

KATHY MICKEY

OPERATOR: Thank you all for holding, I'd like to remind you that your lines have been placed on a listen-only mode until the question answer segment of today's call. I would now like to turn the call over to Chris Kenneally. Sir, you may begin.

KENNEALLY: OK thank you very much, Terry, and welcome everybody. On behalf of Copyright Clearance Center and myself, Christopher Kenneally, I want to welcome you to this call. This is an unusual little conference call for authors interested in learning a bit more about the world of academic and textbook publishing. As director of author relations at CCC, I'm working hard to try to offer some services that would be of interest and some information that would be of value to those people who are working in this part of the business. And I suppose the question would come up, what's the point? If you're an academic author, and you need to know about your own subject matter, and really you have to become an expert in that. But it's my own feeling, as an author myself, that knowing a bit about the publishing world doesn't do any harm at all. In fact, a little bit of knowledge is, frankly, a great deal of power, and particularly when it comes to business knowledge, it can even mean money.

So we'll take about 25 minutes or so to chat with our guest on this particular topic, and at the end of that, the operator, Terry, will come in and tell you all how you may ask a question. In the meantime, though, just sit back, perhaps get out a pen and paper and take some notes. And let me welcome to the call our guest, Kathy Mickey. Kathy. Good afternoon.

MICKEY: Good afternoon, Chris.

KENNEALLY: Let me just tell the world a little bit about Kathy before we get started. She is the managing editor of the Education Group at Simba Information, where she is lead analyst in the K-12 and college education markets. Kathy writes the weekly and bi-weekly B2B business intelligence newsletters – *Educational Marketer*, and *Electronic Education Report*, as well as several annual market forecast reports. Kathy has been with Simba since 2000, and prior to that was for many years a reporter and editor at several newspapers where her focus as a journalist was education. So I think you'll find that this is somebody who really knows her material and follows the latest trends, which is really important.

So you understand, by the way, Simba Information is a leading provider and a leading authority, really, for market intelligence and forecasting in the media industry. And I think that that really does lend some weight and some real credibility to what Kathy wants to tell us. And again, Kathy, welcome.

MICKEY: Thank you. It's good to be here. That was a lovely introduction.

KENNEALLY: And I'm really looking forward to it. And I think what we want to do is kind of run through for people, moving from, if you will, the general to some particulars,

about the college publishing market itself. And I guess we should start by defining what it is. A number that I saw recently is that we are talking about a \$3.9 billion industry. Is that about where you see it?

MICKEY: Well, it depends on how you look at it. We tend to focus here at Simba, and in my little bailiwick, mostly textbooks, which is a smaller portion. That is probably almost a \$3 billion business.

But the college market itself, in terms of materials that get used in classrooms for instructional purposes, it's more encompassing than just textbooks. It may encompass professional books and journals, course packs, custom publishing, where materials are – basically textbook materials are put together in different ways, trade books, paperbacks, university books, university presses, even K-12 books have their place in the college market.

And we looked at it as a little bigger. In total, a couple of years ago, we defined it as about a \$5 billion business, if you look at all these disparate parts. But obviously, textbook materials that are published specifically as textbooks make up the majority of the materials used.

KENNEALLY: But I think you're making a good point, and it certainly is something worth recalling. And it brings us all back to the classroom. The books we had might have been an anthology, or might have been a Physics 1.01, but it could also be a novel, it could be a non-fiction work, it could be a popular instructional text. So it really isn't simply the sort of classic textbook, per se.

MICKEY: Correct.

KENNEALLY: The business has been going through a fairly considerable amount of consolidation, something that's happening throughout the media industry and throughout generally. I wonder if we could talk about what that means and sort of look back at yesterday, talk about today, and maybe even look ahead to tomorrow, the day after tomorrow. You made some points with me before. Perhaps you want to go through with them. What's the immediate impact of consolidation in this market?

MICKEY: Well, you've got the option of an author dealing with far fewer publishers. You've just narrowed it down. And that consolidation really, I think, was strongest probably back in the '90s. A really big one that we had was in 2001, when Reed Elsevier and Thompson bought Harcourt and Reed Elsevier took the K-12 and Thompson took the higher education titles and the publishing business. Other than that, that consolidated everything into a few really big publishers – Pearson, Thompson, McGraw-Hill, Houghton Mifflin, which also is the biggest. The others are also the biggest K-12 publishers. And then some smaller ones, we have some really small ones, they're almost home kind of operations.

