

Booksmarts

COMPREHENSIVE TEXTBOOK SOLUTIONS

RETAIL MANAGEMENT SYSTEMS

E-COMMERCE

STORE DESIGN & DEVELOPMENT

BUYING POWER & ADVOCACY

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How to Cut Costs and Share Your Success

Not long ago, your competition was the store across the street or across campus. These days, competitors are everywhere — locally and around the world. Add to that the fact that bookstores need to be even more cost conscious to stay afloat and you have what can be a tough proposition for success.

“To stay viable today, bookstores need to be agents of change. They need to be innovative, proactive or first, or simply be the best at something,” says Mark Palmore, executive director, Connect2One.

Are you up for the challenge? It's actually not as daunting as it sounds. You can get ahead by taking some small steps that can pay off with significant savings and new ideas for your bookstore:

Simple Strategies to Reduce Costs

Use Your State-of-the-Art Technology. Make the most of systems like PRISM, WinPRISM and WebPRISM. There are many things your system can do to improve efficiency. Continually educate your staff on the benefits of the system.

Optimize Your Store's Web Site. Are you using the site to sell everything in your store? Are you generating sales?

“To stay viable today, bookstores need to be agents of change. They need to be innovative, proactive or first, or simply be the best at something,”

Increase Buying Power. Become a member of a buying group like Connect2One. You'll be in a good place to improve your bottom line and be informed of trends and innovations.

Do a Store Remodel or Facelift. Some of the simplest, least expensive things you can do are to de-clutter, reface displays and tidy clothing by using a folding board.

Focus on Controllable Costs. Take a look at how much you're paying for things you can control. Replacing post-its with scratch paper, for example, can add up over a year.

Share Your Cost-Cutting Strategy with Administration

When you've saved money, publicize it! Tell administration what you're doing through a quarterly financial report and annual report. Keep them up to date with what's going on, so you have an opportunity to share good news or discuss what you're doing to make improvements.



Nebraska Book Company

Business solutions for the college bookstore

Booksmarts

Co-editors-in-Chief: Frank Condello and Sue Riedman
Contact us at: fcondello@nebook.com or sriedman@nebook.com

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NBC Employees Volunteer on Honduran Mission Trip

The modest villages in Central America are a world away from the day-to-day business of helping customers at Nebraska Book Company. But, for two NBC employees, they've become a place to provide a different kind of service.

Mike White, inventory control specialist, and Kevin Gish, vice president, campus relations, Validis Resources, are members of Southwood Lutheran Church in Lincoln, Neb. For many years, the church has sent groups to provide dental care and other kinds of support to people in Honduras.

Though considered unpolished by American standards, the dental clinics provide much-needed services for the citizens of the Honduran villages.

"Most of the patients don't take care of their teeth and don't get professional dental care," Gish says. "We're talking about people who live in huts with dirt floors, don't have electricity or plumbing and whose average income is the equivalent of \$800 a year. Many of these patients needed multiple extractions."

White and his wife, Kay, signed up for their first trip in Summer 2002. He didn't have any experience in the medical field, but that didn't matter. "The only thing that's required to be an effective missionary is a warm smile and a caring heart."

White's responsibilities on that first trip consisted mainly of holding a flashlight for the dentist. The next time, he was put in charge of the sterilization unit at the clinic. Since then, he's become a team leader, working at the clinics and at other locations and offering translation. During his most recent trip in February — his 11th — he led the education



From left to right: Kevin Gish, Kay White and Mike White on a 2006 mission trip to Honduras

effort for children, distributing toothbrushes and toothpaste and showing them the importance of brushing.

Gish participated in his first mission two years ago. His first impression was of dramatic contrast with life back home. "It was a step back in time. But as the week went along, it became evident that these people were happy. It made you think that if life were a little simpler, maybe that wouldn't be a bad thing."

Both NBC employees say they're glad for the chance to serve the people of Honduras and plan to go back again.

"Until you have the opportunity to do something like that, you don't know how fortunate you are," White says. "Serving in this way has given us a better perspective on our lives and what we can do if we think a little further outside."

How to Cut Costs (continued)

Create a Culture of Innovation

Cultivating an informed, committed team doesn't cost a thing, and it can pay off in a big way for differentiating your store. Here are some no-cost and low-cost ways to build morale and empower your employees:

Hire good people and educate them, versus "training" them. Good managers create a culture of ideas, innovation and fun, and they let people do their jobs.

