

Where the New **Textbook Dollar** Goes* ...

Publisher's Paper, Printing, Editorial Costs

All manufacturing costs from editing to paper costs to distribution, as well as storage, record keeping, billing, publisher's offices, employees' salaries and benefits.

32.3¢

Author Income

Author's royalty payment from which author pays research and writing expenses.

11.6¢

Publisher's General and Administrative

Including federal, state and local taxes, excluding sales tax, paid by publishers.

10.0¢

15.4¢

Publisher's Marketing Costs

Marketing, advertising, promotion, publisher's field staff, professors' free copies.

7.0¢

After-Tax

Publisher's Income

After-tax income from which the publisher pays for new product development, author advances, market research and dividends to stockholders.

4.9¢

Pre-Tax*

College Store Income

*Note: The amount of federal, state and/or local tax, and therefore the amount and use of any after-tax profit, is determined by the store's ownership, and usually depends on whether the college store is owned by an institution of higher education, a contract management company, a cooperative, a foundation, or by private individuals.

College Store Personnel

Store employees' salaries and benefits to handle ordering, receiving, pricing, shelving, cashiers, customer service, refund desk and sending extra textbooks back to the publisher.

10.9¢

Freight Expense

The cost of getting books from the publisher's warehouse or bindery to the college store. *Part of cost of goods sold paid to freight company.*

1.1¢

College Store Operations

Insurance, utilities, building and equipment rent and maintenance, accounting and data processing charges and other overhead paid by college stores.

6.8¢



*College store numbers are averages and reflect the most current 2003-2004 data gathered by the National Association of College Stores. Publisher numbers are estimates based on data provided by the Association of American Publishers.

