Academic Content Licensing
Concepts and Considerations for a New Course Content Model

Macro-Considerations

Drivers

Stakeholders & Agents

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Academic Content Licensing

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INTRODUCTION

College and university bookstores have experienced wave upon wave of disruption over the past several years: A used-book distribution system that’s gone global, available to anyone with an internet connection. The boom in textbook rentals. Comparison shopping tools. And of course, the evolution of digital course materials. The challenges facing this industry are more complex than ever before, and the solutions required must be equally sophisticated—requiring new ways of thinking, strategic partnerships, and designated resources.

One of the emerging challenges is quickly taking center stage. Across North America, colleges and universities are exploring a new approach to delivering course materials (especially digital content), one designed to ensure that every student has all the required material on the first day of class—for a fee charged directly to all students enrolled in the course.

It’s a model familiar to for-profit educational enterprises whose centralized structures can lend themselves to system-wide adoptions. But the approach is new enough to traditional two-year and four-year institutions—where individual faculty members make the adoption decisions—that there is no consensus yet on what it should be called. Descriptive terms in use often include the word “license” since the institution acquires student access to the material basically by buying a short-term use license for the content (much like a software license).

The National Association of College Stores (NACS) has decided to use the term “academic content licensing” to emphasize and encompass the wide range of content that can be delivered, from e-textbooks in a PDF format to interactive digital course material. Other terms in use for the model include “institutional sales,” “course-fee model sales,” “subscription model,” “text with tuition,” and “100% sell-through model.”

It is worth noting right from the start that much of the research done to-date has focused on e-textbooks and thus will be the primary course material format discussed in this paper. However, industry publishers typically refer to any product with a digital component as “digital.” Moreover, much of the growth in the digital course materials market has been around their interactive digital course materials and online learning system products that offer exercises, quizzes, tutorials, and more.

Supporters of the new approach stress that the main beneficiary is the student who—at least theoretically—will pay less for course materials and will have all the materials needed to be successful in the course, and eventually earn a degree, as of the first day of class.

“I like to try out new things. If you’re at a college bookstore and you don’t like change, you’re in the wrong business.”

—Carol Miller Schaefer, CCR, North Dakota State University Bookstore

The approach also has its critics, who are wary of requiring students to pay a fee, skeptical about the ultimate cost savings, and doubtful that students or faculty are ready to fully embrace digital textbooks. It is also worth noting that current models for academic content licensing seem to leave out college stores not operated by or in direct partnership with the institutions they serve. While there could be future options developed that would engage other stores, the purpose of this white paper is to evaluate and provide clarity and resources around academic content licensing as it currently exists.

What happens with the new model over the next few years will have ramifications for stakeholders throughout and beyond higher education institutions. No single entity stands to be affected more than the college store. Many store managers worry they will be bypassed in a system that can directly link publishers to an institution’s Learning Management System (LMS).

“This is a real threat to our industry,” said one bookstore director interviewed for this white paper, echoing a concern shared by many colleagues.
But others are more optimistic about the prospects for the new licensing model, or at least willing to keep an open mind about how it can play out. As Carol Miller Schaefer, CCR, Director of the North Dakota State University Bookstore, put it: “I like to try out new things. If you’re at a college bookstore and you don’t like change, you’re in the wrong business.”

The position of NACS and a task force on the issue co-chaired by Miller Schaefer is that the people who run college bookstores must step forward and insert themselves into the campus-wide discussion that should precede any decision about academic content licensing. And if a pilot is going to be launched at an institution, the college store must be ready to play its role in the new delivery system.

In fact, there are many reasons to see opportunity for college stores in academic content licensing models. Many of the traditional value-add functions contributed by the bookstore into the course material sales channel are not only still present in a licensing model, but may require more attention and expertise to ensure success. From adoption aggregation to faculty and student service to product information and support.

“We have to seize the day and be in the business of providing solutions,” “If we don’t do it, someone else will, and we will not be part of the mechanism.”

—George G. Masforroll, Broward College, Florida

George Masforroll, president of NACS 2013-14 and Associate Vice President of Auxiliary Services for Broward College in Florida, points out the college store is in a prime position to lead the discussion and planning because it already is the expert in financial transactions related to course materials.

“We have to seize the day and be in the business of providing solutions,” Masforroll said. “If we don’t do it, someone else will, and we will not be part of the mechanism.”

Masforroll’s hope is that a process model developed by the task force will provide guidance to NACS members and others by identifying the main drivers behind academic content licensing, key stakeholders and their chief interests, and considerations that go into choosing the right distribution model and business model for each educational institution.

This white paper seeks to provide background on that process model with information gathered from more than two-dozen interviews and the current body of research and writing on the subject of academic content licensing. Three case studies provide more detail on how efforts have played out so far at the University of Minnesota; Indiana University-Purdue University, Fort Wayne; and the Kentucky Community and Technical College System.

But as the most knowledgeable parties acknowledge, academic content licensing is still in its beginning stages and much more experimentation and research will be needed in the months ahead.
THE ACADEMIC CONTENT LICENSING MODEL AND ITS DRIVERS

While the subject of academic content licensing is often discussed in terms of its goals, another way to look at it is from the student’s view (Figure 1).

Cycle #1

At most colleges and universities, this is the way the “course material cycle” should work, although unfortunately a. and b. are often reversed:

a. The professor adopts a book.

b. By the time s/he registers for the course, the student knows the book is required and also knows other information such as its retail price.

c. Then the student chooses from among at least a half-dozen options:
   1) Buy a new print textbook from the college store or online, probably with a plan to sell it back down the road
   2) Buy a used book and maybe sell that back someday
   3) Rent a book
   4) Buy an access code for the e-text version if it’s available
   5) Share with a friend or use a library copy
   6) Go without

Cycle #2

With an academic content licensing model, the course material cycle might work something like this:

a. The professor adopts the e-textbook (though a print option can be part of the package.)

b. The student knows in advance that s/he’s signing up for a course section that mandates purchase of the e-text through a course fee or bookstore charge.

c. The student logs into the institution’s Learning Management System (LMS) with a single sign-on, clicks on the course page to access the material, and has the bill added to their university account.

d. The student has access for the period that’s been negotiated, for the length of the course or longer.

Two main drivers are fueling interest in the second scenario:

1. The need to reduce the cost of course materials for students

2. A desire to improve educational outcomes for students by making sure each one has all the materials they need to be successful on the first day of class*

* For a standard etext duration is typically 180 dates/one semester; For a course fee model it is typically longer—up to four years.
The economic driver

The basic premise is simple: Institutions can lower the cost of course materials for their students if they negotiate a set price for the required materials. The publishers will agree to a significantly discounted price because they will get paid for every student enrolled and won’t have to worry about losing revenue through used-book purchases, piracy, or a student’s decision to go without the course material. The college store may set a lower margin, as well, since they will realize revenue from every student in the class and not have the costs associated with handling physical inventory.

Dr. Brad Wheeler, Vice President for Information Technology at Indiana University expanded on that line of thinking in an article he and Nik Osborne, his then-Chief of Staff, wrote in “Game Changers” in 2012:

“Over the years, students and content creators (authors and publishers) have been engaged in a self-reinforcing, negative economic loop for textbooks. Creators only get paid for their investment and work when a new textbook is sold, and students save money by purchasing a used textbook at a lower cost. Creators price higher as fewer students buy new, and students either seek used books or older editions, go without an assigned text, or turn to digital piracy in response to higher prices.”

“Shrewd students who succeeded in buying a used textbook and selling it back had a net cost of about 35 percent of the book’s list price, but less than half of students generally succeeded in selling back.”

Will an academic content licensing model be able to compete with that, costing the same as or less than buying a used book and selling it back?

Will it even be able to better the blended average of all the options students use now?

Unfortunately, with pilots at an early stage at most institutions that are deciding to dip their toes into the water, no data has been compiled to show what students are paying under the new model so far. Even in the most ambitious pilot project yet—the EDUCAUSE/Internet 2 pilot inspired by Indiana University’s eText Initiative—-institutions paid a flat fee to participate and students got the e-textbooks for free, an arrangement that likely influenced their opinions of the pilot. Since few believe a working model will deliver licensed content to students at no cost, we are all cautioned to keep these early studies in perspective.

Miller Schaefer, from the North Dakota State University Bookstore, isn’t sure yet whether the new model will dramatically reduce prices.

“Everybody is talking as if the price coming down is a certainty,” she said. “It’s true the publishers don’t have to print books and ship them off, but they still have to pay people with expertise to write them and edit them, and publishers aren’t going to produce them for nothing.”

If the college store has a facilitating role, it won’t be able to perform its role for free either, though its margins can be lower if overhead such as storage isn’t part of the equation and there is additional revenue due to every student in the class purchasing the required materials.

The pedagogical driver

Osborne, now Vice President of Institutional Partnerships and Business Development at McGraw-Hill Higher Education, explained the potential advantages for teaching and learning this way in an interview:

“If you ask the students at the beginning of a term who has the materials, half won’t raise their hands.” They may be waiting on loans or for a version they’ve bought on the after-market. And some may choose to go the entire semester or length of the course without the material. “This model is trying to solve that problem by making the content available the first day of class.”

“"If you ask the students at the beginning of a term who has the materials, half won’t raise their hands. This model is trying to solve that problem by making the content available the first day of class." –Nik Osborne, Vice President of Institutional Partnerships and Business Development at McGraw-Hill Higher Education
In the new academic content licensing model, the content is primarily digital, though print can be part of the package. Many e-textbooks currently available on the market offer the ability to highlight passages and add notes that can be shared, a search function, supplemental audio and video, and feedback for the professor on how students are using the material. Interactive options can guide students through lessons, making sure they understand a section before moving on to the next or allowing them to skip material they have already mastered.

As college stores have found, however, the cost savings of digital textbooks haven’t been enough thus far to convince many students to switch from print for their textbooks. The e-textbook market is still just a small fraction of overall textbook sales for college stores, with many reporting a figure between 1% and 6% of total sales. As noted in the Introduction, these figures are for e-textbooks only and do not include sales of print products that also include a digital component.