KENNEALLY: Well, we will talk about that big eight, as you referred to it, in just a second. But I guess what's an important takeaway for an author then is that, as you said, fewer publishers and fewer titles, as a result, being published?

MICKEY: I'm not so sure there are actually fewer titles being published as much as there is – in some ways, there's a much heightened sense of competition among these publishers, because they all have fairly large chunks of the market and they want to protect that. So that it's – but it also means that you've got the big ones, which are probably the ones that want the most exposure that you've got to deal with, as opposed to small operations.

KENNEALLY: OK. Tell me about the last year, the figure you have available for last year in this market. How was 2003, or even back to 2002, depending on what's available to you?

MICKEY: Well, actually, 2002 was a stellar year. Sales for the industry increased about 13%. Actually, it came as somewhat of a surprise to most of the publishers. I remember being told in all of 2002 that publishers were scrambling because they had not had – they had not printed enough books to get out to the schools to meet the demand. And of course, what had happened there was this combination of the economy and everybody flooding back to school.

This year, by a lot of the conditions continued in terms of the economy. (inaudible) go back to school to upgrade skills or get new skills. The situation was a bit different in the sense that the impact of the economy on the schools themselves really started being felt this year. I saw and heard much more about tuition and fees were going up for students. That impacted their willingness and their ability to pay for textbooks. The schools felt – your public universities were under the gun, and while there is not the same kind of correlation between state funding and colleges or even K-12, when states are cutting their higher education budgets, colleges have no recourse but to raise fees, or what they were doing this year was actually eliminating courses.

KENNEALLY: Well, there's interesting forces at work, some of which are kind of competing against each other. So the point you just made I think is worth saying. Enrollment is up when the economy is down.

MICKEY: Well, enrollment in general is going up, but there was a surge in 2002 that wasn't necessarily repeated this year for a variety of reasons. But overall the growth this year was a little more than 3%. And that – I mean, that's a sharp comedown from last year. But over the long haul, you've got a rather stable industry that has annual growth of between 5%-7%. It's a much – usually a much more stable industry than K-12 in that sense.

KENNEALLY: OK. What I was going to ask you about, though, is that while enrollment is up, you would think there would be more students in classes means more books you have to sell them, but it's important to keep in mind that because the enrollment is up, if

you will, downturn of the economy, this affects schools' abilities to purchase textbooks, and individuals as well.

MICKEY: Yes. Not so much the schools purchase textbooks, because in a college, the purchasing process is a great deal different than it is in K-12. You need to sell a textbook to a professor as a publisher, because that professor has to say, OK, I want to use this textbook for my classes, I want to read every word of it and use all the ancillary materials. But the actual buyer of that textbook is the student. And the publisher doesn't have any direct contact usually, in the marketing sense, with the student. So when the student goes into a bookstore, they decide whether they're going to buy the book, whether the professor reads – they can read it in the library or somewhere else. It's an individual decision at that point.

KENNEALLY: Well, thank – we're going to talk a little bit later about what has been happening at that end of it, and how publishers are responding, and how authors need to keep all of that at the front of their mind, is that thinking about how would they put together their work. But before we go there, let's just dive a little bit further into that big eight. And I know you want to try to get across for the audience here some sort of thumbnail on those players. And just to start at the top, then, Pearson?

MICKEY: Pearson is the largest publisher in the college space. It is also the largest publisher in the K-12 space. Overall, it's the largest publisher in education in the U.S.

KENNEALLY: And the kinds of titles they publish are really across the spectrum?

MICKEY: They are across the board. I don't believe there's anything that they don't publish yet. They probably would have the most expensive title list that there is.

KEANNEALLY: So, so, if you –

MICKEY: That's an obviously, they generally are considered to be rather frequently the top publisher in a discipline, because of the breadth of their titles. But an individual Pearson title may not be the number one title in math or in English. Yet, they may be the – as they have been – the best-selling publisher in that discipline.

KENNEALLY: OK. Now, number two, I believe you told me, is Thompson.

MICKEY: The way we ranked it, it's Thompson. They are – they got a lot of titles from Harcourt. They've been in the process of what they call constanizing (sp?) them.

KENNEALLY: What does that mean, really?

MICKEY: Putting them – publishers put them out in different ways. Harcourt, before the acquisition, was not particularly advanced in terms of how it was using technology with its textbooks. And Thompson is, and does a lot of that, believes very strongly that that's very much the future of publishing at the college level. So they've been – they were

pulled – they’ve been pulling – since 2001, they’ve been busy pulling those textbooks into the way they’ve sell and market the books, the way they look, the things they’ve got with them as ancillary materials.