Recognize employees' achievements. Celebrate the "Best Employee During Rush," the "Best Student Employee." Keep your team in the loop with how the store is performing.

Be aggressive and buy smart. Get involved with buying groups like Connect2One, as well as other industry programs available to you. Send your buyers to training so they can be aggressive and smart, too.

Know your inventory. Take stock of what you have and why it sells or doesn't. Right size your inventory where needed.

Market your store outside and inside. Don't be afraid to say you're the best choice for your shoppers. Ask student employees for input about products: "Is this a sweatshirt you would wear, a bag you would use?"

Promote staff education and professional development. Your investment in employees reaps rewards for your staff and boosts morale. Educate student employees on the price of books so they can answer questions. Show them how products differ in quality, and how weight of fabric makes a difference.

A special thank you to Lynette Seymour, General Manager, Iowa State University Bookstore for her help in developing and presenting this material at CAMEX08.

NBC Rewards Program Offers Attractive Perks

Membership has its privileges, they say — like the perks bookstore managers can find when they join the NBC Rewards program. Beginning May 2008 member bookstores receive rebates based on three tiers of participation. Rebate dollars can be converted into NBC Dollars, allowing stores to buy additional NBC products and services to further enhance and develop their operations.

There are other advantages, too. By working with NBC's team of business partners, managers can reduce textbook returns, build stronger book buys and stay current on the latest market trend information. As your results grow and your participation expands, your level of rewards will increase and so will the benefits for your store:

Associate

Eligible members use any NBC product/service and/or buy and sell books to NBC.

Reward Benefits:

- Dedicated account service support
- Rush order service
- Online ordering
- Faculty adoption materials
- NBC expanded buyer's guide
- Knowledge is Power series, including market trend data and competitive insights
- Book buy event promotion ideas

Graduate

Eligible members use any NBC product/service, buy or sell books to NBC or make a documented agreement to sell NBC books. Agreements

include a commitment to sell NBC a specific amount of books as a percentage of wholesale books or as an agreed-upon amount.

Reward Benefits:

- All of the Associate benefits, plus:
- Book commitment rebates
- Express returns
- Invitation for an exclusive event at CAMEX

Rebate levels will be based on the store's commitment of a specific amount of wholesale books in a documented agreement. Rebates may be converted to NBC Dollars at 1.5 times the rebate amount.

Master's

Eligible members use any NBC product/service, buy or sell books to NBC or make a documented agreement to sell NBC books at the 100% level.

Agreements include a commitment to sell NBC 100% of the store's available wholesale books and a mutual understanding of a business partnership to maximize benefits for both parties.

Reward Benefits:

- All of the above, plus:
- Returns rebates for management of good returns
- Shelf-ready books
- Book buy promotion ideas and marketing materials
- Book buy promotion money

Rebates may be converted to NBC Dollars at 1.5 times the rebate amount.

Pierce College in Woodland Hills, Calif., faces the same challenge as other two-year commuter institutions — how to get students to hang around after classes. It's an especially big concern for the campus bookstore, which relies on a strong book buy at the end of each term. And, like bookstores at any institution, faculty adoptions drive the amount of money the store can pay students for textbooks.

Los Angeles-Area College Pumps Up Book Buy Marketing

Greg Osweller, bookstore manager, knew he needed to ramp up his efforts.

"I was looking at our numbers and saw they weren't growing at an impressive rate," he says. "We weren't being aggressive enough in marketing our book buy events and going to instructors to get their textbook requests."

"My main goal was to rewrite the story of book buys at our store," he adds, "and use a specific strategy to make that happen. We knew if we could increase the percentage of requisitions from faculty, that would set the pace for providing guaranteed book buy titles for our students."

Osweller, his bookstore buyers and team hit it hard with several tactics that focused on both faculty and students:

- Attending faculty department chair meetings to let them know how re-adopting titles would benefit students
 - Offering incentives for faculty, including a free drink card to any professor who turns in their adoptions on time and a pizza party to the department who turns in their adoptions first
 - Creating book buy t-shirts as "walking billboards" for the campus and getting faculty, college staff and president's office staff to wear them
 - Posting signage and banners across campus and in-store
 - Holding a book fair for instructors and major publishers to demonstrate how the bookstore is addressing rising costs of textbooks and promoting early adoption
 - Promoting 50 percent buyback amounts, iPod raffles and refreshments for students during book buy times
 - Creating a podcast that is posted on the Pierce College Web site and broadcast in the bookstore, cybercafé and campus computer labs. The podcast promotes book buys as a form of recycling where students can put used books into the hands of fellow students.
- The effort that began at the close of the Fall 2006 book buy has reaped impressive results. On-time faculty adoptions have risen to as much as 85 percent, up from 25 percent the year before. In the closing Fall 2007 period, the bookstore took in \$155,000 at book buys, an increase of \$100,000 from the previous year.