In the latest Student Watch survey, about 20% of students said they bought or accessed a digital textbook in Fall 2013:

- 47% of them cited lower cost as the reason they bought or rented an electronic text, while 41% said the professor required it.
- 48% said they bought the e-textbook directly from the publisher or a non-campus website, while 31% bought a pin code or access code at the school bookstore and another 10% made the purchase through the bookstore website.

Of the 80% of surveyed students who didn’t buy a digital textbook:

- 48% said the reason was that they preferred print to electronic.
- 19% objected to having no sell-back option.
- 14% didn’t like losing access to the content at the term’s end.
- 14% believed the price was too high compared to print.

Further illustrating the preference for print, only 7% of the surveyed students said they would choose a solely digital option if it were up to them. While 42% preferred a print textbook bundled with digital access or support, 41% just wanted the print book.

“So far, the reaction (to e-textbooks) has been pretty negative,” said Bob Crabb, recently retired bookstores director at the University of Minnesota.

“It has always surprised me, in light of how devices like the Kindle have taken off, how slow digital textbooks are to gain acceptance. But in higher education, we’re dealing with complex concepts, graphs, and charts. I think the brain is working very differently than with reading for pleasure,” Crabb said in an interview.

“Part of the problem is the clumsiness of the platforms and navigation. It’s easier to highlight a print textbook and to flip back and forth between pages—you can just put your finger on the page you want to hold. Print’s resolution and readability also are higher than a screen, though the screens have gotten better.”

Sherry Pollard, director of retail operations for the Mizzou Store at the University of Missouri, also has had first-hand experience in how slow the move to digital can be. The store supported the university’s participation in the Spring 2013 portion of the EDUCAUSE/Internet2 pilot. Seven courses with about 400 students signed on. But at the semester’s end, a survey of faculty and students indicated they were “less than enthusiastic,” Pollard said in an interview.

When asked how often they accessed the free e-textbook, 36 percent of students said not at all and 42 percent said occasionally. When asked about cost, 42 percent said they would favor a fee model only if it saved them 80 percent or more.

The university decided to try its own pilot in Fall 2013 using MBS Direct and multiple publishers. Even though the program used only e-textbooks—offered free or at a reduced price by the university—Pollard was astonished to learn that many students instead used a print version of the textbook that they found elsewhere. Sell-through was only 39 percent.

Pollard, who co-chairs a campus e-content committee with the educational technology director, said the university may try a course fee pilot in Fall 2014 if it can negotiate a good price and find faculty members willing to require the material.
Be Aware of Potentially Flawed Comparisons

The conversations promoting an academic content licensing approach frequently make comparisons of pricing and pedagogical qualities of the digital course materials and current print course materials. Since digital content is an emerging component of the course material options, it’s important to understand some nuance that exists to ensure decisions are made with the best information to-date.

Efficacy: It is important to understand that not all digital course materials are equal. Evidence supporting the case that digital adaptive learning products are pedagogically superior to many print and other “traditional” course materials is growing. However, the majority of digital course content currently available is not digital adaptive products, but rather digitized versions of static content (typically referred to as ebooks or etextbooks). While some of these etexts include enhancements such as study tools (highlighting capabilities, integrated dictionaries, etc.), it is important that stakeholders and decision makers on the academic content licensing question distinguish between etext digital content and its more effective but less prevalent native digital and adaptive learning digital successors. Decisions to implement a licensing model based primarily on a desire for improved efficacy may be premature unless an adaptive learning product is to be used.

How heavily weighted is the desire for improved efficacy as a reason to implement a licensing model?

Is the academic course content to be licensed a digital adaptive learning product or an etextbook?

Price: Comparing prices in an academic content licensing model (typically referring to digital course content) to the conventional models and products (typically purchased or rented print content) is somewhat apples-to-oranges and worth exploring more deeply. First, price comparisons are usually expressed as a percentage savings from the new physical (print) versions of course materials. Because the price of physical textbooks has risen so quickly over the last few years, a better metric would be a comparison of the annual course material expenditure per student.

Second, the price of a physical unit represents a different utility proposition for the student. Well known, well regulated, and well understood “Terms of Sale” exist for physical products and provide for indefinite ownership and utility to the consumer. Digital products employ a subscription model that rely on negotiated “terms of service” that are often less regulated or inconsistent when compared to the mature body of law and consumer protections around physical products—which have been evolving since the mid 1950’s. Duration of the license and issues related to potential future cost increases are of particular importance in a “term of service” situation.

Issues around price comparisons and savings estimates are tricky, to be sure. That’s not to suggest that there is any intentional mis-representation. The information in this section is simply provided to ensure stakeholders and decisions makers more fully understand the issues and considerations related to price and savings estimates between the various course content options. Furthermore, the campus store is best qualified to help illuminate these situations and negotiate fair pricing based on product sell through and pricing of alternative formats.

What is the student spend on course materials per term or academic year?

Do the stakeholders and decision makers on campus fully understand the price, savings, and other financial/commercial estimates being discussed relative to implementing an academic course content licensing model?
TESTING THE WATERS

There’s no question that academic content licensing is a hot topic in higher education in 2014, but most efforts so far consist of pilots, usually involving a handful of courses or class sections with dozens or perhaps hundreds of students at an institution. (Even when the model is fully employed, an institution may decide to use it only in selected courses or departments rather than across the entire college or university.)

At this juncture, the most sweeping test of an institutionally-based delivery model has been undertaken by Internet2 with support from EDUCAUSE. Inspired by Indiana University’s eText Initiative, the EDUCAUSE/Internet2 pilot launched in Spring 2012 at five schools. McGraw-Hill Higher Education provided the e-textbooks and platform provider Courseload delivered the content. The pilot expanded to almost two-dozen institutions with more than 5,000 participating students in Fall 2012. Reports on the first and second phases of the EDUCAUSE/Internet2 pilot provide a wealth of information about how those versions of the piloted content licensing model worked—or didn’t—for faculty and students.

Among the recommendations, based on results of the Fall 2012 pilot:

- E-textbook initiatives “must offer significantly lower costs than traditional textbooks, provide paper text options, and give access to the e-textbooks beyond the end of the course.”
- Professional development is needed to help faculty use the “collaborative tools or interactive or multimedia content” that is a key advantage to digital material.
- E-textbooks, delivery platforms, and devices used to access the material all must “continue to evolve to meet the expectations of faculty and students.”

Students indicated that their openness to e-textbooks would escalate along with the cost savings, but the design of the pilot—with universities paying a flat fee to participate and students accessing the material for free—meant issues of cost were largely unaddressed. The thorny question of what payment model should be adopted to move the financial responsibility to students was left for other pilots.

Back at Indiana University, the eText Initiative continues to grow, according to Dr. Brad Wheeler, Vice President for Information Technology. At last count, approximately 15,000 students in 450 sections were using the course-fee model, he said in an interview.

Spring 2014 marks the first semester with participation from all major publishers. Courseload is still being used as the platform provider. And the program still has support from top leadership at the university. “If anything, my trustees think we’re not moving fast enough to use our size to negotiate better prices,” Wheeler said.

Meanwhile, major bookstore management companies also are testing out the academic content licensing model.

Follett Higher Education has jumped in with its includED program.

Elio DiStaola, Director of Public and Campus Relations, said in an interview that since includED was unveiled a couple of years ago “there has not been a single instance where it has not grown in the next term, not a single instance where it has gone away. The early adopters are continuing to apply it across more and more sections.”

When given a choice of sections offering includED or the traditional model, students are picking includED, he said. And the content they get may be in a print format or digital.

“We recognize print is not going away any time soon,” DiStaola said. “We’re in a world that is not 100% digital so we’re approaching this in a way that can meet the needs of schools of all different shapes and sizes.”
Barnes & Noble is using an academic content licensing model at a diverse array of schools, Jade Roth, Chief Product Officer for Digital Education and Vice President of Books and Digital Strategy, said in an interview.

Whether the institution approaches the bookstore about a model or a publisher proposes it, the store is ready to partner on the logistics of delivery, she said.

In some cases, participation is by department and in others by program, such as Distance Learning.

“If the institution can guarantee every student has access, we can customize or create a situation that’s more affordable,” Roth said. “How much we can lower the price depends on the size of the class, the number of textbooks being used and how much is being customized for that course. There’s not a rate card out there—there are too many variables. Institutions are still feeling their way and experimenting. Some are eager to go entirely digital and others care about the content but not the format.”

Roth acknowledged that implementing a new model can seem overwhelming, “but it really is the same business we do day in and day out—aggregating and distributing material to students effectively. Some people are nervous about the new model but it’s really just building on the core tenets of what the bookstore is about.”

The state of Florida also will be worth watching, judging from a December 2013 report prepared for the State University System of Florida’s Board of Governors by a Task Force on Postsecondary Education in Florida. The task force charged a working group with investigating “how to adopt and implement commercially published eTextbooks, including what legislative action may be needed to support implementation efforts and what funding models or fee schedules should be implemented. The working group should consider if a formal statewide initiative will benefit students who would ordinarily opt out of purchasing a book.”

Recommendations in the report include:

- Looking at Indiana University’s eTexts Initiative as a possible model for Florida.
- Considering negotiating or coordinating statewide contracts with publishers of e-textbooks.
- Exploring “the potential for eTextbook or open textbook fees, the role of college stores in licensing and distribution, and the issue of college store non-compete clauses and their potential for limitations on statewide licensing of digital resources.”

The Florida efforts come only a few years after a study from Daytona State College. The open-admissions college in Florida got a lot of press in 2010 when it announced plans for a campus-wide transition to e-textbooks. But by 2011, Inside Higher Ed reported that the college was rethinking its approach after one of its main supporters—the Chief Financial Officer—resigned.

In addition, “A Study of Four Textbook Distribution Models” at Daytona State, published in the EDUCAUSE Review in December 2011, sounded some cautionary notes while saying “clear financial incentives as well as strong technical and instructional support will help ensure a successful conversion. The rapid evolution of both e-texts and e-readers will also help smooth the way forward.”

