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3. E-book lending in U.S. public libraries

Sue Polanka

Today I will give a big picture of industry statistics, and public libraries in the U.S. to give you an idea of where we are, and then from that I’ll address that data throughout the presentation. Because we are talking about public libraries, a big part of our discussion today will be about the distributors that we work with, and the people that libraries have the option to buy e-books from. And we’ll talk about the relationships we’ve had with them and the publishers we call the Big Six. They’re very popular in the U.S., Hachette being one of them.

After I tell you all the good and bad things that have happened, I’ll talk about the advocacy groups that helped us get where we are today, because they really have been critical in getting us where we are. We still have many challenges, but also opportunities, so I’ll address those and end on a positive note on some other things that are working for us.

Some industry statistics
I wanted to put France and the U.S. next to each other so you could get an idea of what our market is like.

E-books, as far as trade titles go, being genre fiction, is a 23% market share in the U.S., with about $2.3 billion in sales. If we look at France, it’s obviously a smaller market than what we have, about 1.5 to 3% market share for the same type of content.

If you put them side by side and say that these numbers aren’t even, it’s because we collect data differently. So keep that in mind as you look at those numbers. In France, it’s 190 million euros, and an estimate market share of 4.5% by 2014.
If you look at this chart, you can see where we are in 2013-2014 in the U.S.: we’re about $4.6 to $5.7 billion, with estimates of over $8 billion by 2017. But here is something that is extremely interesting. The way the trends are going, they show that print and e-book...
sales will cross in a few years, where e-books will outsell print as early as 2017. That is coming up pretty soon for the U.S.

U.S. Public library Statistics

Fig. 14 –

We have just shy of 9,000 public library systems in the U.S., and by systems, I mean an entire county might have one system, but they might have 20 locations in that system, so 9,000 library systems in the U.S., but many more actual locations. Of those, quite a few have e-books.
We’ve had pretty good penetration for e-books in e-book lending in our public libraries. The Library Journal, which is a big publication in the U.S. for library information, back in 2010, started doing an annual survey of public libraries, school libraries, and academic libraries when it came to e-books. So I have been able to capture their data for the last four years.

We started around 72 to 74%, and now we are up to about 89% of the public libraries that offer some kind of e-book lending or some type of e-book collection.
To put it into perspective, we said before that 23% of our market share for genre fiction books is for e-books. That is because 28% of Americans aged 16 or older are reading e-books. This was a survey done in 2014, earlier this year.

Source: Pew Internet, 2014
They asked the same questions just a couple of years before, and it had jumped up from 23%, so it is rising.

Fig. 18 –

![Half of American adults now own either a tablet or an e-reader](https://www.pewinternet.org/files/2014/01/IPP_E-reading_011614.pdf)

Source: Pew Research Center’s Internet Project Omnibus Survey, January 2-5, 2014. N= 1005 American adults ages 18 and older. Interviews were conducted on landlines and cell phones, in English and Spanish.

Pew Research Center

Fig. 19 –

![As tablet ownership grows, more use them for e-books](https://www.pewresearch.org/files/2014/01/IPP_E-reading_011614.pdf)

Source: Pew Research Center surveys, Dec 2011-January 2014. Interviews were conducted on landlines and cell phones, in English and Spanish.

Pew Research Center
This chart shows you that 50% of Americans have either a tablet or an e-reading device, and we say adults, that is people that are above 18 years old.

What is interesting is that many of our younger children also have them. Many are getting them through their schools. Many of our school systems are getting rid of textbooks, getting rid of their libraries, and replacing them with what you have in the back row: computers, laptops, tablets, and also giving the students their own device. So if we were to look at this for children, we would be able to see a rise for that too.

Do we have to understand that you already have many examples of schools with no paper at all? No library and no schoolbooks on paper?

Just a couple with no paper. Most have both. But many schools are starting to get rid of their textbooks and give students the device. Maybe they’re replacing the textbooks with an online textbook, or the teachers and the faculty are finding websites, documents, apps to replace the textbooks. In fact I’m from Ohio, which is right in the middle, under the lakes in the U.S. I went to a high school in Cincinnati, Ohio. It is called Mother of Mercy High School. Last year they got rid of their textbooks, and all of the incoming students get an iPad. They use it for everything. That is happening more and more. But there are only a couple schools that completely wiped out the print, and those are very controversial.

So half of us, in the U.S., own some type of e-reading device, a tablet. As the ownership of these devices increases, they are also looking at the data for what people do on these devices. Reading is increasing. Many people get the device for nonreading activities. I will be completely honest with you: my iPad is used 98% of the time to play games. My favorite is Carcassonne. I don’t know if you have ever played, but you have a lovely town by the name of that in France. That is one of my favorite games. It is an app, and that is what I like to do. We also watch movies, but more and more, as more people own them, we are starting to use them more for reading. I am Ok with that, because it means people are reading. I read print books, I read electronic books, I don’t think the two of them are fighting. I think they can both live harmoniously. We have a choice. And there are benefits of one over the other.

The use of tablets for reading has doubled. Obviously the use of the computer is dropping, because more people in the U.S. are getting rid of their laptops and replacing them with tablets. And the phone, amazingly, is going up in terms of use for reading. I cannot fathom reading a book on that small screen. But my daughter does it. She reads fanfiction, and she writes books on her iPhone.
As a response to this increase in ownership, and increase in reading on the devices, public libraries are having to look at their overall book budget: what they spend on print, what they spend on paperback, what they spend on electronic books, and they are adjusting it to accommodate.

