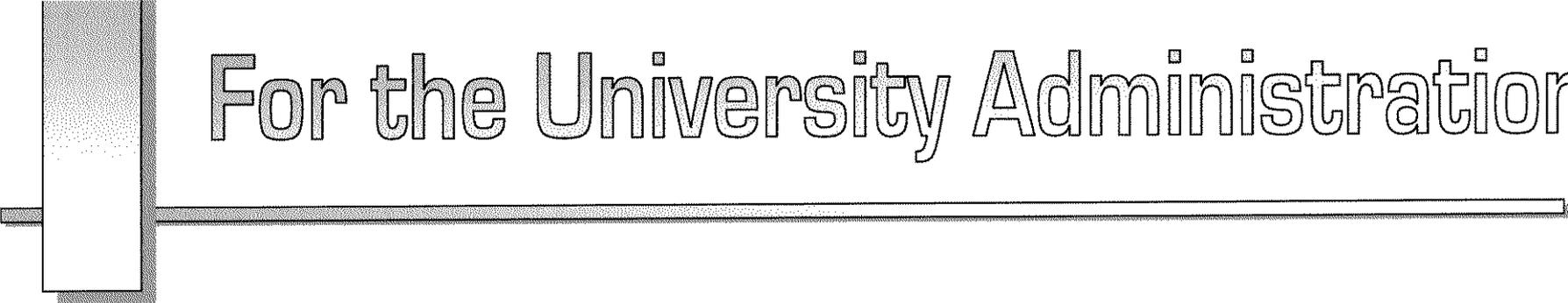
- **Set a Hard Deadline Defining When Professors Must Choose Texts**
 - Current March 15th deadline for Fall
 - Deadlines not taken seriously
 - No incentive to abide by deadlines
 - “Soft deadline” hinders implementation of the ISBN online initiative program
 - Hard deadline useful with or without ISBN online initiative program
-



For the University Administration

- **Set a Hard Deadline Defining When Professors Must Choose Texts**
 - If not possible, incentivize those who follow the deadline
 - James Madison University's raffle
 - Teacher Evaluation Forms: "Did the teacher make the textbook ISBN available to you with enough time before the semester to allow the purchase of your textbook online?"





For the University Administration

- **Establish a Program Whereby Students Can Charge Their Textbook Costs to Their Bursar Account and Make Incremental Payments Throughout the Semester**
 - The University of Virginia's model program



For the University Administration

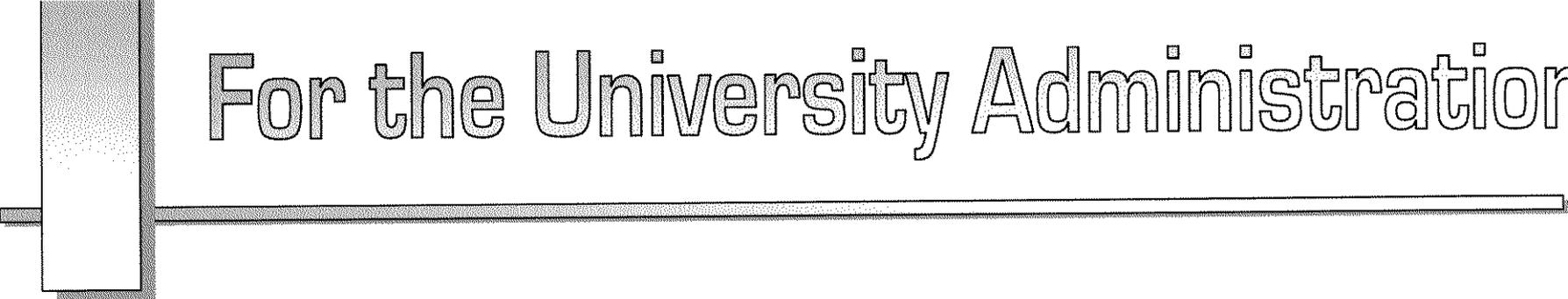
- **Require Faculty to Release the ISBN Numbers of Their Texts to the I.T. Department for Placement in a Student Accessible Online Program**
 - Allows students to buy their texts online before the semester
 - I.T. has agreed in principle to build and maintain the necessary software