The two-year pilot project at Daytona State compared student and faculty experiences with four distribution models, including an e-text rental and an e-text rental with e-reader device. In the e-text rental sections, students bought an access code at the college bookstore and then registered online.
The report concluded that a successful move to e-texts would depend on:

- Offering faculty the option to teach with e-texts rather than requiring them to do so
- Ensuring that infrastructure is adequate to meet greatly increased demands
- Remedy the technological skill deficits inherent in an open-access student population
- Guaranteeing students cost savings large enough to compensate for their initial discomfort and frustration with the technology
- Providing resources and support for faculty adapting their instruction to fit new technologies.

Student participants commented on the “hidden costs of the e-text,” which would include access to computers and the internet as well as some printing of material. They also noted the divide between disadvantaged students and those who had convenient and reliable access to the web.

Another key takeaway from the study: Though faculty and administrators may embrace e-texts, students often preferred to rent printed textbooks. And the study went on to say: “No matter the textbook distribution model under consideration, students overwhelmingly supported choice.

“They worried that a particular model would be forced on them—either through class or activity fees—and they disliked the idea of the college adopting a one-size-fits-all approach to textbook acquisition.”

The report advised interested institutions to “avoid top-down mandates. Institutions that require all instructors to simultaneously go e-text might be courting disaster. An effective approach will encourage, but not require, e-text adoption. Should reluctant faculty members observe demonstrable benefits in the classrooms of colleagues who have switched, they will soon decide to go e-text as well.”

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— "A Study of Four Textbook Distribution Models” at Daytona State, published in the EDUCAUSE Review in December 2011

The importance of student choice was further illustrated by a subtle switch in emphasis for the final phases of the EDUCAUSE/Internet 2 pilot in 2013. Instead of recruiting faculty who were willing to switch to e-textbooks for all students in a class, as in previous phases, the pilot design allowed institutions to decide whether all students in a given class would get e-texts. The institutions paid a fee for a license that would provide access for a set number of students. Twelve institutions participated using Courseload and four using CourseSmart, but their names are not being publicized, said Dana Voss, Program Manager for Net+ Services at Internet2, in an interview.

Voss said the coordinators of the pilot heard from “a vast majority of institutions who were telling us they simply cannot move forward with a 100% sell-through model because it could be viewed as a tuition increase. That is a very touchy area for many institutions, who may have to get legislation passed to move in that direction. As a result of that feedback, we are pursuing the student-choice model.”
The platform providers

While bookstore people are familiar with a wide array of publishers, they may be less knowledgeable about platform providers, which distribute digital content from multiple publishers so that it is accessible to students on multiple devices—e-readers, tablets, notebooks, laptops, or smartphones.

Three major providers most active with the academic content licensing model are:

**CourseSmart:** Initially owned by the major publishing houses, and recently acquired by Vital Source Technologies, CourseSmart delivers digital materials directly to students online and at bookstores or through their institutions by integrating with campus technology. It boasts of having more than 90% of the core titles offered by major publishers, and more than 1,000 bookstores have installed an integration with CourseSmart.

Margaret Mathis, Vice President of Brand Communications, wrote in an email that the company’s customized approach allows institutions to negotiate directly with publishers for content, price, and duration; or purchase content directly from CourseSmart; or mix both options. Institutions can license content for all students enrolled in a class to get the lowest possible cost per student. Or they can “license content for only those students in a class that are comfortable with the digital option, allowing other students to use options such as print, if they choose.”

Institutions can be billed by the publisher directly or CourseSmart can provide central billing at the institution-negotiated price.

**Courseload:** An Indiana-based company, Courseload delivers digital material to students solely through institutional agreements. Its “all-student access model” with per-student, per-course pricing “facilitates accounting, communication, planning, forecasting, and reporting at the institutional level,” according to the company’s website. “In addition to publisher content, Courseload delivers open source and faculty-generated content, presenting a seamless way for schools to leverage lower-cost content.”

“We started with the institutional approach right from the outset,” CEO Mickey Levitan said in an interview. “We always anticipated 100% of the students being on the platform, which allows collaboration like sharing notes and faculty annotation. That approach also allows the faculty to have more data about how students are interacting with the content. If student participation is more piecemeal, the overall analytics are less rich. An institutional partnership also allows the institution to leverage their demand for better pricing.”

**Vital Source Technologies:** A division of Ingram, Vital Source got its start working with dental schools and then career colleges, but in the past two years has seen a big increase in the use of its “institution pay” model by undergraduates at traditional two- and four-year institutions. Content price negotiations generally are handled by participating publishers and institutions.

Print-on-demand is available, but students tend to use the option less as they become more comfortable with digital material, said Michael Hale, Vice President of Sales, in an interview. Hale also noted Vital Source’s partnership with Blackboard, which recently started to preload the company’s building blocks.

Mark Sullivan, Account Executive with Vital Source, said bookstores are “overwhelmingly involved” in the company’s efforts. “They are a central partner at pretty much every campus I’m working with.”

Sullivan added that institutions are still in a learning phase when it comes to what’s available. Many he has talked to, for example, don’t know to ask whether an agreement includes the ability for students to download material so they can work offline as well as online.

“Every school is looking to see what other schools are doing so they can avoid making mistakes,” he said.
THE ROLE OF THE COLLEGE STORE

Given the evolving landscape for academic content licensing, college store directors may wonder where they fit.

It would be difficult to argue with the assertion that Bob Crabb, the recently retired director of the University of Minnesota Bookstores, has done more thinking about the model and more experimentation with it than anyone else in the college store industry. It is only fitting then that a discussion of the store’s role begins with a list of value-adds that Crabb drew up:

1) College stores can negotiate lower prices relative to current eBook prices because of the much higher exposure publishers have by virtue of being in front of students on their Learning Management System course page.

2) College stores are able to charge the books against the student’s scholarship account/s and against their financial aid bursar account before classes start and financial aid is disbursed.

3) Students can buy both in-store and on-line while they are buying their other books and materials.

4) College stores can instruct faculty (or their support staff) on how to create a secure link to the content provider.

5) College stores know the point people at the publishing houses, the platform providers (CourseSmart, VitalSource, etc.), the campus Information Technology staff handling the LMS, the Library staff, the faculty, and the Provost’s Office. We are the only entity that can easily pull together all of the pieces and players.

A couple of additional points from Crabb’s colleagues:

“We’re the ones who have experience with the entire faculty adoption process. We know what they use, which ones change the material often or keep it the same. We’re the ones who know how to sell stuff and handle exchanges and refunds.”

—Suzanne Donnelly, CCR, Senior Associate Director of the Bronco Bookstore at California State Polytechnic University, Pomona

“The store can handle cash transactions, is compliant with credit card industry standards, and in many cases can bill student accounts and third parties such as Veteran Affairs or vocational rehabilitation programs.”

—Jason Lorgan, Director of UC Davis Stores at the University of California, Davis

In addition, college stores are normally involved in making sure that pricing information for required and recommended course materials is properly disclosed according to requirements of the Higher Education Opportunity Act (HEOA) of 2008 and any relative state or other regulations. And one more important attribute of college stores—particularly independent stores—that argues for them being part of the new structure: The revenue they generate, which can amount to hundreds of thousands of dollars a year, is funneled back to the university to support all types of programs and services. If a course-fee model takes transactions out of the college store channel, that revenue is lost.

Despite all those selling points for the college store, the initial phase of the EDUCAUSE/Internet2 pilot in Spring 2012 had no specific role designated for stores, though three of the five institutions involved did have store involvement. But the July 2013 report on the next phase of the pilot, which had far more institutions participating, devoted a section to “The Special Role of the Bookstore,” noting “the ongoing role this important campus resource will play in the transition from paper to digital course materials.”

The report said 76% of the 23 participating institutions involved their college stores in the pilot, specifically in such areas as helping with faculty recruitment, giving advice on how to make the e-text acquisition process easy for faculty and students, and managing logistics with publishers. Since institutions paid to participate in the pilot, there was no opportunity for the college stores to have a hand in billing students or paying publishers.

The final phase of the pilot in Fall 2013, which emphasized student choice rather than 100% student participation, had no formal role for college stores.
A partnership with publishers?

Some publishers have clearly stated that there is a role for college stores in the academic content licensing model. One example came in a May 2012 article in Forbes magazine by Tom Malek, who was Vice President of Learning Solutions for McGraw-Hill Education at the time, who wrote that partnering with bookstores is one of the keys to making the new model work. The stores can, he wrote, “play an important role in helping to make e-books more affordable for large numbers of college students.

“While it’s often assumed that a university and its bookstore are one in the same, they’re most often separate entities, and it’s the bookstore that maintains the very valuable information of which students, and how many, are actually purchasing books for their courses. By partnering with university bookstores—which also have the ability to make purchases on behalf of students and connect those purchases to students’ bursar bills—schools and publishers are able to facilitate the type of bulk e-book purchase that can lower prices for students.”

Similarly, Stephen Hochheiser, Vice President for College Store and Public Affairs at Cengage Learning, said in an interview that a partnership between stores and publishers can trade on their individual strengths. In addition, both know the campus players who are innovators, open to trying something new.

“There is a solid role for stores if they step up to help build pilots and get potential partners on campus interested.

—Stephen Hochheiser, Vice President for College Store and Public Affairs, Cengage Learning

“I’ve been training our BDDs (business development directors) to work with the stores because the store is the place that does transactions and aggregates what students need for classes,” Hochheiser said. “There is a solid role for stores if they step up to help build pilots and get potential partners on campus interested. If the store doesn’t do that, somebody else will step up—maybe the library, maybe IT.”

Hochheiser said an important first step is to have the store and publisher’s representative work together to identify adoptions that would be good candidates for the course-fee model and then talk to the relevant instructors. If an adoption has low sell-through, for example, the students might be acquiring it from other sources and not receive it in time or get the wrong version. College stores can also be involved in the discussion with the publisher about lowering the price to students—a factor that helps professors see the value in supporting the initiative.