So the same survey from *Library Journal* that I talked about, back in 2013, this is what the distribution looked like. Most of the libraries were spending 3 to 5% – that’s the green – or 6 to 10% – the orange – and 11 to 15%, in the red, for e-books. The rest of their budget was spent then on print.
If we asked them “What will you spend in 2018”, five years later, you see how the colors have changed, and many libraries are looking to spend more than 15% of their budgets on e-books. This is also controversial. I will give you an example.

In a small city near Chicago, the library decided that they would spend 25% of their book budget on e-books. The people in the community were outraged, and they fought back. They took to the city officials data that showed how many people in their area lived below the poverty line (people with very low incomes), and discussed the fact that they don’t own the devices or the computers, or they don’t have an Internet connection at home that will allow them to use the 25% of the book budget. The community founded a non-profit organization to fight back against the library, and they won. The library dropped that number back down to something that represented the community a little better. They learned the hard way how to do that.
22 Sadly, 63% of people in the U.S. 16 or older (people that don’t use libraries) have no idea that their public library lends e-books. That is a huge challenge. Marketing, getting the word out, it is a very difficult challenge. Because how do you promote something that you can’t see? Most people come to their library, they visit, and they walk around... How do you promote the electronic book? They have interesting displays, but you can’t set it out with a beautiful cover. It is much harder.
I am going to show you now the statistic that includes people that have a library card. Do you think it is going to be a lot lower?

It is not a lot lower, it is 58%. 58% of people that own a library card still don't know the library lends e-books. So we have a lot of work to do to get the word out that we actually have the content, because most people that go and buy their devices, guess what they do? They buy all of their content from Amazon, or from Kobo, or Barnes & Noble.
One of the companies that we work with in the U.S. for public library e-books is called OverDrive. Are they distributing here? Not yet?

Well, be ready, I am sure they will be soon enough. They started back in the year 2003, that is when they began lending, selling and leasing e-books. It took them from 2003, all the way to 2012, to get 100 million checkouts of e-books nationwide. In 2013, in one year, they did the same thing. So that just shows you the huge increase in library e-books that are downloaded.

The first 100 million took 9 years. The second 100 million took a year. The third 100 million is probably going to be 9 months, and it will keep going. So we have learned that more people own devices, more people interested are interested in e-books. Someone out there knows we have books because OverDrive had 100 million checkouts in one year. Wait until the other 58% find out that we have books! The numbers are going to really grow.

**Distributors and the Big Six**

I want to shift gears and talk about the Big Six, as we call them.
In public libraries in the U.S., we have choices of who we purchase from. I use the word “purchase” very loosely, because we don’t own any of these books. We pay a fee and we have access. So when I say purchase, keep that in mind, we don’t own it. There are multiple companies that we can use.

OverDrive, as I mentioned, started back in 2003. There were other companies before then, but they primarily sold academic content. What is up on the screen here are the primary public library vendors. There are probably 20 more if you look at school and academic libraries. We have a number of choices of vendors. In addition to these third-party distributors, we can also buy directly from publishers, for academic and school titles. Public libraries don’t have too much of that. Most of the fiction books have to come through these vendors here. It took all the way until 2011 for OverDrive to have some real competition. So you can imagine that of those 9,000 public library systems, the majority of them are OverDrive customers, because they have been around the longest.

When the competition came out, we had Baker & Taylor. They distribute print and electronic.

3M, the post-it note company, have a cloud library now. They sell library e-books. And they are doing quite well. They were established the same year.

And then a company called Freading, they are part of a larger group a companies. They do digital books, audio, and some other things, also established the same year. In 2013 and 2014, a couple of other new companies are coming around, and they are trying things different. They are all trying to offer something that OverDrive doesn’t. Because the primary market share is with OverDrive, so they are trying to encourage people: “Come look at what we have, we do it different, we can save you money, we can offer you different services.”
Odilo is a Spanish company, they are in Madrid. They also are selling their product throughout Latin America, and now in the U.S. as well. They are a very interesting company, and I would encourage you to perhaps start talking with them. I will tell you a little more about them in a moment.

Total Boox is from Israel. They have a very interesting business model, which I will tell you about.

So there are many choices. And all of these companies want to sell internationally to public libraries. That is their goal. They are just not there yet. I will tell you a little bit about each and you can write down your favorite, and then go start to talk to people in France about “We need Total Boox”, or “We need this company.”

**OverDrive**

They have got almost 2 million titles available. That is the largest collection of titles, from about 5,000 different publishers.

Among the vendors that sell or lease books to public libraries, they are the only ones that have worked out an agreement with Amazon and have Kindle format. That is huge, because Amazon and the Kindle Fire is 75% of the U.S. market share. And the people that have iPads, guess what they use for e-books? The Kindle Reader. Not iBooks. They download the Amazon Kindle app. This is something that OverDrive has that no one else offers. They also offer browser-based reader, so that you don’t need a device at all, you can still use the computer at home, and you can read while you are not even connected, you can still read the book through the browser. They also sell content from all Big Six. And that is key too. Every public library wants titles from all of the Big Six.
Baker & Taylor

Fig. 27 –

Baker & Taylor + Axis 360

- Launched in 2011
- 626,000 ebook titles (37K are audio)
- blio ereader - accessible
- axisReader app
- TitleSource 3 and TitleSource 360
  - Print and digital content together
- All Big Six

39 They launched in 2011. They have just around 600,000 titles, and quite a few audio titles, which OverDrive has too. They have two things that are very unique. One is that they have an app, the Blio e-reader, which is completely accessible for people with disabilities. So anyone with a hearing, sight, physical, whatever kind of disability it is, this reader can help them consume the books, because it is accessible. That is a big thing, because accessibility is quite a challenge with e-books.

