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ABSTRACT

The present is a critical period in the existence of many academic publishers and especially among those developing textbooks and related educational materials for the college market. The drop in college enrollments combined with the increased costs of publishing and the amount of educational materials flooding the market in an unstructured manner are reducing profits. These reduced profits will result in decreases both in funding of research and development projects and in assistance to teachers in the form of option guides, instructional manuals, and other teaching aids. Aside from the economic factors, the greatest challenge confronting publishers at the college level lies in keeping up with the changing needs. Efforts to solve these and other problems are being made through extensive pre- and post-contractual reviewing, assessing manuscripts to determine reading levels, field testing, and the development of a variety of supplementary and supportive teaching aids. (RB)

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Publishing Economics or Current Economic Aspects of
Textbook Publishing

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Proposed Outline for Paul Streeter's
Address to the National Council of
Teachers of English

November 9-10, 1973
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Ladies, Gentlemen, and Fellow Educators:

My brief comments this evening are addressed to you with particular
reference to this panel's general topic, "Are Publishers Perishing?"

This is a critical moment in the existence of many academic publishers --
those primarily developing texts and other educational materials for the
college market...and I include particularly the community college market.
Most of us who are happily pursuing careers in academic publishing are
individuals who have an interest in and commitment to higher education
beyond publishing, and we like to believe that we are all part of the
overall educational ^{process} ~~process~~. More specifically, that we have a direct
effect on education and the student acquisition of knowledge through
our publications, and that this goal is one we share here this evening,
educators and educational publishers alike.

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As you are all aware, college enrollments have leveled off, and in more than a few instances are actually declining. The picture is somewhat more rosy in community colleges, of course, and nearly one half of all college freshman this year are in two-year institutions. However, the greater portion of this expansion in enrollment appears to be in the vocational and technical areas rather than in the more traditional academic subjects.

College publishers are vitally interested in developing new materials which are both useful and exciting. Not only new texts, both cloth and paperbound, but also educational packages which can incorporate not only the continuity of the short core text, but also the flexibility of modules and instructional options guides. The latter are short, but clearly defined options which can greatly assist teachers in developing educational materials largely tailored to their own course needs.

Unfortunately, the plethora of educational materials currently flooding the market in a relatively unstructured manner may well be at the very heart of today's economic problems within educational publishing. More specifically, the flood of new materials continues virtually unaltered while enrollments are static and returns show little sign of declining. What does this mean to college publishers and to you? It means that

publishers are caught in a very tight economic squeeze, thereby resulting in markedly smaller profits which, in turn, reduces funding for research and development into contemporary educational materials which are truly viable for both student and teacher. It also means less assistance to you in the form of options guides, instructional manuals, and other teaching aids.

A number of you here tonight are undoubtedly authors and reviewers, while others, hopefully, may be interested in the following brief financial analysis of the textbook dollar:

Author's Royalties	12.3¢
Production & Editorial Costs	27.1
Sales & Promotion Costs	13.0
Publisher's Services	5.5
Publisher's Overhead	6.3
College Bookstore Discount	20.0
Taxes	<u>8.0</u>
Total	93.2¢

The publisher's operating profit, therefore, is 7.8¢. I think that most of you would agree that this is a rather small return on capital invested

during the period of time it took to develop the text. This is quite often two to three years, or even longer, and involves a capital investment in many instances exceeding \$50,000 without, I might add, any guarantee of eventual success.

Economic factors aside, the greatest challenge facing us all is the changing face of post-high school education. Student reading levels and vocabulary do not appear to be ascending, and consequently it is clearly incumbent upon us all to develop educational materials which are suitable for today's students in light of their capabilities as they are, rather than as many of us have imagined them to be. This is particularly true for publishers who are removed from direct classroom experience and student contact, thereby having a much greater difficulty in assessing student needs and, equally importantly, teachers' needs. Hence, our increasing effort in this direction through extensive pre- and post-contractual reviewing, assessing manuscripts for student reading levels, extensively class testing materials prior to publication, and, of course, the development of a variety of supplementary and supportive teaching aids.

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In conclusion, may I leave the thought with you that although innovation and flexibility in educational materials are desirable and almost universally applauded, they are increasingly more difficult to successfully publish. Those of us involved in the publishing aspect of the educational continuum do not believe that publishers are perishing. However, we do realize that we must redirect a number of our more traditional practices and, in this vein, we will certainly welcome the assistance, ideas, and suggestions from those of you who are more directly involved through your roles as teachers and educators in the community colleges.

Thank you.