KENNEALLY: So if you were an author who had a book published by HBJ, you might be working on a revision or something like that?

MICKEY: Some of the – there is probably some revision, there is probably a lot that they did to the books in terms of extra materials, that’s an area that actually some of the authors might be able to help us with in terms of discussing what they’re asked to do by publishers in terms of these other materials.

KENNEALLY: OK. Good point. And I don’t want to slow us down here, but let me just welcome anyone who’s joined us after the call began. My name’s Chris Kenneally from Copyright Clearance Center, director of author relations, on a conference call with you, the authors, the academic authors, and Kathy Mickey talking about the tech and academic publishing marketplace. So after Pearson and Thompson, then, we’ve got, what, McGraw-Hill, I believe.

MICKEY: McGraw-Hill, they also have a fairly wide – a broad array of titles. Houghton Mifflin follows them. They have – they are represented in fewer of the disciplines than the other major publishers. They have a big concentration on introductory courses. English, the humanities, (inaudible) and chemistry. Then you kind of take a leap in terms of size – Bedford, Freeman, & Worth, John Wiley and Sons, who are primarily in business, science. Wiley’s particularly very much in engineering, which has been a soft spot lately, because enrollment is down in that. W.W. Norton. Is there anybody who didn’t get *Norton’s Anthology*?

KENNEALLY: Right.

MICKEY: Jones and Bartlett rounds out the list. They are – they actually have a very strong health, nursing component to their publishing program.

KENNEALLY: Let me just back up a bit then, and investigate one or two specific questions about some of those last publishers. So, you mentioned that Wiley is really science and business, and perhaps the slump in engineering enrollment may be affecting them. By contrast, Bedford, Freeman, and Worth, they’re focused more on the social sciences – social studies, rather?

MICKEY: Social sciences and humanities, yes.

KENNEALLY: And Norton is characterized only by, of course, the famous anthologies, but they’re an employee-owned company.

MICKEY: They are.

KENNEALLY: How does that affect the way they work, do you have a sense?

MICKEY: They're very quiet, which is – you don't hear a lot about them. They have their book. They're very proud of it. They have a lot of other books. But they're not – and they show up on the bestseller list or the top selling textbooks certainly. I'm not sure what being employee-owned means in terms of what they can actually do.

KENNEALLY: OK, I didn't know if it had any impact on how they sort of worked – worked with authors. But let me ask you about what sort of falls below that top stratum, and to talk a bit about these small publishers and how they may have an impact on the industry.

MICKEY: There are a – by name, I cannot rattle them off. What has happened in the consolidation is you're not – you begin to have a (inaudible) when you get out of the top tier, in terms of very small houses that print a limited number of books. But there is some movement towards consolidation among some of these publishers, and while I'm not ready to call it a trend, there is stuff going on. In the first place, the big publishers still do pick up very small publishers that fills a niche when we – this is the better book on – however it will fit in. But that you can have publishers that – a college professor that puts out a book, sells 3,000 copies of it, and is considered a little tiny publishing house.

What I saw during the course of the past year, one company – one publisher that was particularly busy, actually, was Rowman & Littlefield. And they had – they picked up – they're, of course, 2003, and they picked up three other very small publishers. They have – on their own, they had a small group of titles largely in poly-sci. They picked up Collegiate Press, added to that, in terms of political science titles. From there they picked up a publisher called Burnham Publishing, that came out of these titles. And they had picked up NCUP, a reprint house that put out 19th Century literature. So that, these are very niche-y things, but in terms of Rowman & Littlefield, it's a small company building on other small companies for growth.

KENNEALLY: Well, I was just going to say, it's interesting, if you were an author who perhaps wanted to work for particular reasons with a smaller publisher, you can't count necessarily on this being small for very long. That while consolidation was happening at the very top level, you're saying it's also happening even at the next level of publishers. And I think that's quite interesting.

MICKEY: Well, I think it's probably a natural order of things if you're a business, actually.

KENNEALLY: But it's probably a survival tactic. Well, we've talked a bit about this macro-environment that's out there, as I guess the economists call it, with the economy sort of now beginning to pick up, but in the last couple of years having a bit of a struggle that drove people back to community colleges, to perhaps get some (inaudible), which perhaps drove some sales in introductory courses. Can you talk a bit about that?