40 They also distribute to libraries print and electronic together, which makes them unique. It really consolidates what libraries have to do. Because right now in our public libraries, we have one department or person that buys print books, another that buys e-books, another one that buys audiobooks, another one that buys journals... There is a different group for everything. Baker & Taylor allows libraries to combine their print and e-book people together. In one purchase, you can say: “I will take that in large print, I will take that in hardback, I will take it in e-book form, and audiobook form.” All this in one transaction. This is a very nice feature, because purchasing e-books is a very cumbersome thing to do. Often it is book by book by book, single transactions. Baker & Taylor also have all Big Six now.

3M
They have an even smaller amount of books: 300,000 from 1,300 publishers, so not much.

Here is what makes them unique: they were established at a time when there was a big uproar in Kansas. There was a big uproar there with the public libraries and with the state library. Each of our states has a state library. The state library was licensing e-books from OverDrive, and in 2011, OverDrive came to them and said: “Your fees are going to go up by 150%.” Kansas went “No way, I’m not paying that, I’m not paying these fees.” They looked at their contract and read the small print, and it said: “You can take these books somewhere else, as long as you get permission from the publishers to take them.” So that’s what Kansas did. They contacted every publisher they had books from, and they said “Can we move these titles?”, and they went to 3M. That’s what their model is, that’s what makes them unique. It’s a year by year commitment. Libraries, in a contract that is signed, have the opportunity to walk away with their titles and go somewhere else. That’s a very interesting feature.

Another thing that makes them unique: they are the only company, that in addition to selling content, also sell devices. They have a 3M e-reader, that libraries can buy for $150. It’s a very simple reader. I think it might even still be e-ink. Libraries can buy hundreds of them. They’re completely empty. They’ll loan them out to you, with your library card, and you go to the 3M cloud, you download all the books you want to read, and you have a device to read them on. When you return it to the library, they press some magic button and poof, all the content disappears from the device and it’s reused again. The last thing they have is this “discovery station,” it’s called. Remember how I said before that 58 to 63% of our users have no idea we have e-books, because you can’t see them when you walk in the library? Well, they’re trying to change that, they have these discovery stations, and they don’t look just like this anymore. Right now they’re huge, they’re as big as this screen. There are touch screens right on the wall that display book covers. Patrons
can go up and touch the book covers, and read the book jacket, and say: “I want to download that one!” They put it right into their cloud account right there, then they go home and download it, and put it on their device. This is really helping with discovery. They were the first to have this, and all the other companies are now trying to do the same thing.

**Freading**

Fig. 29 –

They are completely different. It is what is called a pay-as-you-go kind of program. Libraries put a deposit amount of money into their accounts, and they purchase tokens. Their tokens are different prices. They might be 50c, $1 or $2. 50c will allow you to borrow an e-book that might be 10 years old, or 5, or maybe even 2 years old. But if you want an e-book from 12 months ago, that one is going to cost you $1. And if you want one from 1 or 5 months ago, it’s going to cost you $2. So you need these different tokens, and what libraries do, then, is they say to patrons, “you’ve got 50 tokens for the year, so you can read 25 brand new books, or you can read however many really old books.” That’s what makes them very unique... But none of the Big Six sell the books. And this is what happens: innovative companies that show up and try something different, have to start down here, and find the publishers that are willing to work with them. It takes years to get the content that the public library users really want, and that is the Big Six content.

**Odilo**
They are from Spain and Latin America. What makes them unique is that they took that 3M mentality and said “We’re going to let you, libraries, negotiate directly with the publishers, we’re going to try to stay out of it. We have an interface that you can use for your books, but we want you to go and negotiate with the publisher, who had already agreed to let me put their books on here for you, on your behalf.”

So libraries can negotiate with publishers and authors to try and get better prices. But they still have them on this interface, this platform. And they can put content on that has DRM as well as free things in the public domain. They support library ownership of content, which is really important to public libraries in the U.S. I will talk a little bit more about that later.

What kind of DRM systems do all these companies offer to libraries?

The majority of them use the Adobe DRM system, because these companies host their books on an Adobe content server.

**Total Boox**
Total Boox launched in 2014, and they are based in Israel. This is, again, completely different.

They’re only asking libraries to pay for the pages actually read. So you can download 20 books onto your device and the library doesn’t pay a thing until you start reading. And once you read, if you read 10 pages of the book, there is a fee exchanged. I have no idea how they do this, no idea at all. And the book never expires. If you download it, it’s always there. Whereas the rest of these vendors, there’s a limited time period when the library user can have the book. It’s usually 7, 14 or 21 days. You can keep these forever. And every time you go in and read, every time, if you decide you love page 46 of that science-fiction novel, and you read it every day, that public library will pay for you to read page 46 every single day! So how do you budget for that? That’s what makes this hard to accept. That’s what makes the token system really hard to accept. How in the heck do you decide how much money to put towards this?

They’re all new, they’re all trying things different, which we like. We like innovation, we like startup companies. They stir the pot and they get everybody thinking about how we can do things differently.
I have talked about these a lot. The Big Six. Do these names look familiar to all of you?