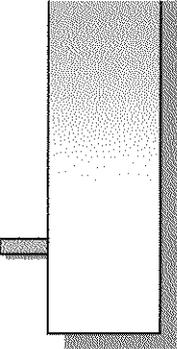
For the University Administration

- **Require Faculty to Release the ISBN Numbers of Their Texts to the I.T. Department for Placement in a Student Accessible Online Program**
 - Obstacles
 - Faculty Senate to submit their chosen texts' ISBN numbers
 - University administration to commit to a hard deadline
- 



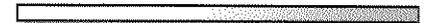
For the University Administration

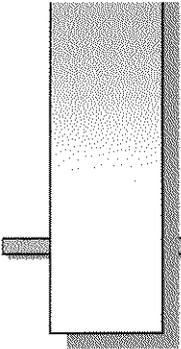
- **Require the Orientation Department to Produce and Distribute “Tips for Saving Money on Textbooks” During Orientation to Freshmen Students**



For the University Administration

- **Encourage Professors Not to Assign Bundles**
 - If a CD or software is necessary for a class, purchase the copyright of the CD, if financially feasible, to make free copies available to students
 - Copyright costs collectively vs individually
 - Success with university's first year Intensive Chinese class





For the University Administration

- **Encourage Professors to Use Photocopied Packets of Excerpted Material from Texts That Are Needed**



For the University Administration

- **Encourage Professors to Assign Textbooks That Students Can Download for Free at Various Websites**
 - freeloadpress.com
 - aplia.com
 - textbookrevolution.org
 - worthpublishers.com
- Creative Commons Textbooks (\$5,000 – \$25,000 per year)





For the University Administration

- **Place Copies of New Editions of Popular Classes in the Library**





For the University Administration

- **Write a Letter to Publishing Companies Acknowledging Their Role in the Problem and Requesting Fair Disclosure and Pricing Policies**
 - CALPIRG's model letter



For the University Administration

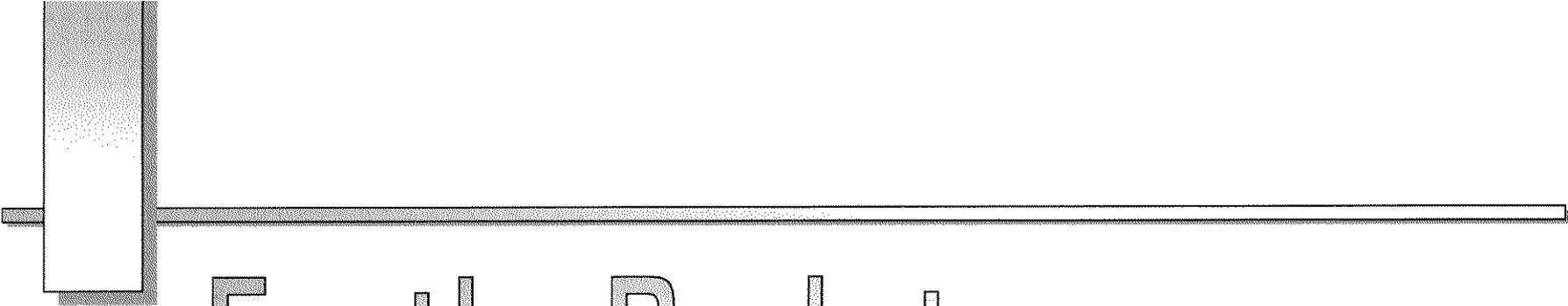
- **Keep Public Records of How Often Professors Change Texts**



For the University Administration

- **Investigate the Progress Being Made on the Consolidation of Clicker Programs**





