Answers to Questions Regarding the Future of the City College Bookstores

1.) Textbook Affordability:

a. Nebraska Book Company (Neebo) is the only bookstore company that puts a rental price on all books. In addition we do not limit the sourcing of used textbooks and train our management and staff that this is a top priority. Lastly we have an extensive e-book program and new e-course material program.

RENT EVERYTHING

Neebo’s innovative textbook rental program, Rent Everything, is designed to lower the cost of textbooks for students while also promoting the value of renting locally to ensure the student is receiving the correct textbook.

All textbooks in Neebo bookstores are available for rental to students. Renting textbooks can cut the students’ cost in half – rented textbooks are guaranteed to save up to 50% off the cost of a new book on every rental. This program offers students an economical choice for textbooks.

Textbook affordability is a key concern for many college students. They are searching for quality textbooks at affordable rates. Our research shows that over 80% of students would rather rent from their local college bookstore versus online. By renting textbooks through the store, students will save up to 50% off the cost of the new textbook and are assured the correct book. Neebo also offers FREE SHIPPING both ways on all online Textbook Rentals, saving your students even more money.

Renting textbooks from a Neebo bookstore is as easy as Rent, Use and Return. Students simply choose to rent textbooks, use them all semester and return them on or before the last day of finals for the term. All that is required for renting textbooks is a valid debit or credit card.

Renting textbooks through your campus bookstore offers students advantages in addition to lower prices. Most importantly, students can expect the same high level of customer service and because there are no shipping fees, waiting time or errors, students get the right book at the right price at the right time. Plus, re-using textbooks promotes recycling and encourages a green attitude.

INTRODUCING NEEBO NO RISK RENTAL

NO SECOND GUESSING
Find it for less locally and we'll beat it by 10%* with the Lowest Textbook Price Guarantee!

NO LATE FEES
You won't get burned. Even if you keep the book, you'll only pay the remaining balance.

NO SHIPPING COSTS
You can pick them up in store or get them online and we'll ship them for free. Your choice!
**E-BOOKS**

At Neebo, we commit to providing your students with a selection of new and used textbooks. Now, we give them an additional choice: the option to buy and access electronic textbooks. NBC Jumpbooks, powered by CourseSmart, is an easy-to-use, low-cost solution that can help your bookstore be more competitive and more responsive to the way students want their information today.

NBC Jumpbooks, powered by CourseSmart™, allows your store to offer CourseSmart inventory on your shelves and through your store's Web site. Through this unique program, your store owns both the customer and the transaction. Bookstores leveraging the solution also receive promotional support from CourseSmart through bookstore-focused communication sent to students, faculty and publisher representatives.

The NBC-CourseSmart relationship was the first of its kind and is an excellent way for your store to establish itself as the primary distributor of eTextbooks on campus and provide students with this important new choice in conjunction with the other services a bookstore provides, such as accurate adopted title information and support for financial aid and scholarship transactions.

**Jumpbooks Offers Many Advantages**

- Promotion of your bookstore by CourseSmart as the preferred distribution channel.
- Retain ownership of both the customer and the transaction.
- Integrates easily into NBC PRISM or WinPRISM POS system and our WebPRISM site.
- Supports both CourseSmart and VitalSource formats.
- Uses a single receipt for one or more eTextbook purchases — students do not need to keep track of multiple eTextbook codes or cards.
- Makes textbook returns easy through the single receipt method.
- Customizable, reusable hang tags that can be placed next to the physical book — no extra merchandise or eTextbook cards to stock.
- Customized to fit your bookstore, reflecting your store's brand and customized messaging on all Jumpbook-related material in your store and online.
- With full access to CourseSmart content, supplemented by VitalSource, Jumpbooks supplies a growing inventory of more than 3,000 college textbook titles.
CUSTOM PUBLISHING AND COPYRIGHT CLEARANCE

Copyright clearance, packaging and digital storage of originals for quick turnaround of reorders is an extremely important service we provide for our bookstore customers. To provide this service Neebo has partnered with XanEdu, a specialist in copyright clearance and the production of custom published course materials. We have worked with this provider at many of our campuses for many years with great success in satisfying our customers' needs.

