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BookRenter raises \$6M to challenge Chegg in textbook rentals

November 23, 2009 | Anthony Ha | [Comments](#) | [Share](#) |



Textbook rental site Chegg.com may be raising tremendous amounts of funding, but competitor BookRenter isn't sitting still — it just announced a \$6 million first round.

That number is dwarfed by the \$84.2 million Chegg has raised (not counting debt), but BookRenter chief executive Mehdi Maghsoodnia says his Campbell, Calif., company is building a much more capital efficient business. Both services allow students to check out books at the beginning of the semester, then return them at the end, leading to big savings. But Maghsoodnia says BookRenter is doing more with partners like Amazon, so it shoulders relatively low costs in building out its infrastructure and services.

Much of BookRenter's technology is built around identifying the books that will see the biggest payoff in rentals, he says, so that books aren't sitting around in the company's inventory for a whole semester. Around 90 percent of BookRenter's inventory is usually rented out, and Maghsoodnia also touts the company's ability to fulfill orders with minimal delay. The company has 80,000 customers across more than 5,000 campuses and is on-track to make \$10 million this year.

The funding comes from Storm Ventures and Adams Capital Management.

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