Introductory courses can often be a good target because professors are concerned about newer students not having the materials they need, Hochheiser said. And with a larger pool of students, some sections can have the required fee while others don’t, providing students with a choice.

“...college stores and publishers need to change course and collaborate with each other now”

—Jason Lorgan, UC Davis Stores

From the college store perspective, Lorgan from UC Davis said changes in the market, such as the emphasis on used book sales, have led to a more adversarial relationship between stores and publishers. But with all the challenges facing both groups, “college stores and publishers need to change course and collaborate with each other now,” he said.

George G. Masforroll of Broward College takes a similar stance, pointing out publishers have lost market share to textbook rentals and peer-to-peer used book selling sites. They naturally see the advantage of a 100% market share through content licensing, even at a discounted price. But he thinks college stores and publishers have to find a way to work together. “If we’re squaring off against one another, it can be a very destructive situation. You can see the publishers as the enemy or as a business partner.”
Todd Summer, CCR, director of the Campus Stores Division of Aztec Shops at San Diego State University, said that he doesn’t begrudge publishers for wanting to increase sales. “It’s up to the stores to position ourselves as good partners and make sure publishers see value in using us as a resource,” he said, adding that academic content licensing can help stores increase their market shares as well—and help them find efficiencies by eliminating the cost of carrying inventories.

However, not everyone is on board with becoming part of a model with an institutional focus. Chris Tabor and others maintain that stores should continue—and sharpen—their focus on delivering directly to students instead of through the institution.

Tabor, director of the Campus Bookstore at Queen’s University in Kingston, Ontario, also serves as president of Canadian Campus Retail Associates as well as Campus eBookstore Inc., known as CEI. A joint venture of CCRA and the Independent College Bookstore Association, CEI has agreements with four of the five major publishers to distribute publisher access codes and has partnered with platform provider Vital Source to distribute e-textbooks and general e-books.

In Tabor’s view, a model in which publishers deal directly with institutions is fated to leave college stores out of the equation. In the digital world, publishers are morphing from bookstores’ suppliers into their competitors, and they have the advantage in access to administrators and faculty, as well as clout with policymakers through their trade associations and lobbyists, he said in an interview.

Tabor’s conclusion: “The only space where the store can compete is direct-to-consumer. I think you’d have a great deal of difficulty demonstrating how to add value in a direct-to-institution model, which is a frictionless transaction between the institution and the publisher, with the LMS as the intermediary. It’s not a retail transaction, and that means all of the things college stores have done for the past 100 years don’t come into play. All we can do in that institutional model is to make certain that administrators make informed decisions, because there are economic dangers and regulatory risks if this is not well thought out.”

For stores to compete in the direct-to-consumer model, they have to join forces in ventures such as CEI which can mitigate commercial risk and development costs by using economies of scale, Tabor said.

### Laying the groundwork

As the debate over direct-to-consumer or direct-to-institution continues, others are focusing their efforts on making sure college stores are not overlooked when the idea for academic content licensing bubbles up somewhere on campus.

“Even if the bookstore hasn’t heard about it, there’s a high probability someone on campus is doing something (with academic content licensing) and hasn’t told the store because often the perception is it deals only with print,” said Donnelly from Cal Poly Pomona.

College stores can lay the foundation for an active role in a licensing model by having a website, the ability to sell access codes to digital content, and the ability to charge student accounts through a link between the store management system and the Bursar’s Office. Some stores link with the Registrar’s Office so that students can add required course materials to their college store online shopping cart when registering for a class. At other institutions, students are able to buy e-textbooks from the store through a link on the course page in the Learning Management System and then access the e-book through the LMS as well.

Miller Schaefer, from the North Dakota State University Bookstore, said she knows many stores don’t have those capabilities yet. But even in those cases, the stores can start building relationships with key stakeholders on campus, she said.

“That advantage to those relationships is that people will look to the store when a discussion starts,” she said. “If you can be armed with information (about academic content licensing) and if you’re the one who tells people it exists, it’s more likely that people around campus will come back to you and tell you that this department or that faculty member is going to try it.”

It’s worth mentioning again here the importance of the store director having a relationship with the head of campus IT (i.e., CIO). If this relationship is not established, it should be one of the first on the list to be developed.
THE PROCESS MODEL

A move toward academic content licensing can be initiated by a number of different stakeholders, from on campus and off. Many of the institutional stakeholders interviewed for this white paper said the idea is most often floated by representatives of publishers and platform providers. They may first approach faculty members they think may be interested or arrange a meeting with a department chair, dean, or other high-level administrator. But the initiative can also come from administrators who hear from colleagues about pilots being conducted at other institutions.

The July 2013 report on the EDUCAUSE/Internet2 pilot sheds some additional light on which administrators are likely to be involved. At the 23 participating colleges and universities, the Chief Information Officer (CIO) most frequently filled the role of sponsor, with the provost, head librarian, and lead for academic technologies tied for second place. Day-to-day management of the pilot was in the hands of an instructional designer or other member of the academic technologies staff at seven institutions, the librarian at six, and the head of academic technologies at five. It’s important to note that there were focused recruitment efforts for this pilot that might have led to the leaders in these cases.

In some cases to-date, it’s been the college store director who has taken the lead to instigate discussions and action toward an academic content licensing model. Several interviewees noted that the buy-in and support of a senior campus administrator (such as the CIO) will be important to the success of an initiative on almost any campus. However, as Figure 2 (below) suggests, the college store has the business, service, technical, and other relationships with all relevant players. As the nexus, the college store is well-positioned to lead the academic content licensing initiative.
To start laying out a process model for academic content licensing, we must first identify the related philosophical discussions, macro-level considerations, and primary stakeholders. Figure 3 below indicates the phases of discussion and decision making, as well as related macro-level considerations, that are encountered as campuses work toward implementing a licensing model:

1. Initiation of the idea
2. Stakeholder discussion of the concept—including macro-economical, pedagogical, and price-related drivers
3. Determination of driving principles for the campus’ initiative
4. Discussion and exploration of process models for implementing the licensing model—including comparing and contrasting existing distribution models for course content on campus
5. Discussion and exploration of related business models for licensing—including comparing and contrasting existing and potential business models and selecting appropriate paths

On the following pages is information about the other campus stakeholders—beyond the college store—who should be involved in any decision about academic content licensing. Each stakeholder section includes key considerations for the stakeholder group. Additionally, Figures 4-6 present a comprehensive, visual Academic Content Licensing Process Model in three phases—each growing in complexity (so as not to overwhelm) as additional players, considerations, and decisions-to-be-made are added to the mix.

It is appropriate to begin with the TOP CAMPUS ADMINISTRATION, the first of the primary stakeholder groups shown in Figure 4 (reading from top to bottom). When it comes to top campus administration, the provost, who leads the academic side of the institution, is more commonly involved in initial discussions than the Chief Financial Officer (CFO), who heads the business side, judging from the available literature on recent pilots. This underscores the need for college stores that fall under business affairs or auxiliary services to also build relationships with the academic sector of the institution.

Both sides of the administration would be motivated by the two main drivers discussed previously: reducing the cost of materials for students and improving educational outcomes. In a growing number of states, legislative action provides a further incentive for action by tying funding to improved retention and completion rates. While the impetus for an academic content licensing model may come from a high-level administrator, some institutions have seen the momentum suddenly disappear if that key person leaves the position.
Academic Content Licensing Process Model

Phase 1
Macro-Considerations, Drivers, and Primary Campus Stakeholders

Instigation and Leadership of Content Licensing
Stakeholder Discussion of Concept
Determine Driving Principle(s)
Discuss/Explore Process Models
Discuss/Explore Business Models

Macro-economical Drivers
Pedagogical Drivers

Compare / Contrast Existing Distribution Models
Compare / Contrast Business Models – Select Path

Top Campus Administration
Campus IT
Campus Libraries
Academic Technology Services
Distance Education

Academic Affairs / Faculty
College Store

Overarching Student Needs & Expectations
Price-driven Issues
Content Providers | Developers
Digital Content Distributors

Figure 4
INFORMATION TECHNOLOGY: Any move to an academic content licensing model will, almost by definition, heavily involve an institution’s IT operation, led by the Chief Information Officer. Dr. James L. (Jay) Dominick, Vice President and CIO at Princeton University, believes it’s essential for college store managers to understand the position of CIO and, ideally, develop a relationship with that person on their campuses. This is how Dominick explained the landscape in an interview:

As head of information technology, the CIO is responsible for supporting and maintaining most of the key systems the university uses to conduct its business (including the Learning Management System) and therefore is at the hub of transactions between campus entities. Even if the CIO isn’t the first to voice an interest in academic content licensing, the initiator is likely to go to the CIO to find out how the model could be implemented.

An academic department request to use a licensing model for e-textbooks might lead the CIO to make inquiries with the registrar and bookstore. But unfortunately on most campuses, “the relationship between the bookstore and the IT organization ranges from mutual ignorance all the way to mutual hostility, and only in a few cases do you find cooperation,” Dominick said.

However, the Higher Education Opportunity Act of 2008, with its requirements for publication of textbook information, led the store, IT, and the registrar’s office to work together. “For many IT organizations, it was upper management’s first realization that what the bookstore does is of interest to the university in general,” he said.

When it comes to academic content licensing, the stance of the CIO can hinge on whether he or she reports to top administration on the academic side (provost) or business side (chief financial officer). If the CIO is academically focused, it’s more likely he’ll see the model as a potentially efficient way to use technology to lower course material costs and ensure timely student access to required materials. If the CIO is more business-oriented, he’ll be more likely to bring up the fact that the institution relies on the bookstore for revenue contributions and that care should be taken before doing anything that might threaten that revenue stream.

“Go to lunch and just talk about the licensing issue,” Dominick advised.

“The same basic trends are affecting us both in different ways.”