Keep Your Data Safe, Stay PCI Compliant

Twenty years ago, bookstore managers were more worried about thieves making off with the products on their shelves than with stealing their data. But times have changed and, today, IT security has become one of the biggest concerns for bookstores.

"There's a lot at risk for stores that don't take care of their data," says Kevin Wright, VP, technology. "No one wants to be known as the store that had credit card or identify theft. Your reputation is at stake, both with your customers and within the industry."

Statistics show it costs 20 times more to deal with a breach than it does to put safety measures in place beforehand. That said, Wright offers some strategies for creating a solid plan:

5 Best Practices for IT Security

- 1. Take Stock.** Know what information you have. Inventory your files and computers. Know where it's collected, where it's held, how it's used and how long you'll need it. Be aware of industry regulations or laws that may impact your business. Rate the risk associated with any sensitive data.
- 2. Scale Down.** Be lean: Keep only what sensitive data you need for your business, and only as long as you need it. Don't use Social Security numbers or other sensitive data as account numbers. Minimize the number of eyes that have access to this information and the number of places the data is kept.
- 3. Lock It.** Ensure physical security by installing locks and controlling access. Stay up to date with firewalls, intrusion detection systems, antivirus software, patches and encryption. Document security policies, conduct background checks and maintain a culture of security; that includes your service providers and contractors.
- 4. Pitch It.** Put in place reasonable disposal practices; shred physical copies of documents. Use specialized "wipe" programs to delete electronic copies. Be sure employees working from home or on other systems follow the same procedures. If you use background checks, you may be subject to the FTC's Disposal Rule.
- 5. Plan Ahead.** Have a plan for how to respond to security incidents. Designate a senior staff member to coordinate and implement the



plan. If a bookstore computer is compromised, disconnect it from the network. Investigate breaches immediately and report them promptly.

Are You PCI Compliant?

Payment Card Industry (PCI) Data Security Standard compliance isn't just about selecting the proper software to keep credit card data safe, says Kevin Wright.

It is a critical part of a retailer's operations. The standard covers six topic areas and 12 high-level requirements. Merchants are divided into four levels, but the requirements are the same for all levels—only the auditing and deadlines vary. Every retailer must perform quarterly network scans to ensure their systems are secure.

Here are some important ways you can make sure your bookstore stays PCI compliant:

- **Partner with a Qualified Security Assessor,** an individual or company that Visa and Mastercard have approved or certified. See a list in the Resources section at <https://www.pcisecuritystandards.org/>
- **Use a validated payment application.** It may not be required today, but chances are it will be in the future. The payment application used by NBC's retail management software has been validated and appears on Visa's Web site.
- **Scale down (#2 on the best practices list).** Instead of making every computer on your campus PCI compliant, keep credit card data on one portion of the network and protect it with a firewall. It's much less expensive and more easier to do, notes Wright.

Illini Bookstore Promotes Book Buys Online

The Illini Union Bookstore at the University of Illinois at Urbana-Champaign does business in a competitive marketplace. With one regional chain and one national chain also represented on campus, it had become especially important for the store to set itself apart.

Brad Bridges, associate director of retail operations, knew where to turn for help.

"I had mentioned to the NBC team that there were some image issues we wanted to address and that we really wanted to be the best store on campus," he says.

Regional Manager, Mike Goodwin and Book Buy Expert, Steve Bartek, suggested Bridges consider posting book buy prices on the Illini Union Bookstore website, with the help of NBC's CampusHub.

CampusHub is the engine that drives WebPRISM, NBC's e-commerce solution. This team helps bookstores develop and maintain an online presence with a software application that ties into back-office systems and integrates with POS and inventory control. More than 600 bookstores in the United States use WebPRISM to generate additional sales and provide students with a 24/7 resource for textbook lists and costs.

The bookstore began posting textbook ISBN numbers and prices online in May 2007. The process, Bridges says, has been simple.