These are our primary publishers of trade fiction in the U.S. They’re on this list in this order for a reason. This is the order in which they began selling or leasing e-books to public libraries, through the third-party vendors. None of these people will let a library negotiate with them directly. You have to work through a third-party, but this is the order in which it happened. So bless you, Hachette, for getting onboard really quickly. HarperCollins was first. It doesn’t mean they’re not a problem. I’ll tell you about the problem with some of these later, but this is the order in which they joined.
There was a huge merger last year, maybe 18 months ago. Penguin and Random House merged. This orange box reflects their size, compared to everyone else. They have a huge assortment of titles there, so it’s a huge market share that they have compared to the other four. As far as e-books are concerned, we still call them the Big Six, not the Big Five, because even Penguin and Random House have completely different terms for licensing books. They haven’t copied each other, they haven’t found a middle ground, they’re completely different.
This is when they each started to come on board. OverDrive was 2003, so HarperCollins was on board immediately, as was Hachette with their U.S. book catalogue. 2008, we added two more. We have a red line there, because it was only OverDrive. So those four publishers started working with OverDrive before the other competitors even came on board. OverDrive has four of the Six already. In 2011 we launched all these new e-book distribution companies. HarperCollins and Random House got on board right away. The others were very stubborn, and it took much negotiation to get them on board and to get them to sell to libraries. Simon & Schuster, Macmillan and Hachette just recently signed on with others, just this year. It took a long time. Penguin is interesting, because, see how they’re there in 2008 with a little start after them? They worked with OverDrive for quite some time, and everybody was happy. And then a little thing came along called Amazon. It made Penguin very unhappy. They said: “OverDrive, we don’t like what you’re doing with Amazon, so guess what, we’re not selling you our titles anymore.” And they stopped. They let people keep what they had, but they wouldn’t sell them anything else, so they pulled. Now they’re back. Now all Six are in. Does it mean we can still buy 100% of their collection? Probably not. There are restrictions for pretty much any publisher out there. There’s just certain titles they don’t sell.

What is the difference between Hachette’s first appearance on this market and their second one?

The first one is when they were with OverDrive. It wasn’t until 2014 that they agreed to sell to the other vendors. It took them that long to agree to have a relationship with those other vendors that I talked about.
You're probably wondering why this says "The first blow." I'm doing a loose metaphor here of boxing.

Something horrible happened to libraries back in 2011. HarperCollins started out wonderful. They jumped on board, they had a relationship with OverDrive right from the beginning, but around 2011, all these other vendors were coming out, Amazon had just sky-rocketed, their market share was outrageous. So many things were happening. They looked at the rise e-book users and e-book and tablet owners, and all the publishers started to get pretty scared. They were really scared about losing all their revenue. Because hardbound books, which is what most U.S. readers were buying, were $25. E-books were $9.99. There's a big difference there. They started to get nervous, and they kind of said: "Libraries, we're going to change our policy."

And out of the blue came an announcement, that effective here in February 2011, you can only lend out our books 26 times. On the 27th time, you have to buy it again, you have to pay for access again. You can imagine the reaction of libraries. We hit the roof. We absolutely blew up. The response was outrageous. Librarians immediately started a website called "Boycott HarperCollins." And many libraries did, signing on to boycott them in E and P formats. Over time, we got used to this change. People kind of stopped complaining because guess what, when your user comes in and says: "I want that HarperCollins title," you want to give it to them. You want to be able to satisfy your users' needs. And boycotting a large company with trade books, it wasn't helping us serve our populations. So little by little, we kind of got used to the idea of 26 loans. As a result of this, the American Library Association stepped up their advocacy efforts. And because of that, we are where we are now, we've got all six on board because the Association started being proactive.

Why 26 loans?
I don’t know why they chose that number instead of 27, or 25.

I’m thinking because there’s 52 weeks in a year, that’s why they chose 26, figuring a two-week loan period. There’s probably a method to their logic here.

However, they didn’t do such a good job picking that number. Because the New York Public Library, in February 2012, had 5,000 HarperCollins e-book titles. Guess how many of them reached the 26 limit. None of them. They chose this number, in hopes of getting libraries to have to buy, and nobody is hitting the limit, which is really interesting. I think it will come, because they don’t have a time period limit. But that was our first big wake up call. We said: “Wow, this isn’t working out for us. We’d better start asking questions.”

My picture here says: “Are we still boycotting HarperCollins?” No. Everybody’s over it now, we’re all done boycotting, because they’re on board now, and they’re selling with all the vendors. They’re still selling with the 26 limit, but we realized, after our second and our third blows, that it wasn’t so bad.

Fig. 36 –

The Second Blow
OverDrive announces Kindle compatibility
November 2011
Must have Amazon account to download
Privacy issues
“third-parties may require visitors to register using an email address to access their software or services. The visitor’s name, address and other identifying information are not required, only a valid email address. Registration can be accomplished anonymously (e.g. using a valid email address that does not require other identifiable information). Patrons who wish to read on Kindle, for example, may find it convenient to use their existing Amazon account information, but it is not required.”

Same year, 2011, just a shy six months later, this is when OverDrive announced “We finally got your Kindle format.” People have been begging for Kindle Format forever, because the majority of their users had Kindle devices. So they announced: “We have an agreement with Amazon.”

We were thrilled, the users were thrilled, until we read the smallprint, and until we went in and actually did the process. Because what happened was, you went into your digital library, which is the OverDrive interface, and you went and chose the Kindle format. You were at the public library’s site, you were using your public library card. You clicked on the Kindle format, and guess where you went... You went to Amazon, and you were forced to download your title from Amazon’s site. Once again, we hit the roof. We started shouting “Privacy! Patron privacy! This is an outrage! How can you make someone come
to your site!” You’re mixing public non-profits with a for-profit big company over here that has a “Buy” button right next to the “Download” button. There were just so many things that went against our beliefs and it was a big problem for us.