MICKEY: There is a great deal of publisher interest in (inaudible) at many colleges at the moment. They're the fastest growing segment. And they're also – while I don't have statistics on it, they're frequently mentioned in terms of distance courses. They're readily acceptable. They make accommodations for working adults. It's just where everybody's flocking.

KENNEALLY: That's interesting, and I think an interesting hint to authors, I would guess, especially in the business field, that if they think they've got a good idea for a way to do that, it might be worth looking into. Let's chat a bit about the – why we write – I mean, authors write to get their views out in the academic world, to help people understand subjects, to make an impact themselves through their research. But you've also previously said that textbooks are a very interesting piece of publishing, because they're not necessarily written for the readers, they're written for (inaudible) instructors.

MICKEY: Well, there are so (inaudible) instructors, but the publishing houses generally will work with professors. I mean, obviously, they think if you're in business, there are professors you will work with who have x numbers of students but that you can sell materials to, as opposed to somebody in small college who may not have 20 a semester. What's happening is that, as I said before, that it's kind of a unique situation. While in K-12, a school district will buy textbooks, one to put in front of every student, hopefully, but it's their textbook, that's what they teach out of. You probably never covered a K-12 textbook from cover to cover in the course of a year, but it was the basis of your course and you'd use all the time.

In college, publishers sell their textbooks to professors, and they may work with the professor, and they may create some kind of customized version of a textbook, but then there has to be some kind – in order for the sale to occur, it's a third party that's actually buying this book. And I think a great deal of effort is made on the part of publishers to convince professors and instructors that they need to make sure that they are requiring students to have the book as a generator for sales. So there's a great deal of angst in this whole process, and there is a constant effort to find whatever the magic bullets are that will ensure that students buy textbooks.

KENNEALLY: Well, we just read in – we follow the business – that Thompson has come up with a new approach to this very issue, I believe. Right? They're doing some tiered pricing with their new textbooks?

MICKEY: They will be quick to say, but which doesn't often make into the newspaper articles, it's not that tiered pricing hasn't been around for a long time, it's that probably the publishers have not made a lot of noise about it. And I gather that it is – an accommodation is made by other publishers too. Thompson's not the only one doing it. What – the noise that they've generated about all of this is they came out, they're really pushing it, making this widely known, taking it national and saying, look, we've got this. If price is a big problem, here are some solutions to dealing with it.

KENNEALLY: Can you talk about specifically what they are doing? I think when we talked before, looking ahead to doing this call, you described it as a kind of auto dealership approach. You can have the fully loaded SUV, or you can buy the stripped down compact.

MICKEY: Right. What you – they have basically two different things. In terms of the textbooks themselves, you can buy – still buy the hardback fully loaded, all the bells and whistles, the CD-ROMs, the Web access, the course packs, all of those things that come with it. Teacher guides for the professors, and anything like that. And actually, Thompson has also started to go into the classroom itself and work with – they have kind of – if you adopt – if you're a professor, you adopt their book, they go into the classroom and make sure everybody understands how to work this textbook.

KENNEALLY: Which is funny, because it's not like a generation ago when I was in college nobody had to explain to you how to open a book.

MICKEY: Right. Yes, it's not your usual book. What these are – what they're doing is you can get the regular hardback, you can get a smaller version or – and you can get one that actually is more like a loose-leaf notebook version. And they've kind of shrunk the print component. There may be – the materials that they make the book out might not be as elegant or put together as the regular hardbacks. They certainly are not as elegant or put together. They've taken a lot of the illustrations, probably the graphs, out. But what you're also getting with that are the technology components. They've put more of their stuff into technology, so you're not necessarily getting less information, you're getting it in a much different format.

KENNEALLY: Right, so the print component is only a piece of it.

MICKEY: Right. To a certain extent. And the other thing that they are trying, they're bringing notebooks out – if I remember correctly, it's about 25 titles. They have a very – I think, probably the top selling calculus books. That's not among them. But I have been assured by Thompson that the titles that are in the – are big selling titles. I mean, it isn't like they're doing it with obscure books.

KENNEALLY: Right. It just seems to me, though, that from what I have read, some of the less expensive – I mean, they've – what I'm trying to say is there's quite a gap between the top of the line, all the bells and whistles, \$75 textbook, and these others which can be on the order of \$28 and \$30. And that begins to really compete, I guess, with the used textbooks.