WinPRISM Makes it Simple to Search

More than 1,200 bookstores around the United States and Canada have made NBC's WinPRISM™ their retail management system of choice. This system addresses the full spectrum of bookstore management, including POS, e-commerce, customer purchase tracking, inventory control and financial accounting. Whether you're a bookstore with one location or have multiple sites, this system fits the way you and your staff work.

There are many reasons why, not the least of which is this: Nebraska Book Company is the only system provider that develops every application in house and directly supports every application, as well. Our entire system is integrated and authored by the Nebraska Book Company Research and Development group.

WinPRISM has been developed with new code, rather than reusing old technology with green screens to a proprietary system. In addition, because we use a consistent GUI interface, users get a consistent look and feel across the entire suite—making it user friendly.

Users find the data they're looking for with a few simple clicks. WinPRISM's product search capabilities allow users to search for anything in their bookstore from one single search box and get detailed information on that item. That's a feature that makes bookstore manager Doug Ward a fan (see sidebar).

No matter if you've been a WinPRISM user for many years or are just starting out, there's always something new to explore. Count on us to provide you with the tools and training you need to make the most of your system.

For more information about WinPRISM's capabilities, call System Sales at 888-869-0366.

Bookstore Manager Likes WinPRISM's Data Access

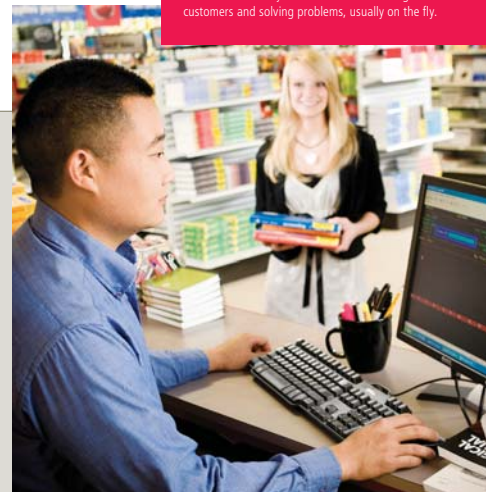
Doug Ward isn't often at his desk. It's the nature of his job as director of the NCU Bookstore at North Central University in Minneapolis.

"At any given moment, I'm anywhere in the store," he says. "Being able to go to any work station or register and be able to access the information I need from WinPRISM is really valuable. A lot of times, especially during Rush, you just don't have the luxury to get back to someone later."

Ward says he appreciates being able to look at a lot of information on any SKU item by simply clicking on an individual item to see the item detail. Wireless hand-held devices with lookup capabilities are also available for PRISM and WinPRISM users.

His favorite feature? "One of the things I like most is being able to see actual stock adjustments posted in real time," he says. "That's really helpful."

Together, the access to information and real-time data WinPRISM provides let this bookstore manager strike the necessary balance between serving customers and solving problems, usually on the fly.



NBC Presents Second Annual Spectrum Conference

NBC customers from all over North America gathered at Spectrum 2008 to immerse themselves in everything PRISM, WinPRISM and WebPRISM. Held April 8–10 in Lincoln, Neb., this was the second annual international event for users of NBC's retail management systems.

Participants had an opportunity to hear from industry experts, participate in panel discussions and get classroom training in advanced features of the programs. Topics

ran the gamut during the two-and-a-half-day event: from accounting functions and PCI compliance to online textbook adoptions and Web marketing.

"This was a great time for our customers to get a look at what's new, provide feedback on their product, exchange ideas with and benefit from the experience of other users, and to discuss hot topics in the industry," says Gail Hankins, director, training and staff development. "Much of this year's conference content was a direct result from comments and suggestions we received in our follow-up survey from last year's event."

This year, the conference featured something new: three bonus sessions held at the NBC training facility. These workshops focused on WinPRISM and WebPRISM functionalities, including how to design and implement a

bookstore membership program, an in-depth look at the textbook ordering cycle and tips for using WebPRISM3.

Featured speakers at Spectrum 2008 included users Jeff Levin from Varney's Bookstore in Manhattan, Kan., Anna Cudini from the University of Toronto Bookstore and Vicki Marvel from Alvin (Tex.) Community College, who shared their success stories. University of Nebraska athletic director Tom Osborne made an appearance as the event's concluding speaker, talking about how to build an effective team.

During their non-conference time, attendees had a chance to tour NBC College Store Design's storefront, enjoy a gala dinner and even cheer on contestants of Spectrum's very own "Dance with Our Stars" competition.

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