OverDrive released a statement when this came out. They said that third-parties, aka Amazon, may require visitors to use an email address to access their content, because obviously you had to have an Amazon account to get the content, so you had to establish an account using an email address. It didn’t have to be you, you could make one up, but you still had to have an email address. But it said “The visitor’s name, address, and other identifying information are not required.” You could go in using an alias, for all they cared, it was completely anonymous, but did most people do that? No, they used their Amazon account that they already had established, because it was easy. So now, public libraries send their patrons to Amazon for OverDrive titles, and guess who’s collecting all of that data? Amazon. They’re collecting it, and they know what everyone is downloading. So every time that you log in, they’re going to start pumping you with advertising for those titles that you like. And that’s another thing that libraries were opposed to, advertising. So “26” didn’t seem so bad when this happened.

Then something else happened.

It was Random House this time. They decided libraries aren’t paying enough money. A consumer, an individual person, can go to Amazon, Barnes & Noble, Kobo, wherever, and buy a book for $9.99. We always charge libraries a little bit more, maybe $20, $30, $40. But now we’re going to triple it, or we’re going to increase it by 150%. A book that a library used to be able to lease for $25, $30, $40, was now $120.

We hit the roof again. Our heads can only take so much. This was in March of 2012. We’re not totally over it. It’s costing us more money to provide access to electronic books. We pay more here, but there’s no crazy “26” rule, we can use it indefinitely. But we are
paying more. They’re not the only ones. The news traveled to France. Hachette picked up on it, and now they do premium pricing as well.

Fig. 38 –

Here’s where we stand now.

In 2014, we got all six of them to work with us. Hallelujah, we made it happen. It happened at a price and with restrictions, but it happened. HarperCollins is still at 26, no time period. Hachette has premium library pricing. Random House too. Penguin has a one year license. After 12 months and 1 day, you have to lease the title and pay for it again. Macmillan: 52 circulations in a 2 year period. And Simon & Schuster have a one year license, but they mandate that public libraries put a “Buy” button next to the “Download” button.

These are the things we are agreeing to in order to lend books to our users. It’s a mixed bag of tricks. In some ways, it’s completely insulting, it goes against so many things we stand for and believe in. But in other ways this is our goal, to serve our users. And our users come in demanding the top titles from these publishers, and we want to be able to provide for them.

What defined the conditions for print book loans?

There were no conditions, because there was no license agreement. When we buy a print book, just like you do, you give your money, you walk away with it, it’s yours. You own it. You don’t own any of these e-books. There has to be a contract behind every single one, which is where all these crazy rules get established. There are no restrictions on the print.

In the U.S. we call that the right of first sale. You exchange money for a book, for a physical object, it’s yours. You own it. You can rip it in half, you can give it to a friend,
you can donate it to a library, resell it, that is your right of first sale. That right of first sale does not transfer well to digital things, because of that license agreement.

78 [...] This may have been about premium pricing.

79 I have a visual that will show you that later, but what that means is that an e-book license that used to cost us $30, now just went up $120 or $150. By some percent, it increased, because the publisher wanted to charge you more money up front, to get more money from you, and then give you no restrictions on how often you downloaded it.

80 So like I said, it’s a mixed bag of tricks.

81 [...] have defined a license on the same models. All of the three have chosen one of these. Hachette has premium library pricing. One of them have chosen the Penguin model, one year license. And others have premium pricing.

82 Congratulations, we’re in this together!

Advocacy Initiatives

83 So as I said, everything happens for a reason. All of these things happened, we were upset, we screamed, we hollered, we eventually gave in, we accepted, we’re moving on because of our users. It’s all on behalf of our users. But as a result, good things did come.

84 We woke up. The American Library Association woke up, and they said: “We can’t let these kind of things happen to our libraries. We need to help, we need to speak out, to be proactive and to negotiate with publishers on behalf of all of our libraries. We need to come up with alternatives.” So we started organizing. It wasn’t an umbrella revolution, but it was something.

Fig. 39 –
What ALA did first was they established this group called the Digital Content Working Group.

It was made up of representatives from all library types from all across the U.S. I think they may have even had some non-library representation on this. They were formed in July of 2011, which was very strategically after that “26” rule announcement. Basically, what they’re there to do is advise libraries, to analyze data and statistics, analyze the industry, advocate for libraries, speak on our behalf, to educate us as libraries, to educate the population as to how libraries are being treated, share information across the world so that other people understand what’s happening, so you can be prepared if and should it happen to you.

They have published a couple of very good reports as a result of their work. One of them is called “E-book Business Models for Public Libraries” and it looks at all the different business models and describes them in great detail. Because business models are complicated and if it’s not something you’re heavily involved with on a daily basis it can be completely overwhelming.

Then they released something called a scorecard. It was an opportunity for libraries to apply a point-value system to vendors based on some overall ratings. You give them a score, you rate the vendor, and then you choose who you want to work with.

They also have a variety of publications. I brought a couple. It’s called the “E-content Supplement.” American Libraries is our magazine and it comes out once or twice a month and these are supplements. They come out twice a year, once for our conference in January, once for our conference in June, and they distribute these freely. What’s in here are really good articles about the digital content situation. They are written by public librarians, by publishers and distributors to educate everybody on what is going on. These are electronic as well, so you can go and grab any of these articles and read them. I think this URL that I have up here will take you to the page where the links are to all these different things.
These are all of the criteria in that scorecard that they produced. They wanted libraries to give a rating to each vendor and publisher.

