

Our Textbook Rental Program - FAQs



Why is Barnes & Noble offering a textbook rental program?

We are committed to providing our students with the range of options they want and need. Offering a textbook rental program provides students with another cost saving alternative and it helps keep textbook dollars on campus.

What criteria are used to determine the books that are offered as rentals?

We use a number of criteria to determine whether a book is suitable for inclusion in the rental program. These include:

- edition status
- reuse rates both on the local campus and then across the company
- if there are custom or single use components

How can a school increase the number of rental titles in the program?

Encourage faculty to reuse titles for multiple terms. Though faculty members do not need to commit to long-term use, books with a high reuse rate are naturally better candidates for the rental program. **54% of faculty surveyed stated they would consider using a textbook for two years if it could be offered as a rental.**

Is renting a textbook the cheapest option for students?

Rentals have the lowest up-front cost, but the used textbook is still the least expensive option providing it is being readopted next term and can be sold back to the bookstore for 50%.

Why is there a different financial model for rentals?

Because there are significant risks associated with a rental program, the financial structure of a rental program differs from a conventional financial model. These risks include the following:

- **Cost of Inventory and Cash Flow** – Purchasing the textbook inventory for a rental program impacts cash flow. Additionally, we rent textbooks for less than what we pay to purchase them. Recovering our costs requires multiple rental cycles – which is not guaranteed
- **Inventory Liability and Costs** – If the book changes editions, is no longer wanted, or cannot be resold, the mark-down or write-off is borne by the bookstore. We also must bear costs for inventory storage from term to term.
- **Freight Costs** – If titles aren't reused locally, we must ship them to other campuses.
- **Bad Debt** – Credit cards used to secure the rental are only used at the end of the rental period (if we must charge replacement and processing fees). If this card has been canceled during the rental period, we have no way to offset the loss.

Your Regional Manager or Vice President can provide you with more details about the financial structure of a rental program.

Can a student purchase a textbook after they rent it?

Yes. During the first two weeks of the rental period a student can convert their rental into a textbook purchase.

What results can I expect from a rental program on my campus?

While we can't predict exact results, on campuses where we've launched rentals we have seen a 40% rental to sale ratio and a title penetration of 20-50%.