MICKEY: Right, absolutely. And the other thing that they're trying to do – just briefly, because it also goes into the used textbooks – they're putting a smaller number of textbooks out for a limited time, only on – in an electronic version, an e-textbook. You cannot get the print version. And that also – what they're trying to find out is – does price really make a difference, and if it does, at what point does the e-books, the technology, become attractive.

KENNEALLY: That's a really interesting question, and a good place for us to get to that subject. Because up to now, e-textbooks have struggled, haven't they?

MICKEY: They have.

KENNEALLY: Talk a bit about that. They were introduced a few years ago to a lot of hoopla.

MICKEY: There was a lot of hoopla. They came out. Everybody had titles. They put them all out. There are thousands of titles available on e-books. Collectively, publishers have sold a few hundred books – not titles – books. They didn't – but it was simply because if they're in a PDF, and it's like reading a book on a (inaudible). Whether it's a generational thing or not, I'm not quite – I don't think it is. I don't think reading a book on a monitor is the most pleasant thing to do. And certainly most of us are not accustomed to that, for one thing. But doing stuff, being very active, having an interaction with what you see on the screen is very popular and can – and I think that's the balance that all publishers are working for.

KENNEALLY: And I think from an author's viewpoint – and first of all, just to sort of summarize that point, publishers are in the search for the price points that will make it attractive for people to use e-text. And then ultimately we're going to find that. Because with price really making much more of a difference than ever before, people are going to say, well, I will take the electronic version because that's really what a budget will allow. But it's going to change the author's role, too, I would imagine, if a lot more people –

MICKEY: It will, because it's not just – the facts of these are never going to be a folding the textbooks, the printed books into a PDF so that you can pull it up on your computer screen. And publishers have all – none of them explained to me why you've got now, whether you have had – if you've got a history book with all the bells and whistles, you've got – 80% of that material is in print, the other 20% is in technology. Where this is going is that that content will be shifted so that you have about 20% in print and about 80% delivered electronically in some fashion.

KENNEALLY: And do you have any sense of how long that's going to take for that shift to occur?

MICKEY: The way e-books have been going, I would say it's a little farther afield than most publishers would hope for.

KENNEALLY: OK. Well, let's just look at –

MICKEY: It might happen within – certainly within the decade, maybe within five years. It's coming.

KENNEALLY: Right. Let's just look at one last point and then open up for questions. Again, I want to thank everybody for joining us for this unusual inside look at textbook and academic publishing from the author's perspective. My name's Chris Kenneally from Copyright Clearance Center, and we're joined by Kathy Mickey. And the last piece of this that I wanted to ask you about is about distance learning. And this is especially interesting because I believe that more and more, we're going to see, at least in the – I would imagine in community schools, in adult post-graduate learning, people going online to get their instruction. Talk about how that's impacting this particular industry.

MICKEY: It is and it isn't. It's other channels for selling instructional materials. There have always been correspondence schools. Distance learning has taken everybody's fancy because they – because it's online, or some of it is online. They've forgotten about you used to mail away and take a course, or be able to send away and take a course by mail. But in one sense, publishers have – it never was a huge part of the business. It was almost a sector business now. And that may be driven, not only because every college, whether it's your community college or your Harvard or your University of Illinois, is looking at ways that they can utilize online distance learning, further their academic goals, to generate money. So it's a channel that's out there that publishers are aware of.

It may be doing markets for electronic materials, ultimately, than anything else because – I don't know how far along they are, but I do know that a year or so ago, Apollo – University of Phoenix, which is owned by the Apollo Group, online – the University of Phoenix Online was talking about only having materials electronically for their students, not using printed materials.

KENNEALLY: Well, it's interesting, as you say, that if people are going to be going there increasingly, and if the universities themselves are looking to expand enrollment in this field, then it certainly would seem that there will need to be the materials, and an opportunity would exist for academic authors to help to sell them.

Well, Kathy, thanks for all this, and I think it's a great introductory background. Before we go to questions, I will tell people a couple of things. We will be producing a report based on this, so if you have any questions and you want to be sure you got things right, you could look for that. We will be sending those people who have enrolled for the call a survey about their reaction to all of this and what kind of subjects they would like to hear more about in such conference calls. But if I can ask Terry, the operator, to join us?

OPERATOR: Thank you. If you would like to ask a question today, you may press *1 on your touch-tone phone. Once again, that is *1 to ask a question. Questions will be taken in the order they are received. Once again, to ask a question, please press *1 on your touch-tone phone. One moment, please. The first question will come from Jeff Hecht. You may ask your question.