—Dr. James L. (Jay) Dominick, Princeton University

But either way, the amount of financial aid that is used for course materials gives CIOs and their institutions a big incentive to bring down costs and make those dollars stretch further. And it may cause them to ask, “If we’re already paying for two-thirds of the books through aid, why don’t we go the licensing route and give everybody the material?”

However, there are significant factors that weigh against a switch. Notably, it implies a move away from content ownership to content licensing. One implication is that licensed materials may be available to the student for a limited time—and rarely can that material remain with the student after graduation—thus removing the student’s choice to retain the content if desired. In addition, dealing with an array of publishers can be daunting, Dominick said.

Like other campus stakeholders, CIOs also may be wary of putting more power in the hands of publishers, leading to potentially higher costs down the road. For example, could academic content licensing go the way of cable television, with consumers being forced to pay for packages that include offerings they don’t want or use? One possible scenario would be a faculty member wanting to go with Publisher A’s product, with others in the same department wanting to go with Publisher B’s product, which is covered by a license. The result may be that Publisher A’s product is added to the department’s licensing agreement for an additional cost, even though it’s not used by many students.
“Most CIOs and almost all librarians have had the experience of starting to license content from a provider, and then quickly losing their leverage as the provider escalates prices in a barely controlled manner,” Dominick said. “Look at how journal prices have gone up and up. Once a vendor has you locked in, you’re at their mercy. In this era of highly constrained resources, I do not believe that there are many CIOs interested in taking on an expense that could potentially grow without bound.”

In light of their common interests, how can the college store establish a relationship with the CIO? “Go to lunch and just talk about the licensing issue,” Dominick advised. “The same basic trends are affecting us both in different ways.”

It has also been suggested that college store professionals become familiar with the topics around the intersection of technology, campus IT, and teaching/learning. EDUCAUSE programs, publications, and resources are valuable and should be a source that all college store leaders are regularly accessing.

What integrations and other adjustments must be made to share relevant information between the institution's Student Information System and the Learning Management System, the store's POS system, and the publishers and platform providers—all while maintaining data security?

**ACADEMIC AFFAIRS/FACULTY:** It can be argued that no campus stakeholder is more essential to implementing an academic content licensing model than faculty. While they share with other stakeholders the desire to bring down the cost of course materials for their students, they stand to benefit most directly from the second selling point of the new model: By the first day of class, all of their students will have the resources they need to engage in and successfully complete the course.

“Faculty react really well to the idea of getting the right materials in the hands of students at the right time.”

—Stephen Hochheiser, Cengage Learning

As Stephen Hochheiser, from Cengage Learning, put it: “The big issue faculty have is students who come to class without the adopted material or with the wrong version. Faculty react really well to the idea of getting the right materials in the hands of students at the right time.”

Faculty members open to the possibilities of digital are often the first ones to be approached by publisher representatives or people within the institution who have a project in mind. And they are likely to be the most open to using data that publishers are beginning to gather on student usage of digital materials. They can learn, for example, how many students—and even which students—accessed a particular chapter, highlighted text, added digital notes, and shared them with classmates. Interactive options can tailor the material for the needs of individual students—a feature that can be especially helpful to instructors facing larger class sizes or less-prepared students. In short, digital course material and learning products increasingly are designed to relieve faculty pain points. (And as a sidenote, faculty who write textbooks may see more revenue from royalties if a 100% sell-through model becomes widespread.)

On the other side of the coin, faculty also are the ones who will be affected most immediately by any frustrations their students have with the new approach, such as problems accessing and using the material on various devices.

Faculty also may be wary of losing the freedom to choose what materials they will use in their courses. Some in the academic community don’t see much cause for concern since the largest publishers already control a high percentage of the market. Others ask such questions such as:

- Will faculty be able to use smaller publishers or university publishing houses that are not part of the contract?
- Will they be precluded from using a textbook that does not have a digital version yet?
- Will they have to use the same e-books across sections of an introductory course, even if they would prefer another choice?
Institutions can neutralize such concerns by implementing the licensing model at the course level, rather than by department or school, so that individual faculty members choose whether to participate and students have a choice of whether to register for this section or that.

Taking the more comprehensive approach can lead to dissent, as was the case in Texas when trustees of the Alamo Community College District took what local media described as a “controversial” action in January 2014. Agreeing with administration goals, the trustees approved a plan designed to eventually charge all 60,000 students a fee—probably by course—for their digital and print instructional materials. Work is under way for a roll-out in Fall 2014. The materials will be provided by Follett Higher Education Group, which manages the system’s on-campus bookstores.

A policy adopted in 2012 paved the way for the new arrangement by requiring each of the five colleges in the system to use one set of instructional materials per course. The newly adopted strategy expands that to using the same materials in courses across all the colleges, starting with some high-enrollment offerings. Faculty members will work with publishers to determine what materials should be used.

Faculty opposition was highlighted before the official vote in an article in the San Antonio Express-News which noted “faculty members say the move toward uniformity infringes on educational diversity and restricts students’ purchasing options.”

The president of the faculty senate at St. Philip’s College was quoted saying, “We want the right to choose a textbook...because we want to make sure we’re picking the best material for our students. Can one instructional material apply across the board for all classes in that particular discipline? Maybe, and maybe not.”

A story in the Rivard Report quoted Jo Carrol Fabianke, vice chancellor for academic success at Alamo Colleges, who acknowledged, “The materials used by our faculty members are very important to them. And we all know that. This has to be faculty led, and they are, by nature, questioners. The unknown is not something that any of us deals with well. They want to know exactly what they will be dealing with, and with something new like this we can’t know that.”

Both of the preceding examples suggest that the best place to start may be individual faculty, department chairs, or program directors.

Will faculty lose any freedom to choose materials for their courses because of the limitations of a school-wide or department-wide contract with a publisher, other content provider, or platform provider?  
What is the mechanism for recruiting interested faculty members and making sure that committees overseeing academic affairs are informed and involved?  
Who will help faculty navigate the waters of digital content to find high-quality material for their classes?  
Who will help faculty make optimum use of digital enhancements, such as the ability to leave notes for students in the text and continuous feedback on how students use the e-textbook?  
Who will help students frustrated by technical problems in accessing the material on multiple devices, overcoming other obstacles, or even taking advantage of publisher-provided support resources and tutorials?  
Will the new model yield data (known as analytics) to help faculty fine-tune their instruction to meet student needs?  
Is there a way to incorporate faculty-authored materials into the new model?

LIBRARIES: Librarians are often at the table or even leading the discussion when the possibility of academic content licensing is raised. The library has been involved in the EDUCAUSE/Internet2 pilot at 89 percent of the participating institutions, contributing in areas such as faculty recommendations, planning, training, assessment, and faculty and student support.

That’s not surprising considering libraries are often deep into their own dealings with licenses for journals and other academic resources, as well as being involved—along with other university offices—in copyright clearance
and royalties. In fact, as their role continues to evolve, libraries are investing an increasing portion of their budgets in digital collections. But too often, when a decision is made to use an e-book, no one checks to see whether the library has already paid for the license. That leaves room for collaboration with college stores as new digitally-based approaches, such as academic content licensing, are tried.

Bob Crabb, former director of bookstores at the University of Minnesota, worked with the library there to explore a model in which faculty members can create content or use articles to put together their own coursepacks. In the past when paper copies were used, they were sent to the university’s copyright permissions staff who would go to copyright clearance centers or get permission from and pay a royalty fee to individual publishers. The material then would be printed and sold in the store.

Now with the emphasis switching to digital resources, the articles are run against the library’s license database. If the library has already paid, a URL is created and a link is set up on the course’s Moodle page (the LMS used by the campus). If the faculty member thinks the material is available under Fair Use provisions, it can be posted to Moodle. And if neither is true, copyright permission is obtained, the royalties are covered, and students can pay for the coursepack in the bookstore or on the store website. Once the payment is made, access to the content is available through the LMS.

The California State University Affordable Learning Solutions site also highlights the role that libraries play with e-books, telling faculty that their library’s electronic resources can be exported into an LMS course page quickly and easily. “Your library has powerful tools for finding eBooks, electronic journal articles, and other digital resources in your library’s collection that can become course materials for your students—all at no cost to them.”

How can the library’s expertise with licensing and copyright issues, as well as its growing digital collection, be leveraged in an academic content licensing model?

DISTANCE EDUCATION: Institutions that are more heavily invested in online education are more likely to consider academic content licensing as an option.

Is a licensing model the most efficient way to get course materials to students who primarily do their coursework online and who don’t spend much time on campus?

Who will provide support services for student use of digital content and online learning systems who are distance learners?

ACADEMIC TECHNOLOGY SERVICES: This office’s expertise is in helping faculty and students make optimum use of technology to strengthen teaching and learning. Its contributions can range from assessing course materials offered for adoption and the platforms for delivering them to supporting faculty and students when problems arise.

Are the e-textbooks offered under an academic content license going to be easy for students to use on any device and will they have interactive features that engage students and help them learn?
Academic Content Licensing
Process Model

Phase 2
Additional Campus Stakeholders and Other Agents

Instigation and Leadership of Content Licensing
Stakeholder Discussion of Concept
Determine Driving Principle(s)
Discuss/Explore Process Models
Discuss/Explore Business Models

Macro-economical Drivers
Pedagogical Drivers

Top Campus Administration
Campus Legal
Campus Purchasing/Contract Unit
Campus IT
Campus Libraries
Academic Affairs/Faculty

Consider: FERPA, ADA, etc.
Consider: Contracting Mechanics
Consider: Education Quality
Consider: Customer Needs/Wants

Distance Education
Academic Technology Services

Consider: Duration of Access
Consider: Copyright

Customer Needs/Wants
Price-driven Issues

Discover and Adopt Content
Sales and Returns

Integrations
LMS (Blackboard, Moddle, etc.)