For the Bookstore

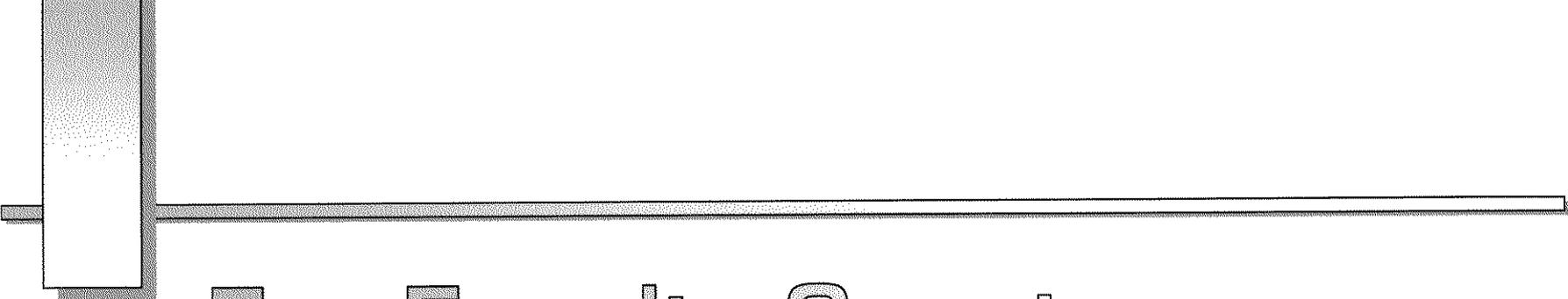




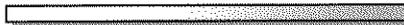
For the Bookstore

- **Publicize Price-Matching Policy**
 - Needs to be more effective





For Faculty Senate





For Faculty Senate

- **Pass A Bill Publicly Acknowledging the Problem, Committing to Change Texts as Seldom as Possible, and Committing to Choose the Cheapest Texts That Still Maintain Academic Integrity**



For Faculty Senate

- **Pass A Bill Adopting a Hard Deadline for Decisions on Textbooks and Committing to the Release of ISBN Numbers to the I.T. Department by Said Deadline**

Questions



Shad White
Associated Student Body
Treasurer
stwhite@olemiss.edu
(601) 498-3178
P.O. Box 5455
University, MS 38677

Alcorn State University

Recommendations

I have presented all information from the Textbook Task Force Committee presented to various faculty groups at the Alcorn State University. The faculty would like to include the following items to the recommendation list:

1. Encourage departments at the university to appoint a Departmental Textbook Adoption Committee to survey the most efficient textbook for the best price.
2. Encourage university bookstores to put in place a textbook rental process.

Note: The faculty surveyed strongly believed that they should have some input on textbook choice for the classes that are charged to teach.

If more information is needed please let me know.

Thank you,

Dr. Doris E. McGowan
Department of Education and Psychology
Alcorn State University
601-877-6201

Comment 1

An observation--they did not take into account the impact of textbook resellers (the one's that frequent our halls to pick up unused textbooks) on the price of new texts. There was a recent article (I think in the Chronicle of Higher Education) that pertained directly to the impact of textbook resellers on new textbook pricing, rapid turn-over in editions by original publishers, and some other matters. I'll see if I can find the article and forward it on to you.

The text resellers are somewhat unscrupulous in that they will pick up instructor's editions and resell them to students, or texts designated for international sales only. I have had both show up in my classes this past year, and sometimes I wonder if test banks and other items that publishers spend so much time and money on are also becoming available in the resale market.

Comment 2

We have a small class fee associated with each of our courses taught on campus (\$25). We'll use this fee to purchase copies of our lab book. Since our lab book is based on software which changes versions often, it makes little sense for a student to purchase something that will be outdated in 12-18 months. We're just now starting to try to make multiple copies available in our lab for student use. This eliminates the need for a \$60 book...

We look pretty hard at edition changes and find by and large they're a bunch of crap. We'll use the penultimate edition and have students purchase the texts from Amazon.com or similar. Sorry for our bookstore, but a new edition of a \$125 textbook vs. a \$20 copy of the previous edition that's not but a year old makes that decision easy.

We're opting to make some texts optional and replacing lessons/references with online references from stable sources.

Comment 3

For French 101-102 I use my own text "Fast French" which is on my web page and could be used by High Schools and other colleges.

Comment 4

The one issue I have with textbooks/publishers is their disingenuous method of charging more \$ for a 'new' edition. In Commercial Aviation, it is required that the

MOST CURRENT information/literature be used in class and in the cockpit. The Jeppesen/Sanderson textbooks I use are the best on the market, BUT, they will come out with a new edition that consists of nothing more than a few glossy pictures and a bit more information on one subject and a bit less in another, resulting in the page numbers not matching from one edition to the other, but the information is virtually the same. Thanks for 'listening'.

Comment 5

For really expensive books, some frequently used in science and literature courses, the state could buy texts and offer them to students at a reasonable rental fee. The student would check the book out for the semester, and she/he would turn it in to be used again at the end of the semester. The student would be assessed additional fees for damages or lost books. This is feasible for those courses that use the same books regularly. The instructor remains in charge of the book selection. Instructors could decide whether their books could become a part of the rental pool. When the edition changes, the state sells the texts as used books since some edition changes are minor and replaces them with new ones. I think this might be something that we could pilot at DSU. Instead of buying the book for \$115, the student might rent it for \$30 per semester. In four semesters, the book is paid for.

