

BOARD OF REGENTS
EASTERN MICHIGAN UNIVERSITY

SECTION: 19

DATE:

April 21, 2017

RECOMMENDATION

**MARKETING AND MERCHANDISING SERVICES AGREEMENT WITH
AMAZON PICKUP POINTS, INC.**

ACTION REQUESTED

It is recommended that the Board of Regents authorize the President or Chief Financial Officer to execute the Marketing and Merchandising Services Agreement between Eastern Michigan University and Amazon Pickup Points, Inc. ("Amazon"), under terms materially consistent with the description below.

STAFF SUMMARY

The Marketing and Merchandising Services Agreement between the University and Amazon provides Amazon with approximately 3,250 square feet of retail space currently within the Eastern Michigan University Bookstore. This allocated space will be utilized by Amazon to operate a Campus Pick-up Point ("CPP") for orders placed through Amazon for students, faculty and staff. Based upon initial discussions, Bookstore vendors did not view the reduction in square footage as negatively impacting their proposals.

The 10 year agreement provides the University total lease payments of \$812,500. Additionally, Amazon agrees to invest up to \$1,000,000 in capital expenditures related to construction, design, signage and fixtures.

Amazon agrees to provide Eastern Michigan University students enhanced shipping benefits (ex. free one day/same day shipping on qualifying items) and return packaging/drop-off from the CPP location.

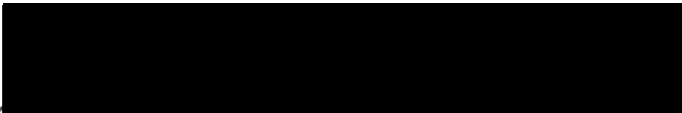
Assuming approval, the Amazon location is expected to open in Fall 2017.

FISCAL IMPLICATIONS

The University will receive annual lease payments of \$81,250, which will be incorporated on a pro-rata basis in FY18 Auxiliary budget.

ADMINISTRATIVE RECOMMENDATION

The proposed Board action has been reviewed and is recommended for Board approval.


University Executive Officer

April 21, 2017
Date