For example: Are you replicating the print title exactly? Are you including all of your titles or just some? Can you lend them indefinitely, or do you have a time period, a circulation limit? Is there a premium for access? Is there an embargo period, or delayed sale? They wanted libraries to be able to look at and examine before they made a choice on who they would work with. This URL will take you to the report in detail with all these criteria described. It’s a pretty simple system, but what I like about it is it makes you think about every possible thing that could be going on with these e-book licenses. It makes you really appreciate how easy it is to go and put money on a bookstore desk, take a book and walk out.
Another group that has formed, maybe this year or last year, is called ReadersFirst. It’s a movement, I should say. Yes, they have an official organization, and people running it, but it’s a movement to improve e-book access and services for public library users. They’re going worldwide, and there is one member here in France, the minister of Culture and Communication. You can sign on and be a member, it doesn’t cost anything. You’re essentially saying “I agree with you, I want to be part of this movement, I appreciate what you’re trying to do.”

They have four key principles:

• To enhance the library e-book reading experience, allowing readers to search one, comprehensive catalog to access all library offerings. The online catalog, they want users to be able to go there and search for their print books, their audio books and their e-books from OverDrive, from Baker & Taylor, from 3M, from Freading, from anybody that they’re getting them from. They want them all in one place.
• To place holds, to check out or renew items, to view what’s available and what’s not available, to be able to manage your fines, to be able to communicate with the library, as far as how many loans you have left, etc. They want this to be a single source that the library thinks is best, not that the vendor thinks is best.
• Seamlessly enjoy a variety of e-content. Give us as much content in as many formats as possible.
• To download e-books that are compatible with all reading devices. And we know that one is not happening right now, considering what I told you earlier about Kindle downloads.
They produced a report called “The ReadersFirst guide to library e-book vendors.” What this report did, they looked at all the vendors that provide e-books to public libraries. The ones I talked about, and others, because there are others. EBSCO, Ingram, etc. They also sell books to public libraries, but I did not include them, because they started as academic, then they went to school libraries, and now they’re getting agreements with these trade publishers. I included the ones that were there first.
What they did then in the report, is they came up with an actual evaluation chart. The idea is: the blue lines are major categories. What’s underneath them are criteria.

In the general terms, can your interface do this? Can it do that? Can it jump up and down, pat its head and rub its stomach at the same time? It’s got all these crazy criteria. You assign a point value to it, you give it a score. It’s like a 4-5 page evaluation form. And at the end of it you get a score, and you can say “You scored a 98. And you, sorry, you only scored a 50.” And you can actually see, side by side, what vendors have available. And I will tell you that I used this. In fact, I’ve adapted this. We asked for permission to change it, because it’s set up for public libraries, and I’m in an academic library. We don’t download and check out books in academic libraries. We buy most of our content for unlimited use. So you can’t rate somebody that sells you something unlimited against someone that gives you 26 loans. It’s apples and oranges...

I’m in Ohio, our academic libraries are part of a group called OhioLINK, it’s a consortium. We looked at this at the OhioLINK level, we said “What’s important to us, from an e-book vendor?” We took their categories, we changed things around, we added things that weren’t here, we removed things that weren’t necessary, and did all kinds of things to it. Then we evaluated the five vendors that OhioLINK buys from. It was a very interesting process. The one that scored the highest for us was Ebrary. They had the most features that we thought were valuable.

Four of our five vendors got a big whopping zero in three categories, because they have a great business model. They sell unlimited and they don’t need a checkout system or a hold system. There’s no limits on what you can lend. They don’t have that part of the system developed because they don’t need it, they don’t sell books like that. But we still rated them that way, because we thought we can’t guarantee anything. We can’t guarantee that five years from now, they’re not going to come back to us and say “Sorry!
We can’t sell unlimited anymore, we can only sell you a copy with 26 loans.” We wanted to be able to evaluate them now, on what features they have and don’t have, and actually be able to say, when we go to negotiate, “We need this business model, because you can’t support these others.” And if they come back to us with these others, we say: “No, you can’t support it.” Very interesting results. If you would like a copy of how we adapted it, I am happy to send that, and you can distribute that.

Another campaign that got together back in 2013 was started by the ALA. It’s called Authors for Library E-books. It’s one of those things for authors to be able to show their support to libraries. It’s a cause and we’re asking authors to go to this website and sign on, and commit themselves to supporting library lending of e-books. They have a really lovely picture of every author up there. When I very first looked at this, I think they had 9 authors. Now they have 66. They don’t do a lot as a group because this is a cause. You can download this button, put it on your website or your blog, which I do have. It’s just a nice thing, and it shows that the authors really care and respect libraries too.
You might actually know some of the following because you had a wonderful conference here a couple months ago.

IFLA is obviously taking a stand on this as well and saying: “We have principles too. We want to make sure you uphold these principles internationally. This isn’t all about one country, or two countries. Everybody wants this.” We want the right to license and purchase any commercially available e-book. Don’t prevent us from buying things, yet they still do. Libraries can’t license textbooks, for example. We want to be able to access these under reasonable terms and fair pricing. We want you to respect copyright limitations and the exceptions that libraries have with print books.