For composition courses, we might suggest that publishers sell selected essays around themes. These essays could be downloaded, and the students would use whatever is assigned in their classes.

There is also an online library, and we might choose to supplement texts with reading from these electronic texts, especially in courses where more than one text is necessary.

Comment 6

We select the very affordable and very usable "Speech Handbooks."

They have all the information, without all the pictures, the wasted margin area, and even the blank pages of our current text, plus they cost less than half.

What the presentation fails to discuss is the changes publishers have made in texts as they try to appeal to the "television generation."

They are very colorful – i.e. each page has at least three colors on it; plenty of pictures; and very large margins – i.e. they look like a television screen.

This all results in longer books and higher publishing costs – look to the visual, 31% of a textbook is the publishing cost.

We need to address the publishers about the texts themselves, not just the extra material they provide.

Comment 7

In regards to the IHL presentation on the increasing costs of textbooks, I agree that this is a serious issue that should be addressed. I am curious as to how some of the other states are handling this problem.

I do have one area of concern – with the advent of new technologies, many scientific fields change very rapidly (i.e. molecular biology, genetic engineering, etc). I would hope that this would be taken into account when determining how long a given textbook should be used in a course. The sciences may require more frequent updates in texts simply due to the frequency of new scientific discoveries. Thank you

Comment 8

A couple of book issues—

1. It concerns me that student expenses for books have gone up by leaps and bounds in the time I have been here, but the amount they are able to claim on financial aid seems to remain the same. Last year, I think it was \$300 per semester. In other words, the figure they use to “max-out” a student in terms of scholarship aid is woefully inadequate for the actual cost.
2. I never had a problem with students getting books for my classes until this book store systematically under-ordered for my needs. It seems it sent a message that textbooks were negotiable.
3. When I have to have students reorder, then the books come in much later in the term, like a month, when many of them are already out of money, but had money at the beginning of the term
4. For instance, one of my books, which was ordered on my form in March, has just come in.
5. It would be nice just to get excellent service out of what we have.

Comment 9

There is one issue that this powerpoint doesn't address... the issue of "financial incentives" paid by publishers to encourage adoption of their textbooks. Where I come from, these are called bribes and kickbacks. I have know of instances in which a 10% kickback was offered for the adoption of a book. (I guess this is part of the 15.5 cents that the ppt shows for marketing costs).

Apparently, this is not illegal in the state of Mississippi and some faculty do not have ethical qualms about this sort of thing. I believe we should be working to have this type of behavior outlawed as has been done in other states.

See:

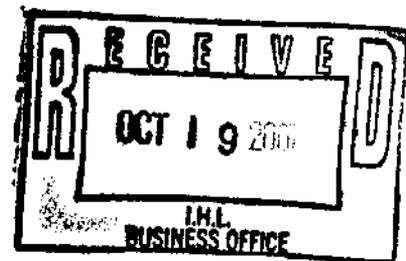
Bartlett, Thomas, "Selling Out: A Textbook Example," *Chronicle of Higher Education* 49(42), June 27, 2003, pA8-A10. (available at <http://chronicle.com/weekly/v49/i42/42a00801.htm>)

Schmidt, Peter, "Va. Lawmakers Seek to Lower Textbook Costs", *Chronicle of Higher Education* 52(28), March 17, 2006 , pA34. (available at <http://chronicle.com/weekly/v52/i28/28a03404.htm>)



Mississippi State UNIVERSITY

Robert Holland Faculty Senate
P.O. Box 5424
Mississippi State, MS 39762-5424
(662) 325-8700
Fax: (662) 325-7558



Dr. Linda McFall
Mississippi Institutions of Higher Learning
3825 Ridgewood Road
Jackson, MS 39211

October 17, 2007

Dear Dr. McFall:

I am enclosing a copy of the review of the Task Forces' recommendation by our Department of Psychology, which teaches a huge number of students each term. That evaluation mirrors many of the comments of other individual faculty members across the campus.

My own assessment of the situation is that publishing houses are the "major players," aided and abetted by textbook authors who somehow feel compelled to make changes in their existing texts, thus forcing whole new editions, rather than older editions with new sections. An analogy would be having to buy a whole new automobile, when all that is needed is a new tire.

Another problem is that most textbooks contain much more material than can be covered in one term, or even in one year. Texts in my area of Classical Mythology contain at least three times the material which can be covered in 16 weeks. So, no matter which text I select, I teach only those areas proper for my course and do not even touch over half the book. For me, I need a text tailored to my course; it would cost about one-fifth of the price which students pay for the longer, glossier texts.

