



Highlights of [GAO-05-806](#), a report to congressional requesters

### Why GAO Did This Study

The federal government strives to make postsecondary education accessible and affordable, primarily by providing financial aid to students and their families. Given that nearly half of undergraduates receive federal financial aid, Congress is interested in the overall cost of attendance, including the cost of textbooks. We were asked to determine (1) what has been the change in textbook prices, (2) what factors have contributed to changes in textbook prices, and (3) what factors explain why a given U.S. textbook may retail outside the United States for a different price.

We received technical comments from the Department of Labor. The Department of Education had no comments. The National Association of College Stores generally agreed with the report's findings. The Association of American Publishers agreed with some findings but expressed concern about the data sources we used and the characterizations made by retailers and wholesalers regarding the impact of publisher practices on students. We carefully reviewed the data sources available on college textbook pricing and found the data we used to be the most complete and reliable data available for our purposes. Additionally, we sought perspectives from publishers, retailers, and used book wholesalers to ensure our characterization of the textbook industry was balanced and complete.

[www.gao.gov/cgi-bin/getrpt?GAO-05-806](http://www.gao.gov/cgi-bin/getrpt?GAO-05-806).

To view the full product, including the scope and methodology, click on the link above. For more information, contact Cornelia M. Ashby at (202) 512-7215 or [ashbyc@gao.gov](mailto:ashbyc@gao.gov).

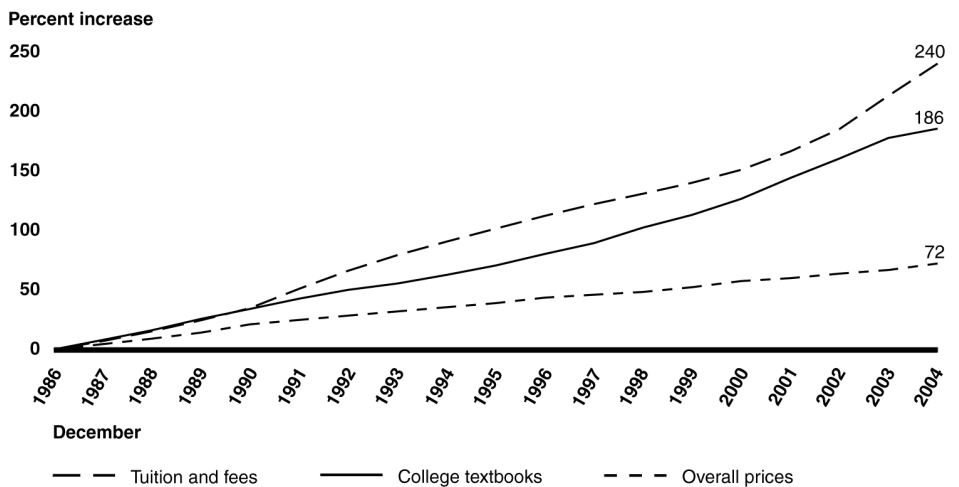
## COLLEGE TEXTBOOKS

### Enhanced Offerings Appear to Drive Recent Price Increases

#### What GAO Found

In the last two decades, college textbook prices have increased at twice the rate of inflation but have followed close behind tuition increases. Increasing at an average of 6 percent per year, textbook prices nearly tripled from December 1986 to December 2004, while tuition and fees increased by 240 percent and overall inflation was 72 percent. The cost of textbooks as well as supplies as a percentage of tuition and fees varies for first-time, full-time, degree-seeking students by the type of institution attended—72 percent at 2-year public institutions, 26 percent at 4-year public institutions, and 8 percent for 4-year private institutions.

**Annual Percentage Increase in College Textbook Prices, College Tuition and Fees, and Overall Price Inflation, December 1986 to December 2004**



Source: Bureau of Labor Statistics.

While many factors affect textbook pricing, the increasing costs associated with developing products designed to accompany textbooks, such as CD-ROMs and other instructional supplements, best explain price increases in recent years. Publishers say they have increased investments in developing supplements in response to demand from instructors. Wholesalers, retailers, and others expressed concern that the proliferation of supplements and more frequent revisions might unnecessarily increase costs to students.

U.S. college textbook prices may exceed prices in other countries because prices reflect market conditions found in each country, such as the willingness and ability of students to purchase the textbook. While geographical barriers have historically limited the reentry of textbooks intended for international distribution back into the United States, known as reimportation, recent advances in electronic commerce have broken down this barrier. In response to concerns that the international availability of less expensive textbooks might negatively affect textbook sales, publishers have taken steps to limit large-scale textbook reimportation.