Because of their depth and breadth of experience across higher education, this provider has a huge number of copyright clearance options, a database of over 5.5 billion pre-copyright cleared journals, articles, cases and book chapters and can quickly complete clearances. The clearance times vary, depending on the source, from about two to six weeks with most requests turned around even faster. In the case of reprints, when the provider is called before 10:00 a.m. EST, the materials are shipped the same day.

Although pricing can be dependant on many variables, it is primarily influenced by the usage costs that come from the material's source. In most cases, because we have return privileges on the publications, as well as quick turn around on reprints, the pricing is relatively the same as materials printed on campus.

Other advantages of this service are the provision of desk copies when needed, clean and clear copies, multiple methods of binding, and retention of the materials in a digital format.

SPECIAL ORDERS

Neebo will gladly provide timely responses to customers requiring special order books, supplies and other related material. Our store managers have strong working relationships with many vendors enabling them to meet special order requests easily. Some of the many items that will be carried in and ordered to the bookstores will be: New Textbooks, Used Textbooks, General Books, Clothing, Imprinted Gifts, Backpacks, General Supplies, Paper Supplies, Writing Instruments, Electronics, Required Supplies, and Computer Supplies. Orders will be accepted by phone, fax, email, in person or online through the Website. Special orders will be accepted from any worldwide location, and during any time of the day, by one of the previously mentioned methods. All online purchases will provide commission to the College as purchases will originate and be accessed directly through the [School Name] specific website.

NEEBO DOES NOT FORWARD OR LINK GUESTS OF THE ONLINE BOOKSTORE TO ANOTHER SITE FOR ONLINE PURCHASES THAT CANNOT BE TRACKED BACK TO THE ORIGINATING SITE, THUS AVOIDING COMMISSIONABLE SALES. ALL SALES, ONLINE OR IN-STORE, ARE COMMISSIONED AND PAID TO THE COLLEGE.
b. We would certainly continue to support this program as stated. In addition we would add a substantial textbook rental scholarship program on an annual basis to be distributed by the City Colleges.

c. We believe that the access that Nebraska Book Company has to an extensive title base that can be accessed on-line by the faculty is a starting point. We also will always attempt to breakdown bundled titles so students can purchase what they truly need. Our AcademicPub Book program will be a major source for faculty to create their own course materials at a major savings to the student.

2.) Bookstore Management

a. Nebraska Book Company more than any of our competitors has a small company approach to management style and decision making. We are not a top down company. In addition our outreach programs to the community far and wide demonstrate our commitment to the good of our society both locally and globally.

b. We believe the students will benefit by more used books, rental prices on all textbook titles, e-book solutions for all readers and devices, a wider selection of non-book merchandise with very competitive price points and lastly an ability to train and work within our stores for future career opportunities.

c. The greatest advantage is so that the faculty can stay on the cutting edge of all the technological changes that will continue in the world of publishing and bookstores. They will always be aware of the future changes of textbook availability and course material development. They will be kept informed directly of all their course material needs and textbook affordability as the industry changes.

In addition to CourseSmart and XanEdu, Neebo has also partnered with AcademicPub to create and distribute custom digital content. This partnership enables educators and institutions to create course materials quickly, easily, and with greater access to content than previously possible. It features real-time copyright clearance, and the ability to include articles from the web, uploaded documents, and educational materials from its own content library. Output is both professionally-published print, and digital for use across a broad spectrum of digital devices.

3.) Bookstore Employees

a. We do not presuppose what to do with the realignment of staff until we get on board and observe the duties and functions of each staff member. This usually takes 6-12 months to assess.
b. A solid benefits package for all employees with no loss of seniority in any category. The ability to move around the country with advancement opportunities if desired. Up to date training on all areas of the college bookstore industry; particularly technology. We believe the only major disadvantage is adjustment to working for a company and learning its policies and procedures. Nebraska Book Company puts great stake in the opinions and observations of our store management and staff.

4.) Bookstore Facilities

a. The space as laid out now is not sufficient to service the main campus.
b. We would send in our design team to maximize the existing space for better customer service (see below).
c. A complete re-design of the existing space will definitely improve the overall existing square footage usage.
d. We would definitely consider a new space and would be willing to share in the construction costs with the College.
e. Once again, until we get on the campuses and have a time of assessment we would not want to second guess what would be best.