Finally, it would be good to know what some other states are doing to address this very real problem, if such information can be shared.

Thank you for the opportunity to respond!

Sincerely,

A handwritten signature in cursive script that reads "Robert E. Wolverton".

Robert E. Wolverton
President, Robert Holland Faculty Senate

c: Stephen Judd, University of Southern Mississippi
John S. Williamson, University of Mississippi

A few other comments from individual faculty members across campus follow:

- Bookstores are reaping high rewards for sale of used textbooks – 36% profit versus 22% for new, but new books cost more for students.
- Couldn't we simply work to inform students of options, rather than passing laws for something like this? Should there be a law passed for every commodity requiring suppliers to publish all changes in product or supply chains that result in cost increases?
- I tell my students every semester that they should buy their books online, instead of funding the bookstores that ultimately will not repurchase their books because my courses alternate among semesters.
- The IHL Task Force did not address the major earner other than the publisher – college bookstores. The graph shows that share of the textbooks retail store being over 22.5%! If we eliminate this, we take a source of revenue from campus also, but make the books much more affordable.
- We cannot be looking at one textbook for all: it takes from the academic freedom, the professor's ultimate decision as to the best route, and may take away from freedom of speech.
- Asking the legislature to oversee publishers' changes in editions is not the right way to go.
- I agree with the report that the frequent production of new editions is a problem. In fact, I believe it is a major reason why the prices of textbooks have increased so rapidly in recent years.
- Based on my experience in teaching and writing, I do not agree with the recommendation that the Board of Trustees should encourage IEOs to pursue a common set of textbooks among the universities for certain introductory courses. Such a recommendation will remove much of the incentive for scholarly endeavors in textbook writing at the undergraduate level.
- A mistaken premise here is that the faculty or university administrators can somehow control market forces. We can create a demand for textbooks, but, beyond this, we have little control or influence over the market.
- Perhaps it would be better for us to focus on aspects of tuition and fees (also way ahead of the inflation rate) that we have more control over.
- It strikes me that students spend a good deal of money each semester on clothes, cars, electronics, and entertainment. Perhaps some of this money would be better spent on books. After all, books are the tools of our trade.

The Department of Psychology discussed the Textbook Task Force's recommendations to IHL. Here are our reactions:

Two of their recommendations are similar:

Recommendations for Faculty Senates

Encourage Faculty Senate to support a bill publicly acknowledging the textbook problem

Recommendations for System

Board of Trustees should encourage a resolution acknowledging the seriousness of the textbook dilemma for Mississippi students

Both of these recommendations seem useless to us. We doubt that publishers would take the slightest note of such a bill.

Other recommendations:

Recommendations for Faculty Senates

Encourage faculty to commit to changing textbooks less frequently

It was the consensus of the group that faculty do not change their class textbooks without a good reason for doing so. Changing a textbook always involves re-working the class to some extent, which entails extra work on the part of the faculty. They have an incentive not to change unless they feel it necessary. Encouraging them to do what they already prefer to do is unlikely to have any substantial effect. Reasons for changing a textbook include: 1) A new edition is released by a publisher (who shred the old edition and make it unavailable); 2) An unsatisfactory textbook is replaced with an alternative; and 3) A new and better textbook is released. In these cases, it seems in the student's best interests to make a change, in spite of the additional costs.

Recommendations for Faculty Senates

Encourage faculty to select the least expensive textbook that maintain academic integrity

The faculty generally attempt to weigh costs into their textbook selection decisions and prefer cheaper versions over more expensive ones. Again, it was our feeling that the task force wanted us to do things we already are doing. But there are lots of other considerations that faculty have in mind: the fit to the specific course objectives, the quality of coverage of the material, ease of reading, and so on. Faculty do their best to balance all of these constraints in making textbook decisions. Without a formal policy that forces faculty to choose the least-expensive textbook, we believe this recommendation will accomplish nothing.

Recommendations for Faculty Senates

Encourage faculty senate to adopt a resolution supporting administration's adoption of a hard deadline for decisions on textbooks

Faculty are often reassigned at the last minute to teach a course. It is not clear what the consequences of this deadline might be in such a case: Would the faculty have to teach a class without a textbook? Would they be forced to use a textbook chosen by a different faculty member? Neither option seems prudent to us.

