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Texas Senate Higher Education Committee
Public Hearing Re. Interim Charge Five

September 23, 2010

Remarks submitted by:
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Madam Chair and members of the Committee, thank you for this opportunity to speak with you today.

My name is Bruce Hildebrand. I am the Executive Director for Higher Education at the Association of American Publishers in Washington, D.C. My member publishers provide approximately ninety percent of the textbooks and other course materials used in America's college classrooms.

I would like to briefly address some of the near universal higher education challenges faced by Texas, as well as the other 49 states. Also, I want to offer comments on the Higher Education Opportunity Act textbook provisions and the steps publishers have and are taking to help address these challenges.

As members of this Committee, your charges include achieving cost efficiencies, recommending more effective means of using technology and improving access.

Ultimately, you are being asked to provide the insights and leadership to help Texas and the United States meet the widely heralded goal of a nearly 50 percent increase in the college attainment of its citizens. To do this, you must find ways to:

- Overcome budget constraints;
- Meet the educational needs of the 75 percent of entering freshmen who, according to the ACT, are not college-ready in English, math, reading and science;
- Improve retention and graduation rates; and
- Help to bring the costs of a college education within the financial range of all Americans.

One key element working in your favor is the textbook provisions in the Higher Education Opportunity Act (HEOA) that went into effect on July 1 of this year. The goal of these provisions, which publishers supported, is to ensure transparency in the marketplace. Transparency is good for everyone: students, faculty and publishers.

The section of the HEOA which I believe will have the greatest impact is the requirement that schools provide students – as early as possible – with detailed information on the textbooks and other course materials that will be used in their classes. With this information, students are able to go shopping, usually online, to find the lowest prices and best bargains.

Another concern, of course, is the price of textbooks. Yes, some textbooks are expensive, but I am happy to report that actual spending by students on textbooks has not just slowed in recent years; it is actually declining.

According to Student Monitor, a research company that focuses exclusively on the college student market, average student spending on textbooks has been flat or declining since spring '06 and, adjusted for inflation, the average student spent eight percent less for textbooks in 2009 than in 2001. During the spring 2010 semester, student spending for textbooks declined 13 percent compared with the prior year.

The four principal reasons for this spending reduction were:

1. Students are purchasing low-cost e-Textbooks as an alternative to buying a printed textbook;
2. Students are buying their textbooks from less expensive sources (30 percent of textbooks are purchased online);
3. The share of spending for used, printed textbooks rather than new, printed books is increasing (44 percent of spending for printed textbooks was spent for purchasing used, printed textbooks); and
4. Students are renting textbooks instead of buying them.

I can report that the number of e-textbooks is large and rapidly growing. One source of e-textbooks, CourseSmart.com, was created by publishers and is now the largest e-textbook source in the world. Also, my members can now provide virtually all of their textbooks and supplemental course materials in digital form that can be used “as is” or customized to meet the specific needs of individual instructors, schools and university systems.

For additional perspective on cost centers, you may want to review the College Board’s *2009 Trends in College Pricing*. According to that study, books and supplies are now actually one of the students smallest expenses, even for public two-year commuter students for whom expenses such as “Tuition and Fees,” “Room and Board,” and “Other Expenses” are all greater. (http://www.trends-collegeboard.com/college_pricing/pdf/2009_Trends_College_Pricing.pdf)

While these data are interesting, they, alone, will not enable you achieve your greater goals. I believe the quickest and most cost efficient means of meeting your objectives is to accelerate the shift to learning and teaching technologies. This fall semester more than one-half of all college students will utilize interactive classroom technologies for one or more classes.

Based on intensive, independent study by organizations such as the National Center for Academic Transformation (thencat.org), classroom technologies, when properly employed, are meeting three critical criteria:

1. Lowering the cost to students for textbook and other course materials;
2. Improving students’ retention and completion rates; and
3. Lower the colleges’ cost per pupil for instruction.

NCAT’s methods have enabled schools to reduce their costs for instruction by an average of 37 percent, ranging from 20 percent to 77 percent. They have also achieved dramatic improvements in students’ grades and pass rates, even among most at risk students.

My association and its members believe so strongly in the efficacy of the new technologies that we developed a program named Cost Effective Solutions for Student Success (solutionsforstudentsuccess.org). Each of you, I believe, has a brochure and a thumb drive that provide details on the program.

Put simply, we have a put together a group of technical experts that is traveling around the country, meeting with policy makers, college administrators and faculty, and student leaders to explain the large and growing number of technical options and their positive impact. This group sells nothing. Their role is to share knowledge, answer questions and serve as consultants. They can, I should note, share information on the new business models that enable you to license course materials as you do software. The savings from this approach are, in a word, huge.

Madam chair and members of the Committee, I have traveled to 43 states in the last six years to discuss textbooks and broader educational issues. In that same six years I have watched the dramatic evolution of educational technologies and systems. My members have spent hundreds of millions of dollars to develop these tools and they have been tested, successfully, at scale, by millions of students.

I did a quick check and found that publisher-produced, interactive technologies are already in use on more than 95 Texas campuses. The majority of these materials are used for math classes. With your encouragement and leadership the range of courses could be quickly expanded to include dozens, even hundreds of subjects.

Your charge reads: “Study and make recommendations regarding more effective means of using technology.” Please call on the Association of American Publishers and its members as you develop those recommendations.

Thank you. I will be happy to respond to your questions.