HECHT: Yes, how much are course packs and custom publishing taking over the traditional textbook. I started seeing what I gathered was custom publishing royalties on my Web statement from Pearson for a book that I do for them.

MICKEY: Yes, that is a very fast growing – I kind of alluded to it before. Course packs, I think the online environment has probably spurred these a great deal. For one thing, the custom pub is an effort both on the part of professors and instructors and publishers to answer the question about how can we put a package together that will work for your class. And obviously, the ability to digitize all the materials makes this much easier. But as an example of how fast growing it is, a few years ago – I think four years ago, Pearson's custom publishing business was – they generated about \$35 million in revenue. When they released their 2003 results, they reported that they – in 2003, they had topped the \$100 million mark. So obviously, that's of all the publishers in fashion, it's a very fast growing.

In terms of the course packs, Xanadu, which is a producer of course packs, I think two years ago – in 2001, their course pack revenue, they generated about 5% of their course pack revenue from electronic course packs. And in 2003, they generated 28%. So not only is that whole segment growing, but it's moving online too. It doesn't really matter, if you're writing it, which way it comes out. But you've got to be – you should be aware that's where it's going.

KENNEALLY: That's a great question. Thank you, Jeff, for that. And I think we have a question from Merrill (inaudible)?

MERRILL: Yes, one is a point of clarification, and then a question. Do I understand that you were saying that about 20% of the market – 20% now is blended text, whereas maybe in the future it's going to go toward 80% blended text?

MICKEY: Well, what I was saying was that 80% is printed material and 20% is technology. In the future, the presentation of material, it will be reversed. So you'll have a program that will be 80% technology and 20% text.

MERRILL: Right. My question is what impact do you think open source is going to have upon the publishing business?

MICKEY: That's a question that I really – an area that I really can't talk about, but I can probably dig up some information on that if you want.

KENNEALLY: And I think, by the way, open source is more about the journals, if it impacts anywhere, and less so in textbook publishing. So it's an interesting question, and –

MICKEY: It's a very interesting question. And it may have an impact, but I really can't talk to that.

KENNEALLY: The impact is on the platform that the publisher might use to distribute the materials.

MICKEY: Well, there definitely will be a lot of changes in that area.

KENNEALLY: Well, thank you for that question. We certainly are happy to (inaudible) that you may all have again. For those of you who have been on the call, I want to thank you very much indeed for joining us this afternoon. Again, we will be sending you a survey, and we hope that you will let us know your thoughts about this program and your suggestions for future programs. And I see we do have a question from Jay Wiscott.

WISCOTT: Yes, hi, am I on?

KENNEALLY: Yes, Jay, you're with us. Yes, go on.

WISCOTT: Thanks. I had a – I wondered if you have any datum, Ms. Mickey, about percentage of textbook authors who are writers by profession as opposed to those who are academics by profession. And secondly, if you have any data where it talks about opportunities for freelance writers, professional writers in the textbook industry, kind of the scale and type of jobs and opportunities that might be available for them.

MICKEY: I'm sorry, but that's actually an area that I really don't look at. I have some anecdotal information I'd be happy to pass it on to you, but I don't.

WISCOTT: So you're saying, you don't follow it in any kind of a serious fashion?

MICKEY: They are tracked in terms of authors. I do know that when information about new textbooks comes across my desk, they tend to have, I would say, academics as their authors. There's usually – so-and-so has written a book from – from some university has written a book. I also know, however, that there are businesses whose – and I would imagine they use a lot of freelance writers, who do put large (inaudible) books together, write them. So it's not all done by professors.

WISCOTT: I'm sorry, there was a bit of a breakup there. So you're saying there are businesses that –

MICKEY: There are pre-pub businesses whose role is actually to write up large sections of textbooks. I'm more familiar with that in K-12, but they would be a source for freelance writers.

KENNEALLY: Well, that's what I was going to suspect. That's probably more likely to be happening at the K-12 level than at college level, where it would be professors who are writing the textbooks. But it's a good question. Thank you, Jay.

Well, I think that may just about wrap it up for us. Again, thank you so much for joining us, everybody. Kathy Mickey, from Simba, thank you very much for sharing your expertise with us. We appreciate everyone joining us. Keep watch out for further e-mails from Copyright Clearance Center and its author relations group for other programs of this kind. And to all, a good afternoon. Thank you.

MICKEY: Thanks, Chris.

KENNEALLY: Thank you.

OPERATOR: Thank you, that concludes today's conference –

END OF TAPE