Recommendations for Faculty Senates

Encourage the release of ISBNs to information technology departments by deadline date

It isn't clear what effect this will have. Many faculty now publish the ISBN numbers on their course syllabi. We discussed the possibility of emailing out these numbers to students a week before the class begins, which would allow students to look for additional sources beyond the bookstore. We will make an effort to improve the accessibility of ISBN numbers to our students.

Recommendations for Faculty Senates

Encourage faculty to distinguish between required books and recommended books

We already do this.

Recommendations for System

Board of Trustees should encourage IEOs to pursue a common set of textbooks among the universities for certain introductory courses

This seems an unwise course to our faculty. It is difficult to have a single department agree on a textbook for a particular class, like General Psychology. Faculty who dislike the textbook they are using in their class are likely to spend a lot of time explaining why the textbook is wrong, rather than by teaching what they believe is right. Students get frustrated (who do I believe, the textbook or the Faculty member?) and find it difficult to remember which information they got from which source. Such a situation would be commonplace if we were to adopt textbooks among different universities. It is also not clear that Mississippi has sufficient collective bargaining power with publishers to have an impact on textbook prices. Thus we see this proposal as having a high risk of significantly reducing the quality of education at our Universities AND offering little proof that any meaningful savings would arise as a function of this policy.

About the only recommendation that made any sense to our faculty was the recommendation to create a reserve section of the library where students could read copies of their texts. This would necessitate the University setting aside money to purchase these texts and additional funds to monitor the reserve section of the library, but the system could work with adequate resources.

Respectfully,
Gary Bradshaw

MS Univeristy for Women

From: Nora Miller [NMiller@vpfa.muw.edu]
Sent: Friday, November 09, 2007 10:45 AM
To: Edie Weathersby
Cc: Linda McFall; troy.a.stovall@jsums.edu; Cathy Young; Claudia A. Limbert; Sandra Jordan
Subject: Re: input from Faculty/ Faculty Senate regarding Task ForceRecommendations

I did not have a chance to address the Faculty Senate, but I did share the PowerPoint presentation with the Faculty Senate President. She distributed that to the Senators, and requested their comments. Here are their comments/questions. I think they've made some very good points.

They have requested more specific information be presented to the Faculty Senates before IHL proceeds with seminars, distributing materials, etc. They feel that the recommendations made by the taskforce are too broad and too blunt in their implications, and that a "we'll work it out as we go along" approach is unacceptable.

Speciific points raised:

1. Will the Task Force clarify what other sorts of actions have been taken in the nine other states that have sought to contain textbook costs? Have these measures met with any success? Any data to back it up?
2. How is this proposed action not an infringement on professors' academic freedom? State-mandated texts eliminate professors' ability to choose the best materials to convey their lessons.
3. There is an underlying assumption in this proposal that all sections of a survey course, across all universities, draws on exactly the same material. That is not the case--each professor and each text has a different emphasis in content as well as tone.
4. The Task Force seems to identify customized texts ("18 out of 39 textbooks are customized") as a problem. That is a professor's attempt to make reading material as consistent with lectures as possible. Without customization, many professors would have entire sections of a text that they would choose not to use.
5. Will standard texts eventually be chosen for disciplines beyond biology, chemistry, math and psychology? Were these first four chosen because they are the most expensive?
6. Will an "educational session with faculty on low-cost book selections" be anything more than passing out a price list of textbooks?
7. The onus seems to be on the campuses. Why cannot the IHL demand in bookstore contracts that Follett and the others offer higher prices for buybacks? The students get stiffed in buybacks, and many would feel better if they could recoup the costs at least partly. To say we can't challenge corporations in this way is weak. If they want business in the state, they have to follow regulations, and buyback prices could be one regulation written into the contract.
8. The recommendations for faculty senates all begin with "Encourage . . ." Can we expect encouragement to turn into mandates?
9. This action could run afoul of SACS requirements.
10. How are we assured that this action won't lead to more intrusive attempts by JHL to manipulate course content?
11. Who exactly will choose the texts? Will it be done by survey of faculty of record? By a panel of experts? By IHL itself?
12. If this process wasn't driven from the start by publisher sales reps wanting to win statewide contracts, it will certainly turn into that. The IHL will be lobbied by

publishers, and decisions could easily be made without academic excellence in mind.

13. Will this change in any way interfere with on-line instruction or Honors courses--both of which usually use different materials from standard sections?