LMS
POS System/System Provider

Content Providers/Developers
Digital Content Distributors
Device Manufacturers

Consider: Fees
Consider: Student Access

Consider: Contracting Mechanics
Consider: Contracting Mechanics

Consider: Fees
Consider: Contracting Mechanics

Consider: Fees
Consider: Contracting Mechanics

Consider: Fees
Consider: Contracting Mechanics

Customer Service
Registrar
Bursar

Figure 5
LEGAL: General Counsel was involved at 67% of the institutions participating in the EDUCAUSE/Internet2 pilot. Roles included contract review, liability assessment, advice on accessibility issues, and help in getting a waiver if the contract with a campus bookstore management company presented an obstacle.

The Family Educational Rights and Privacy Act of 1974 is just one of the federal laws that the Legal Office will be concerned with, along with other laws that vary by state.

More commonly known as FERPA, the law was enacted to protect the privacy of student records, stipulating they may be released without the student’s written consent only to school officials (or contracting agencies) with a “legitimate educational interest.” However, “directory information,” such as the student’s name, address, phone number, and email address, generally fall outside the restriction.

The close involvement of publishers and platform providers under an academic content licensing model raises issues about the sharing of student information. More specifically, under the arrangement will the off-campus parties mine the data for marketing purposes?

“We need due diligence to protect the students.”

—Tom Hirtzel, Brigham Young University Bookstore

“Using the store keeps that information one step away from the publishers and shields [students] from the marketing that any business would naturally do,” said Tom Hirtzel, textbook manager for the Brigham Young University Bookstore. “We need due diligence to protect the students.”

FERPA concerns were one of the factors that delayed implementation of a pilot at Iowa State University. The university had participated in a portion of the EDUCAUSE/Internet2 pilot but wanted to try one on its own and began negotiating with a publisher in the Summer of 2013. Rita Phillips, director of the ISU Book Store and one of the stakeholders involved in planning, said two classes—one that usually enrolls about 70 students and another 50—were ready to go in Fall 2013 or Spring 2014. But the contract had yet to be finalized by mid-February, with the exact wording of FERPA-related sections among the snags.

In the meantime, the ISU Book Store became involved in another pilot that grew out of the chemistry department’s decision to move to an online lab notebook for all 2,000 students. In Fall 2013, students were responsible for paying the company providing the notebook but complications arose with, for example, students who were using financial aid to buy materials. Seeing a possibility to get some experience with a 100% participation model, the college store became involved in selling the lab notebook in Spring 2014, charging the cost to the student’s university bill after the drop date.

“It appears this new process went well—so far, so good,” Phillips said, adding that the store’s involvement eased the way for students using financial aid, Post-Secondary Education students, athletes and scholarship students. The company providing the e-notebook also appreciated not having to deal with students who dropped the class and not having to incur credit card fees, she said.

Are state laws and institutional rules regarding the imposition of fees being followed? Is approval needed from a fee committee within the college or university? Can the issue be resolved by using a bookstore charge instead?

Does the academic content licensing agreement meet the requirements of the Family Educational Rights and Privacy Act of 1974 (FERPA)?
Another legal issue to be considered with any academic content licensing venture is the impact of federal, state, and institutional regulations on the imposition of course material fees. The U.S. Department of Education’s Program Integrity Regulations for Pell Grants, for example, emphasizes student choice in acquiring books and supplies.

In addition, some legal interpretations maintain that a course material fee should be publicly reported along with tuition and other fees as part of the cost-of-attendance formula—a sensitive point when the stated goal of academic content licensing is to reduce the cost of attending college.

Indeed, just hearing the word “fee” can turn off professors and administrators—not to mention students, observed some college store directors. They cited instances when a professor volunteered to participate in a pilot but then backed out at the last minute because s/he did not want to be perceived as forcing students to pay a fee.

California is one state in which the question looms large. Generally speaking, state universities and community colleges there are constrained by state legislation, while schools in the University of California system are covered by campus policies about fee approval.

Fee approval was one consideration on the mind of Jason Lorgan, director of the college store at the University of California, Davis, as he and others at the university began work on possible pilots.

One effort in conjunction with the university’s library and platform provider Courseload would deliver e-books starting in Fall 2014. A second Fall 2014 pilot would partner with the five largest publishers to deliver digital content, including digital-print hybrids, to all students in participating classes. The material would be free at the start of the course. At the add/drop date, the university accounts of those still enrolled would be charged a negotiated price that is as much as 70% lower because of the 100% participation, Lorgan said. Those who dropped the course would have their digital content deactivated. Students would be able to opt out of the fee but would have to pay a much higher price to get the material from other sources.

At the add/drop date, the university accounts of those still enrolled would be charged a negotiated price that is as much as 70% lower because of the 100% participation

—Jason Lorgan, UC Davis Stores

Faculty members for both pilots are being recruited over the Spring months, but there was a question as to whether the second pilot needed approval from the university’s course materials fee committee. That committee determined that the pilot was outside the scope of its oversight, but Lorgan and others working on the project are informing and seeking the buy-in of other stakeholders, such as the provost’s office, registrar, and vice chancellor of student affairs.

The fee issue also arose at California State Polytechnic University, Pomona, where approval is needed from a university fee committee. Cal Poly Pomona had participated in the EDUCAUSE/Internet2 pilot but officials there decided to partner with platform provider CourseSmart on their own course-fee model pilot. In the Fall quarter of 2013, students in two biological science courses, with an estimated 330 students, got their materials for free. The plan was to start charging a fee in the Winter quarter, but the fee committee’s next meeting wasn’t scheduled until Spring and the project was not able to get a one-time exception to the approval requirement. Instead students were given the option of purchasing access codes from the college store or CourseSmart. Prospects for the Spring quarter were still up in the air as this white paper was written, but the fee committee would not be meeting until after the start of Spring classes.

Some campuses are using different language such as “bookstore charge” to avoid the “fee” issue. But it may be more than a matter of semantics on a given campus, and it’s best to determine whether it’s the spirit or letter of the law that must be followed.
ACCESSIBILITY OFFICE/DISABILITY SERVICES: Disability Services was involved in the EDUCAUSE/Internet2 pilot at 72% of the participating institutions. Its role included evaluating compliance with federal law, ensuring that necessary accommodations were provided, reviewing e-text reader software, and interface testing and evaluation.

College stores that have a good relationship with the Accessibility Office can help their institutions avoid such problems, said Donnelly, who is a member of the Accessible Technology Initiative Steering Committee at Cal Poly Pomona. “You have to advocate and partner together,” she said. “This is a pretty important voice to be aligned with to make everyone in the room stop and ask ‘Have we really thought of how to make this work for everybody?’”

The importance of involving experts on accessibility became clear after a report on the first stage of the pilot in Spring 2012 found serious problems with the reading platform used, noting “even a user with a single mild impairment that requires a technology accommodation would find it difficult, if not impossible, to make use of the current Courseload application.”

As the pilot progressed into the Fall, the National Federation for the Blind also protested the accessibility barriers that kept blind and print-disabled students from participating in the pilot.

In a January 2014 interview, Courseload CEO Mickey Levitan insisted that “We have met and exceeded all the requirements around accessibility.” And the company’s website has an accessibility section that elaborates on the assurance, saying in part: “All faculty and students in courses using Courseload now have access to important parts of the digital learning process. Taking and sharing notes, conversations around the texts, and all-inclusive collaboration are fully accessible and usable with popular assistive technologies.”

“If you have a diagram of the endocrine system, your screen reader program can’t just say aloud ‘chart of endocrine system.’”

—Suzanne Donnelly, CCR, Bronco Bookstore, California State Polytechnic University, Pomona

At this juncture when most digital material (e.g., e-textbooks) is converted from print rather than being “born digital,” accessibility remains an issue across the industry. Both Disability Services and the institution’s Legal Office will be concerned about whether the digital materials provided under academic content licensing meet federal and state standards as well as student needs. Adopting non-accessible materials can result in complaints to the Office of Civil Rights—and significant costs for the institution.

Donnelly has found material can be compliant at a basic level but still not work well for a student with vision impairment, particularly when it comes to content in the STEM (science, technology, engineering, and math) subject areas. Tagging must be done properly to ensure charts, graphics, and formulas work in a screen reader environment, she said.

“If you have a diagram of the endocrine system, your screen reader program can’t just say aloud ‘chart of endocrine system.’ If the work is not done by the content or platform provider, your disability person on campus will need to get it done.”

Anthony Sanders, associate director of North Carolina State University Bookstores, concurs: “Each vendor I’ve talked with, one of the first questions out of my mouth is, ‘Have you handled all the ADA issues?’ I won’t talk to them if they can’t assure me they’re completely compliant. Most have addressed those issues though.”

Do the e-textbooks and delivery platforms meet accessibility requirements in the Americans with Disabilities Act of 1990 (ADA) and Section 504 of the Rehabilitation Act of 1973?

Does it follow the voluntary best practices of the World Wide Web Consortium’s Web Content Accessibility Guidelines?
PURCHASING/CONTRACT UNIT: The institution’s contracting and purchasing personnel would be instrumental in drawing up and ultimately signing off on any academic content licensing agreement with publisher or platform providers. This office, along with the Legal Office and college store, could also be involved in negotiating prices.

The contract would include such issues as the duration of student access to course material. While a semester is common, the University of Minnesota Bookstores were able to negotiate a perpetual license for first-year pharmacy students; they won’t get new editions of the electronic material but they wouldn’t with a print textbook either.

Who negotiates prices with the publishers?

Will the fee for each course be pegged to the cost of the material, or will a single averaged amount be charged across a department, a school, the entire institution, or even across a state system?

Will students be able to choose a course section that does not use the mandatory fee model?

How long will students have access to electronic material— for the semester, the academic year, until graduation, or in perpetuity?

Are there restrictions related to printing material or downloading it for access offline?

REGISTRAR: The Registrar’s Office, keeper of student enrollment records, needs to know which course sections are using academic content licensing in order to ensure that students are fully informed about any required fees before they sign up. The office also will need to transmit enrollment information so the college store or other intermediary and/or the content provider knows who should receive the material and be charged. If the college store has a role in charging the fee, it will need access to data kept by the Registrar, including notification of students dropping the course by the deadline.