Currently, there aren’t many people that respect those. I’ll talk about that in a moment. We want content to be platform neutral, we want standards and we want e-books accessible. We want to ensure that 50, 100, 200, 500 years from now we still have access to the books. We can’t guarantee that yet. We want to protect the privacy of our users too. These are all extremely relevant principles. I hope we can get to them some day.
I want to mention this last group but they’re not necessarily an advocacy group. They do some fabulous surveys. It’s the Pew Research Center. They have a project called the Internet & American Life Project, funded by the Bill and Melinda Gates Foundation. This part of their project does surveys all the time about libraries and how the public interacts with libraries. Some of the data I showed you earlier came from Pew. I tell you about them because they have amazing data for U.S. libraries. I don’t know that they do too much internationally, but maybe there’s someone here that does something similar. If not, maybe you can send some of these reports to and organization here in France and ask if they can do something similar. The two reports that have really been instrumental in the past few years are “The rise of e-reading”, and “Library services in the digital age.” Those have been great reports. I use them all the time for data and quotes.

My question is about memories, or preservation. In fact, in all the cases, with all licenses offered to public libraries, is there something about preservation? Not lending models, but preservation for future generations? Because for print books, public libraries are major actors in building memories. Do they have the same role for electronic books?

I can’t answer your question by saying Yes or No that they do or they don’t, because I’d have to read every contract, which I don’t have access to. It’s a problem. I’ll talk about it in this next section on challenges. It’s a challenge we have yet to address. I don’t know that any of our vendors can say they can guarantee access to the digital content however many years away. There are programs in place, and I’ll talk about that in a moment, but it’s not there yet.

Challenges for libraries
One of our biggest challenges, and thank goodness it’s kind of solving itself with the Big Six coming, is content not available. Libraries can’t pay to get access to the titles. In one of the Pew Research Center results, they asked Americans aged 16 and older who borrowed an e-book from their library, “Have you ever wanted to borrow a particular e-book from the public library and found that” a) It was not compatible with your e-reader, of which 80% said no, which tells you what kind of device they probably have. b) Did you find there was a waiting list? Or c) Did you find the library did not carry it? 56% said “I found that my library didn’t have it.” I hope that these numbers move in a more positive way now that many of the publishers are on board.
This next slide shows an example from academic libraries. I'm from an academic library. This is a vendor that we use, called YBP. We buy print books from them, and we negotiate licenses for e-books through them. One of the gentlemen that works there sent me this chart. He left all the names off of the publishers, and the aggregators, which are distributors, but this gives you an example.

Let’s say publisher X and publisher Y came out with 2,100 and 3,100 new titles this year. Well, if you go to their platform and want to get an e-book, look how many you get. 600 of 2,100. 900 of 3,100. That’s not all of them. So you can’t license the books from the publishers.

If you want go to EBSCO, or Ebrary, or EBL, or Ingram and try and license that book you may find that each vendor has different titles and none of the lists match. So that means they’re saying, “You four, you can have these 60 of my books. And you five back there, you can have these 300. And the four of you, I’m going to give you 400, and the rest of you here I’m going to give you everything.” It’s all over the place and nothing is consistent between vendors. This is hard on us when we’re trying to decide which vendor to use because we need to know that they have the content that we need.
This addresses the previous question about premium pricing. There’s a library in Colorado called Douglas County. I have a lot more to say about them soon. Every month, they publish this document that you can get online that tells what they paid for a print book and an e-book versus what consumers pay at the consumer level. Looking at a fiction book called *The Collector*, library pricing for it was $15, and $25, on Amazon, you can get it for $16. Barnes & Noble I think is $16. I’m thinking that’s for the print one. For the e-book, if you buy it from OverDrive, it’s $17, same from 3M, but through Amazon, it is $12, and Barnes & Nobles is $11. But you can see number 4, NYPD Red #2, the price on OverDrive is $84. That’s premium pricing. On 3M it’s $84, but you can buy from Amazon for $8.99.

They release this every month just to put pricing in perspective so that people really understand what we’re paying.
This is a chart that I created to show you that every time we sign one of those license agreements we sit on this line somewhere.

If you look over to the left, these are things that are open and freely available to anybody such as the things in the public domain. If you were to go to Project Gutenberg, you could access 36,000 or 38,000 freely available classic novels, primarily in English. Have at it, take as much as you want. It’s public domain and no one owns it. You can put it in your library catalog, you can download all of them. The lock is wide open, there’s no DRM on these titles. But as you move further and further to the right, you see that the lock is locked. That’s all the DRM surrounding those titles. These are the titles that we pay a price to rent or lease. There’s token books, there’s a model called short term loan, where you pay 10 or 15% of the list cost, so that you can read the book for 10 days. After the 10 days are up, the book disappears, you no longer have access, and I have spend $15 and that money’s gone and I have nothing to permanently show for it. That’s short term. There’s a lot of DRM there and there’s a lot of risk there. Risk that you’ll never see the content again. That’s the difference, the spectrum showing where you are.
Most public libraries in the U.S. are right there [in the middle] when they license titles. All those vendors I just talked about, they have some kind of limit on circulation or limit on licensing terms. If not, the ones with the premium pricing or with perpetual access, they’re in that section. Whether or not you have fees upfront or ongoing, that depends on the vendor, but that’s where they are. So the further to the right you go, the more DRM, and the higher the risk that you won’t have that book.
I mentioned there were some rights that we signed away. I talked about the right of first sale in the U.S. already, I wanted to mention copyright and interlibrary loan. Because with print books it’s in the U.S. copyright law that libraries can lend to other libraries. It is our right to be able to do that. Every time we sign a license agreement with one of these e-book companies we essentially sign that right away.