14. Is this action coordinated with community colleges? Are we being forced to use the same books the CCs use?

15. It would be best that a survey of faculty statewide be completed to understand the extent of this problem. We need to know where the prices are the highest and for what reason (e.g., disciplines that routinely use many ancillary materials such as CD-ROMs, test banks, etc.).

Nora R. Miller
Vice President for Finance and Administration Mississippi University for Women 1100
College St. MOW - 1606 Columbus, MS 39701-5800
Phone: (662) 329-7145
FAX: (662) 241-7824
nmiller@mww.edu

>>> "Edie Weathersby" <eweathersby@ihl.state.ms.us> 11/2/2007 4:49 PM

>>> >>>

As to date, we have received 4 responses (MSU, UM, USM & USM Gulf Coast) from the request several weeks ago for the committee members to gather input/ comments/ recommendations from their faculty / faculty senate, etc.

The presentation of the recommendations will be made at the November 14th Board meeting. I have made an effort to notify the faculty senate chairmen via addresses provided to me, but some of the emails are being returned. I need your assistance. Please contact the faculty senate chairman at your campus and let them know if there are any recommendations to be considered for inclusion in the presentation, they must be received right away. The responses can be emailed to Troy Stovall, chairman of the committee at troy.a.stovall@jsums.edu, and copied to Dr. Linda McFall at lmcfall@Mississippi.edu .

Enid K. "Edie" Weathersby

Administrative Assistant

IHL Office of Finance & Administration

phone # 601-432-6147

direct fax # 601-432-6142

RESOLUTION

WHEREAS, the University of Mississippi is a "community of learning dedicated to nurturing excellence in intellectual inquiry" which is also committed to "good stewardship of our resources;" (Creed)

WHEREAS, the community of learning currently engages in the widespread use of textbook materials specified by instructors and purchased and used by students particularly in large introductory classes;

WHEREAS, the University of Mississippi's Associated Student Body has undertaken an investigation of national practices, issues, and challenges in reducing textbook costs to students;

WHEREAS, the University of Mississippi's Provost and ASB Treasurer have been instrumental in forming and participating in an Institutions of Higher Learning Textbook Task Force that has identified common interests of stakeholders at its member institutions and recommended actions to alleviate the burden of textbook costs to students in the state;

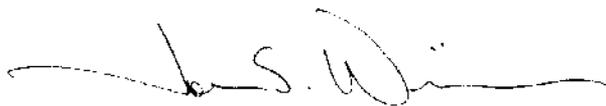
WHEREAS, the University of Mississippi's Office of Information Technology is currently developing a web-based resource that will provide a uniform service to faculty in specifying textbooks and assist students and textbook providers in identifying course requirements in a timely manner;

NOW, THEREFORE, LET IT BE RESOLVED, by the Senate of the Faculty at the University of Mississippi, as representatives of the faculty, that we express our support of the IHL Task Force in their effort to:

1. Require publishers to disclose the substantive changes being made in new editions of textbooks.
2. Require publishers to disclose the suggested retail price of new editions of textbooks.
3. Require publishing companies and retailers to sell textbooks that offer accompanying bundled items in two formats, i.e. with and without a bundle.

RESOLVED, this the 9th day of October 2007.

THE SENATE OF THE FACULTY



CHAIR, University of Mississippi Senate of the Faculty

University of Southern MS

Summary of Textbook Issues

During its regular meeting on Friday, October 5, 2007 the University of Southern Mississippi Faculty Senate heard an oral report by Dr. Stanley Hauer (English) prepared in response to the IHL Text Book Task Force.

The report relied on 1) input to the faculty senate website and informal conversations with faculty 2) interviews with key figures having knowledge of issues relating to the purchase of textbooks at the University Bookstore *and* issues affecting student purchasing of textbooks, including how student aid is received and the role of the university debit card system in textbook purchases.

In addition, at an October 11 meeting of the Gulf Coast Council, Kendrick Kennedy, President of the USM Gulf Coast Student Government Association, reported briefly on issues concerning availability and costing to disabled students. A written report is expected shortly and will be provided as an addendum to this summary.

In order to address these issues expediently, we are presenting our findings in the form of a list with some comments.

Textbook and Bookstore Issues

I. About the B&N bookstore (the university contracted with Barnes and Noble in 2006):

1. They have a price-match program for any brick and mortar store.
2. There is an advisory committee.
3. They are starting a newsletter to help the flow of information.
4. The student's primary savings is at buyback.