What is a secure and efficient mechanism for transferring enrollment information, particularly if entities outside the institution are involved?

What information transfer is needed to make sure students who drop a class aren’t charged or get a refund?

BURSAR: The Bursar’s Office, which manages students’ financial accounts, needs to know whether students will pay for the required course material via a fee added to the student’s university bill, a bookstore charge, or some other procedure. The Bursar also would need to know whether scholarships, loans, or other financial aid should be applied to the purchases, unless the store is handling that aspect.

Will participating students’ accounts be billed a fee or a college store charge?

How will financial aid be factored in?

Once course material payments are collected from the students, what is the mechanism for properly transferring the funds to the content providers?
FURTHER RESEARCH NEEDED

As more colleges and universities—and their college stores—explore the potential benefits of academic content licensing, their experiences will continue adding to the current body of knowledge about the model reflected in this White Paper. Future research and reports ideally will provide answers to such questions as:

- How many institutions will adopt the model, and will they implement it by course, department, school, or for the entire institution?
- What additional/emerging student and faculty needs and concerns are trigger points for the successful implementation of an academic content licensing model?
- As more digital natives enter Higher Education, how is the usage of print and digital materials changing, and what impact does that have on the desirability and/or potential success of a licensing model?
- How will required fees or college store charges for e-textbooks and other digital content material compare with costs today and with costs under other models?
- Will increased access and improved acquisition of course materials result in better educational outcomes for students?
REPORTS AND ARTICLES

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“E-Content: Opportunities and Risks” by Shelton Waggener, EDUCAUSE Review Online, Sept. 5, 2012
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ABOUT THE WRITER

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Todd Summer, CCR, Director, Campus Stores Division, Aztec Shops Ltd., San Diego State University, San Diego, CA
Chris Tabor, General Manager, Queen’s University Campus Bookstore, Kingston, ON
I. PEDAGOGY

- How heavily weighted is the desire for improved efficacy as a reason to implement a licensing model?
- Is the academic course content to be licensed a digital adaptive learning product or an etextbook?
- Will faculty lose any freedom to choose materials for their courses because of the limitations of a contract with a publisher or platform provider?
- What is the mechanism for recruiting interested faculty members and making sure that committees overseeing academic affairs are informed and involved?
- Who will help faculty navigate the waters of digital content to find high-quality material for their classes?
- Is there a way to incorporate faculty-authored materials into the new model?
- Are the digital course materials offered under an academic content license going to be easy for students to use on any device and will they have interactive features that engage students and help them learn?
- Will the new model yield data (known as analytics) to help faculty fine tune their instruction to meet student needs?

II. LEGAL

- Are state laws and institutional rules regarding the imposition of fees being followed? Is approval needed from a fee committee within the college or university? Can the issue be resolved by using a bookstore charge instead?
- Does the academic content licensing agreement meet the requirements of the Family Educational Rights and Privacy Act of 1974 (FERPA)?
- Do the e-textbooks and delivery platforms meet accessibility requirements in the Americans with Disabilities Act of 1990 (ADA) and Section 504 of the Rehabilitation Act of 1973? Does it follow the voluntary best practices of the World Wide Web Consortium’s Web Content Accessibility Guidelines?

III. TECHNOLOGY

- What integrations and other adjustments must be made to share relevant information between the institution’s Student Information System and the Learning Management System, the store’s POS system, and the publishers and platform providers—all while maintaining data security?
- What is a secure and efficient mechanism for transferring enrollment information, particularly if entities outside the institution are involved?
- Who will help faculty make optimum use of digital enhancements, such as the ability to leave notes for students in the text and continuous feedback on how students use the e-textbook?
- Who will help students frustrated by technical problems in accessing the material on multiple devices?
- Who will provide support services for student use of digital content and online learning systems who are distance learners?
- How can the library’s expertise with licensing and copyright issues, as well as its growing digital collection, be leveraged in an academic content licensing model?
- Is a licensing model the most efficient way to get course materials to students who primarily do their coursework online and who don’t spend much time on campus?
IV. FINANCIAL

- What is the student spend on course materials per term or academic year?
- Do the stakeholders and decision makers on campus fully understand the price, savings, and other financial/commercial estimates being discussed relative to implementing an academic course content licensing model?
- Who negotiates prices with the publishers?
- Will participating students’ accounts be billed a fee or a bookstore charge?
- Will the fee for each course be pegged to the cost of the material, or will a single averaged amount be charged across a department, a school, the entire institution, or even across a state system?
- Will students be able to choose a course section that does not use the mandatory fee model?
- How will financial aid be factored in?
- What information transfer is needed to make sure students who drop a class aren’t charged or get a refund?
- How long will students have access to electronic material—for the semester, the academic year, until graduation or in perpetuity?
- Are there restrictions related to printing material or downloading it for access offline?
- Once course material payments are collected from the students, what is the mechanism for properly transferring the funds to the content providers?
UNIVERSITY OF MINNESOTA

The school: University of Minnesota, Minneapolis and St. Paul, with four sister campuses, enrollment approximately 52,000

The store: University of Minnesota Bookstores, independent, covering all campuses except Duluth

View from: Bob Crabb, recently retired director of bookstores

First steps:
The University of Minnesota was one of five universities that took part in the first EDUCAUSE/Internet2 eTextbook pilot in Spring 2012, working with McGraw-Hill and Courseload. Seven courses with about 750 students participated. The project management team included representatives from the Provost’s Office, Disability Services, Office of Information Technology, University Libraries, Institutional Research, and Office of General Counsel, as well as faculty and students—and the college store.

A report on the pilot said, “The active cooperation of the University of Minnesota Bookstores was an important component in the success of the project. Bookstore director Bob Crabb played a key role in identifying faculty for the pilot, assisting with print-on-demand services, managing logistics with the publisher, and participating in the U of M and inter-institutional evaluation groups.”

Crabb, described by colleagues as a role model for building relationships within the university, said the provost at the time heard about the pilot at an EDUCAUSE meeting and asked him to help make it happen along with others in the administration. He recalls that the integration with the Learning Management System (in this case, Moodle) wasn’t difficult, even though it used a plug-in instead of the LTI (Learning Tools Interoperability) integration implemented later.

Unfortunately the feedback was far from positive. “We found the students didn’t like it even though it was free,” he said in an interview. “The navigation was cumbersome. If they had no internet connection, they couldn’t access the content if they hadn’t downloaded it. There were also pretty serious accessibility issues.

Crabb also knew the university would not continue to fund the course content, as it had for the pilot. So, he came up with his own “Minnesota 100% Model,” named for the 100% student participation aspect of his licensing approach. Crabb took his idea to the dean of undergraduate education and the head of the IT Moodle group, who both gave a thumbs-up. The new provost, who had previously been at Indiana University, also was supportive. Crabb arranged meetings at CAMEX to talk about the model with major publishers and other interested store representatives. “I thought it had legs for the industry as a whole as the world moved into digital,” he said.

The Minnesota model was piloted in Fall 2012 in a half-dozen courses, and by Fall 2013 grew to involve 12 courses with 2,000 students.

How it works:
In Crabb’s “Minnesota 100% Model,” participating publishers recruit interested faculty members who are on board with the required course material charge. The college store negotiates the price for e-books that participating faculty members choose. “It has to be 35 to 40 percent of a new book price for me to support it and for it to be effective,” Crabb said. “We typically end up with prices in that neighborhood.”

Each participating faculty member posts notice of the e-book requirement and the price on their enrollment pages. That way, students know about the required charge when they register, so they can choose a different section if they don’t like the idea.

The college store pays the publisher for 100% of enrollment and bills each student’s bursar account, including a small margin, at the end of the drop/add period, with the purchase appearing as a bookstore charge. The publisher covers the cost of the platform provider.
The store has the ability to bill student accounts for the material because it has access to the school’s registration records and student bursar accounts as well as student scholarship accounts. Since students don’t have to pay up front, there’s time for financial aid to kick in.

The bookstore works with the publisher, the selected platform provider, and the LMS technical staff to set up the content and links in Moodle. McGraw-Hill, Wiley, Macmillan, Jones & Bartlett, Lippincott, American Pharmacists Association, Cengage Learning, Elsevier, Taylor & Francis, Pearson, and Sage have all participated at some level in the “Minnesota 100% Model.” Both Vital Source and CourseSmart have been used as platform providers.

Another option:
Crabb and Martha Hoppe, the current interim store director, also came up with a second option called the “Less Than 100% Model” or “<100% Model.” It takes advantage of the Moodle integration and eliminates PIN codes, but does not require all students to buy or use the eBook or e-reader platform. “I wanted to make eBooks easier to buy and use but recognized that faculty were reluctant to require students to do so,” Crabb said.

The college store started using the “<100% Model” for coursepacks, with about 35 packets in Fall 2013 and more than 90 for Spring 2014. Modifications are being developed for the system to work with e-textbooks, and a pilot using the CourseSmart platform is planned for Summer 2014.

The diagram in Figure X illustrates this hybrid “<100% Model.” In this approach, faculty select the books they want to use (1) and the college store negotiates pricing with the publishers (2). The publisher sends information on the content and store distribution rights to the platform provider (3), and the store gives the instructor the information needed (4) to put the title on the course page in the Learning Management System (5).

When the student goes to the course page and clicks on the eBook (6), the LMS generates a query for the college store, asking whether payment has been made (7). If the answer is “Yes,” the student can access the book from the platform provider through the LTI connection protocol (8). If the answer is “No,” the student is guided to make the purchase on the bookstore’s web site (9) and the store updates the file to let the LMS know (10) so the student can gain access (11). (If the book is available free through the library, the request instead would be routed through the Digital Content Portal to the library’s reserve system.)

The platform provider sends usage data for the eBook to the publisher (12), which invoices the college store (13), and the store pays the publisher (14).

Advantages:
“The beauty of this is you get rid of access codes and PIN codes,” Crabb said. “Students just use the sign-on that’s used for everything, and it goes against the registration base so you know no one is using material improperly.”