Neebo will work with the University's architects for the redesign of the existing bookstore space, and/or the design of the new bookstore space. Our services can include the following, depending on the needs of the location.

Services:

- Store planning and design
- Core fixture program
- Fixture specification, manufacturing, sales and installation
- Commercial floor covering sales
- Custom fixture design
- Security systems sales and installation
- Office furniture sales and installation
- Communication, paging and sound system
- Slatwall sales
- Hi-tech media messaging
RECENT EXAMPLES OF REDESIGNED NEEBO STORES
5.) Bookstore as part of the college community

   a. It is always our goal to create a true partnership with any college or university that we serve. This includes supporting the vision and mission of the college, as well as promoting the accomplishments of its faculty, staff, and local community members. We will support and promote these accomplishments by always stocking sufficient quantities of all faculty titles and by holding local/faculty author book signings each year.

   b. The bookstore will partner with the athletic department to supply merchandise, game-day gear, and other spirit items for the student body, faculty, and alumni base. We will also work with the college to promote special athletic events.

   c. Neebo can provide an array of non-traditional services through the bookstore. These services could include mobile textbook buyback, kiosk sales at remote locations on campus and or athletic events, and E-Book and custom book selection.

   d. **INNOVATIVE AND NON-TRADITIONAL RETAIL MODELS**

There are times when your bookstore will need to reach beyond its physical location. Home games, first week of class events and promotions, satellite campus locations, Freshman Orientation, finals week, rush and buyback... the list goes on. Through Neebo's mobile store platform, you can be wherever your students are.
We can service your students from virtually any location utilizing our store-semis, box trucks, and kiosks.
FAST. CONVENIENT. EASY.

College students today expect their shopping experiences to be quick and easy. Checking out at one of our mobile stores couldn’t be easier. Utilizing our mobile Point of Sale system (using the iPhone and iPad), students can check out with a Neebo team member from virtually anywhere. All that’s needed from the student is a debit or credit card.

ADDITIONAL ITEMS AVAILABLE IN THE BOOKSTORE

School Supplies and Electronics

- Electronics - We partner with the leading higher education electronics distributors in Douglas Stewart and D&H. We are also licensed resellers for Microsoft and Adobe.

- School Supplies - Our partnership with Office Max gives us a competitive edge through better assortments and lower prices.

OfficeMax®
Consumables/Health & Beauty

- We have national distribution through McClane that provides competitive pricing and better assortments of the brands college students want most. We also have national contracts with key partners such as Red Bull & Coca-Cola.
  
  - Example: Last Fall we leveraged our partnership with Red Bull to sample more than 700,000 cans of Red Bull in our stores.

Cause-Based Merchandise

Wanting to give back, and knowing students are more likely to support brands that make the world a better place, we work with the following partners:

- Blanket America - We offer a unique Buy One Give One model on dorm supplies where every purchase of a comforter, sheet set, blanket results in a donation of one blanket to a homeless or women’s shelter in the US.
- Project 7 – We are rolling out a new partnership where every purchase on coffee, water, and gum or mints goes back to one of seven good causes.
- School House – Fashionable and fair trade apparel that only uses factories that pay their employees a living wage.
- Mojo – Apparel and jewelry program where the proceeds go to help single mothers pay for day care.
- And more…
Apparel

Our assortments span from basic, value-oriented product mixes to more fashionable apparel (both insignia and otherwise) more commonly found in boutiques.

- Athletic Apparel – We carry all of the top athletic apparel brands including Nike, Adidas, Under Armour and more. We also support several of the top hockey programs with localized assortments.
- Columbia – Through an exclusive relationship, we are able to produce collegiate Columbia products for any of our supported schools.

6.) Bookstore Financials

a. The declining sales since 2008-09 is the main weakness. Correspondingly the gross margin is lower than should be expected and the personnel/operating expenses have not been reduced to keep up with the declining sales. The overall strength is still the fact that the City College Stores are a $7 million business with great opportunities.
b. Once again the best way to fix the above is to increase sales again which we truly believe our programs can and will do. The main store redesign or relocation will be a major help in this area also.
c. We are not prepared to make that number yet until there is a formal RFP, but let it be said that it will be six figures.
d. There is not question that a more aggressive financial return will be realized.
e. Absolutely.