II. What makes textbooks so expensive:

5. Monopoly (lack of competition among bookstore vendors).
6. Edition creep.
7. "Bundled" packages: books, software, workbooks, materials; these often can't be resold, thus the student loses out at the buyback phase.
8. "Proprietary" texts created by the departments themselves; these are increasingly popular not only because they contain just the materials we want, but departments also get a cut; the problem is that they can ONLY be sold by B&N, and with no discount.

III. What we as faculty can do:

9. Try to understand that between 80-85% use their financial aid/scholarship cards to pay for their books; thus they are (at least for now) tied to the B&N bookstore.
10. Try to stick with an adopted book as long as practical.
11. Be mindful of the cost of books.

12. Encourage the purchase online for those students who have the funds in advance.
13. Make sure we USE the books; B&N get a lot of complaints about adopted texts that are never used.
14. Consider carefully proprietary texts, weighing their advantages with their problems.
15. Make greater use of e-reserve in the library if copyright issues can be resolved.
16. Put copies of our texts in the library.
17. Put the name of the book, edition, author, and ISBN on our syllabi.

IV. What we at Southern Miss can do:

18. Encourage competition with other bookstores in Hattiesburg and encourage students to become familiar with their options.
19. For aid-dependent students, explore an equivalent of Ole Miss's Express cards, which are debit cards.
20. Explore ways to make buying on line easier for financial aid students.
21. Students might consider a book exchange run by the student government.
22. Likewise student government might consider monitoring B&N prices with the Campus Book Mart, enforcing the price-match program of B&N.

University of Southern MS - Gulf Park

KENDRICK KENNEDY
PO BOX 7253
D'IBERVILLE, MS 39540

October 13, 2007

Gulf Coast Faculty Senate / Hattiesburg Faculty Senate

The University of Southern Mississippi
730 Beach Blvd
Long Beach, MS 39560

Dear Faculty Senates:

There is a problem with disabled students having full access to textbooks in a timely and accessible format. I would like to request your assistance in making things right.

Here is the description of what a disabled student has to do in order to have a textbook converted to an accessible format.

The student must have the book that the professor intends to use weeks in advance. This is contingent on the professors submitting their textbook adoption paper work to the bookstore in a timely fashion and adhering to the adoption with no last minute changes.

Next, the student and the Office of Disability Accommodations collect the information. After the information on the book is collected, O.D.A. contacts the publisher, submitting a request for the student to receive the book in an accessible format. This can take three to four weeks in the fall and spring semesters. If the publisher denies the request or does not have the textbook in an accessible format, the textbook must be unbound and scanned for conversion. This scanning and formatting takes six to eight hours. In the meanwhile, the student may already be in classes with a fear of not being successful because of the lack of the tool they need: accessible information.

After reading the recommendations, questions may arise about cost, the reason a disabled student does not simply buy the e-book format directly from the publisher, and whether a professor's intellectual property rights may be violated.

In the above question of cost, disabled students, just as most students, may have limited resources. Thus, they are held hostage to the university bookstore. The disabled student has to buy a print edition to the textbook at full price from the university bookstore before the publishers or O.D.A. will furnish an accessible format. The question of a student purchasing the e-book directly from the publisher has two answers, as earlier stated: students have limited resources and an e-book is not fully accessible. The final question of intellectual property is not violated because of the Americans with Disabilities Act.

The University of Southern Mississippi can solidify its reputation in the State of Mississippi and across the United States, by adopting the following recommendations.

The professors of The University of Southern Mississippi will sometimes not be able to fulfill these recommendations, perhaps, even if they are adopted. However, with a unified effort, a change can make most textbooks accessible in a timely fashion for disabled students. All of these recommendations, if adopted, can make a difference in helping disabled students become productive citizens.

Sincerely,

Kendrick Kennedy

Recommendations

1. All professors will submit textbook adoptions before or on the due date asked of them and adhere to their adoptions.
2. Give the O.D.A. courtesy by and in providing information,
3. When adoptions of textbooks are done, professors will research to see if the publisher has an accessible format that will be provided for O.D.A. at the time that all textbooks are ordered.
4. When solicited by publishers' representatives, professors will ask if there is an accessible format for the text. In addition, if there is an accessible textbook format, the professors will ask for a copy to be given to the O.D.A. office for storage at the same time that all textbooks are ordered.
5. If the publisher does not have an accessible format, professors will encourage the publisher's representatives to work on obtaining an accessible format.