Having store involvement also helps avoid messy situations that would take up the time of other university personnel.

And the student is billed a “course material charge”—not a “university fee”—which is handled just like the 75% of college store sales that are charged to student bursar accounts with a UCard.

Looking ahead:
Despite growing use of the 100% sell-through model at Minnesota, student reaction has still been negative to neutral and faculty’s motivations have been more about saving students money than taking advantage of the added digital features that students also appreciate. As a result, the administration wants to take things a step at a time, Crabb said. “The hope is that the students will be more accepting of digital a few years down the road, and that platforms will keep getting better in terms of readability, navigation, display and download ability.”

Advice for college stores:
“The bookstore has a very significant position at your university. Make full use of that, take advantage of it, and work with all the interested parties.”
Case Study
Academic Content Licensing
Bob Crabb’s “<100% Model”

Moodle Course Page
Learning Management System (LMS)
Online Course

Faculty
Selects titles

Student
Logs in to LMS/Course & attempts to access title “xyz”
Attempts to access again after paying
Paid for query

Bookstore
Bought / Not Bought File
Update file to yes (Bought / Not Bought)

Library Code?

1
Selects titles

2
Negotiates price for eBook

3
Sends content & Bookstore distribution rights to content provider

12
Sends usage data to publisher

13
Invoices Bookstore

14
Pays Publisher

Publisher

CP/E-Distributor

Content Provider

eBook “XYZ” Content-reader

Content Provider

Sends content & Bookstore distribution rights to content provider

In Digital Course Packet (DCP) a yes would go to Lib Reserve System rather than to LTI

Invoices Bookstore

Pays Publisher

Negotiates price for eBook

Selects titles

Give instructor info needed to set up title in LMS/Course.

10
Pays Publisher

9
If yes, allow access through LTI
If no, purchase on Bookstore page

8
If yes, allow access through LTI
If no, purchase on Bookstore page

7
Paid for query

6
Sets up title on course page

5
Log in to LMS/Course & attempts to access title “xyz”

11
Sends usage data to publisher

2
Negotiates price for eBook

5
Sets up title on course page

4
Gives instructor info needed to set up title in LMS/Course.

13
Invoices Bookstore

14
Pays Publisher

Negotiates price for eBook

Selects titles

Give instructor info needed to set up title in LMS/Course.

10
Pays Publisher

9
If yes, allow access through LTI
If no, purchase on Bookstore page

8
If yes, allow access through LTI
If no, purchase on Bookstore page

7
Paid for query

6
Sets up title on course page

5
Log in to LMS/Course & attempts to access title “xyz”

11
Sends usage data to publisher

2
Negotiates price for eBook

5
Sets up title on course page

4
Gives instructor info needed to set up title in LMS/Course.

13
Invoices Bookstore

14
Pays Publisher

Negotiates price for eBook

Selects titles

Give instructor info needed to set up title in LMS/Course.

10
Pays Publisher

9
If yes, allow access through LTI
If no, purchase on Bookstore page

8
If yes, allow access through LTI
If no, purchase on Bookstore page

7
Paid for query
Case Study
Academic Content Licensing
March 2014

INDIANA UNIVERSITY-PURDUE UNIVERSITY, FORT WAYNE

The school: Indiana University-Purdue University, Fort Wayne (IPFW), a regional campus of two Indiana public university systems, enrollment more than 13,000
The store: IPFW Bookstore, managed by Follett Higher Education Group
View from: Samantha Birk, Associate Director for Instructional Technology

First steps:
The foundation for IPFW’s program was laid in Fall 2011 when the vice chancellor of academic affairs initiated a project with tenured faculty to explore how devices like iPads could be used. Being able to borrow devices and test them out got faculty interested in using digital material, Birk said in an interview.

Discussions with Follett about a fee-type model for course material delivery led to planning for a “pre-pilot” in Summer 2012 with two courses and about 40 students. “Anyone looking at the initial survey results would have shied away from implementing a digital course materials program,” she said, citing problems with the e-reader that was used. But data that was collected and feedback from faculty determined the improvements that needed to be made for the next step, she added.

Meanwhile, faculty in the math department had started using more digital options but were frustrated by students delaying the purchase of material and then having access problems. When Birk heard about that, she suggested that Follett’s includED program might be the solution. A Fall 2012 pilot using material from Pearson Education drew in 106 sections of math and psychology with a seat count of 1,800.

By Fall 2013, 210 sections with almost 6,000 students had opted in. At last count, the course-fee model was being used in about nine percent of the university’s offerings—many of them 100- and 200-level general education courses—with multiple publishers supplying content. Math and psychology instructors were early adopters; but chemistry, biology, and philosophy followed. English courses will be the next area of expansion, Birk said.

How it works:
Faculty opt in to the program and are free to use whatever digital course material they want from any publisher. They notify the campus store, which shares the adoption information with other parts of the institution using Follett systems. The instructor places the adoption with the campus store, which triggers a series of actions by which the store notifies applicable departments (e.g., Financial Aid Office, Registrar). Typically this is done using Follett systems at the campus level. The registrar’s office makes sure students know which sections are using includED. The bursar’s office can run queries on enrollment to know which students should be charged, taking adds and drops into account. Follett’s corporate office manages the material purchasing, returns, invoicing, and payment to the publishers, with the campus stores performing various tasks such as reporting.

The price of each e-book or other adopted material is negotiated by Follett’s corporate office, with savings off the cost of a new print textbook generally running between 40 and 60 percent, Birk said. Students’ university accounts are charged based on that price rather than a standard fee.

Students access the material through the Blackboard LMS using platforms like Follett’s CaféScribe or Vital Source. With building blocks, the LMS also can link to additional digital products like Pearson’s MyLabsPlus, Cengage Learning’s MindTap, McGraw-Hill’s Connect, and others. “The student can log in, click on a link, and pass right through to the material,” Birk said.
Obviously those tasks conducted by the contract management corporate offices also would have to be performed locally by the college store in the case of an independent store.

**Advantages:**
When IPFW faculty started using more digital course materials, students often had difficulty with setting up password-protected accounts and redeeming codes.

“Before, across the sections of one math course, we had over 340 unique issues of students not being able to access materials,” Birk recalled.

“When they were folded into includED, there were nine issues and all were resolved within 24 hours by the help desk in IT Services.”

**Looking ahead:**
By Fall 2015, the goal is to offer enough classes using digital course materials to enable incoming freshmen to have a schedule that is almost entirely digitally-based. Birk doesn’t know how many of those classes will be using required course fees, but the university’s effort along those lines is “very aggressive,” she said. “Nobody I’ve talked to about this has ever seen things move so fast.”

**Advice:**
Birk believes the most important factor in making a new model work is having a point person who can see the broader landscape and the connections that need to be made. That person can come from anywhere in the university but will have to deal with issues from all corners. “In the beginning, faculty knew they could come to me and I’d listen to what they were saying and resolve the problem,” she said. “Now that we’ve got some experience and everybody is used to talking with each other, we can push the workflows back to where they belong. Now faculty contact the bookstore or our ITS help desk instead of me.”
First steps:
KCTCS’s path to a course charge model began with the particular needs of an innovative program called Learn on Demand, which was created to help working adults fit college into their busy schedules. Students can put together online classes that are three or five weeks long to build credit toward a certificate or degree—and they can start one at any time. About 1,000 students take the classes, known as modules, each term.

Since the tight timeframe demands that students have their course materials by Day One, digital was the only way to go, Dr. Sandra Cook explained in an interview. Discussions about the best way to deliver that material at a low cost began in 2008 with publishers and Barnes & Noble College.

“Barnes & Noble manages the bookstores on all of our campuses, so it just made sense to involve them,” Cook said. “The publishers initially wondered why we would need Barnes & Noble. However, the KCTCS System Office needed expertise to manage digital content, so Barnes & Noble was involved from the beginning to help come up with a business model that made sense.”

Learn on Demand was launched in 2009, and the new digital content approach required for its modules and courses went so smoothly that faculty with regular semester-based courses began requesting a similar delivery model to provide term-based students with access to digital content the first day of class. One using Pearson’s MyLabs was launched two years ago in about a dozen term-based classes and the number of faculty members choosing to use it is growing steadily, Cook said. Another offering in partnership with Cengage Learning will start in Summer 2014 with about 20 courses.

How it works:
Barnes & Noble’s role in the KCTCS program is carried out by the company’s senior field management in conjunction with its Home Office Textbook Operations Department.

Barnes & Noble manages the relationship with participating publishers, including negotiating prices. The material provided by Pearson is one set price and the arrangement with Cengage Learning will be similar. “We wanted the same amount no matter what the course is,” Cook said. “If you can tell students they’ll pay $X for all the content, it’s easier for them to determine the total costs of a course.”

KCTCS colleges collect the course charge for digital content along with tuition and transfer the money to Barnes & Noble, which then distributes it to the publishers.

Dealing with some of the back-office adjustments, such as those related to how a participating course is scheduled in the PeopleSoft student information system, has been “a learning curve,” Cook said. Barnes & Noble plays an important part in making sure the colleges’ business offices and KCTCS college stores know which courses are using the required charge so students can be billed correctly and get their digital materials on time. While MyLabs is directly linked to PeopleSoft for access through the Blackboard Learning Management System, Cengage Learning material will be accessed through the LMS, with a building block used to transmit the relevant enrollment information.
Advising:
“Doing something like this takes a lot of communication to the colleges and to faculty,” Cook said. “Especially when you start out, you need effective communications procedures to assist faculty with understanding how the course charge model works. But it’s going to continue to get smoother, and more faculty will choose this approach for its convenience to students and faculty.”

Advantages:
Students appreciate the ease of not having to deal with an access code, Cook said. Both faculty and students like the convenience of having all the correct material by the first day of class.

Looking ahead:
Only a small percentage of KCTCS courses is delivered through a course charge, and the model is still officially in the pilot stage. But faculty who have used it are satisfied, and Cook expects the growth trend to continue.