Why? Are we crazy? We do it because we want the content that our users need. It’s all about making sure our users have what they want. It puts us in a very awkward situation because when we sign that agreement we lose the right to loan material. We lease content, not own it, and we have these limits on it. It’s a very difficult situation. It’s an ongoing challenge.
Fig. 53 –

Multiple Platform Challenges

- Discovery of content - one catalog
- ILS integration, statistics - one user account
- Compatible devices and formats - one size fits all
- Interface features & DRM - seamless access
- Training & troubleshooting

Another challenge: I just told you about six different e-book vendors. I mentioned there’s probably 20, 30, or more publishers you can buy from. If you worked with every single one of them, that’s a whole lot of interfaces for you to use and understand. How many databases do you have access to, through your libraries? Hundreds, right? How many are in a different interface? Hundreds, yeah. It’s the same thing with e-books. Is there one place where we can go and find all of it? We’d love for that to be the online catalog.

We’re getting there. We want to be able to put all those titles into our integrated library system. We want to be able to have our print and electronic statistics all in the same place, so that we can look at one user account, for all the different formats. For each platform the data available depends on who you’re working with, on what device you can use, and on what format you can download. Everybody’s different. If you work public service in a library these are questions you have to answer every day for users who are downloading a book for the very first time and they don’t know how to do it. And they’re thoroughly confused as to why it takes 21 different steps to download their first e-book. That’s what it takes the very first time – 21 steps. After that it’s a little easier. They all have different kinds of DRM too. It’s not just vendors establishing these rules, it is also publishers. If I buy books from you, you might let me print 60 pages. But over here you’re a little more restrictive. You only let me print 30 pages. So I’m in the same interface, I’ve got book A and book B, and I can’t even print the same amount from them. What do our users think? I feel so sorry for them. It’s bad enough for us to figure it out.
So training, troubleshooting – they're ongoing challenges for us as is archiving and perpetual access. At this point we can't guarantee access to any of these e-books in the future because we haven't decided yet whose responsibility this is. Libraries don't own the books, so we can't do it. The third parties, like OverDrive, do they own the books? No. They can't do it either.

Who owns the book? 99% of the time it's the publishers. They’re the ones that hold copyright. They have the right to owning the copyright on that book, so they have to make sure it’s preserved. If we did it, we would be breaking our license agreement. So are they doing it? Some are, some aren't. Third-party vendors have got contracts with all these libraries, but they’ve also got contracts with all these publishers. So when they're negotiating the publisher contracts, they’re starting to address these kind of things in here. I know EBSCO is definitely in that direction. There is also Portico, LOCKSS and LOCKSS, organizations that do some type preservation. Some of them are dark archives which means you can’t use the content unless there is a trigger event. What’s the trigger event? Is it when the server blows up? Is it an actual disaster? Is it the fact that a company is for sale and nobody buys them? Libraries are left with content in limbo. What is it going cost to do this? And who’s going to end up paying for it? We all know that answer, don’t we? Libraries will pay for it in the cost of the book. That’s the only thing I can guarantee.
Self-publishing is another challenge for us. Are any of you self-published authors? Nobody has clicked that magic button yet to self-publish? It’s pretty easy. The hard part is writing the book, right? That’s the hard part because as soon as you have it in Word or PDF or whatever version, all you have to do is go to one of these sites, click a couple buttons, put in a little bit of information, and press that magic button. It says “Upload”, and boom you’re published. Simple as that, right? There’s tons of choices out there, absolutely tons of them. Can libraries buy any of these? Do they want to, first of all? Is there anything good out there? If there is something good out there how do we find out about it? Because we have to go out there and buy them ourselves, review them, or we have to get a group of people together willing to review them, to bring the best to the top. Something has got to happen here. This is just a can of worms, self-publishing.
Here’s why people like it. First of all, most of the people that self-publish have gotten so many rejection letters that they’ve given up trying with the traditional publisher. But maybe they do it because they want more royalties. Up here is traditional publisher, in the top left. The author gets a whopping 12% royalty rate if they’re lucky. Most of the time you start at 10%. But if you go to Scribd, you get 80%. You’re probably not going to sell as many because you’re just one in a million titles ready to be discovered. Kindle gives the author 75%. Smashwords is 85%. So do you want to publish for the traditional publisher and get 10 or 12%? Or would you rather take your chances. This is extremely appealing to some authors. They want the opportunity to try and market themselves and potentially make a higher royalty rate. One of the problems is what libraries do with that. We’re kind of stuck.

There are options opening up for us. Smashwords, if you’ve not heard of them, are trying to pick out the best titles for libraries. The things that are getting the most sales and those getting good reviews, they will sell them as a package to a library. 3M is one of the vendors that works with Smashwords and I think there are others but I can’t remember who else does it. We can’t buy from Kindle. I don’t know that Scribd or anybody else is on board at this time. But if more and more people start self-publishing, how will libraries, as you say, keep the memories? We don’t have a way.
Another big challenge for us is the new subscription services that are coming out. This is not just a challenge for me, it's quite a threat actually. We talked about this at lunch. The people that have money are probably going to have their own private libraries because they can afford to subscribe for $10 a month to Kindle, and $9 to Scribd, and $10 to Oyster. You can have access to all kinds of content out there and never ever need to go to the public library again. That's a shame. But the people that don't have the money to do that, we can still help them and provide for them but more and more people could switch over to this model and not use their public libraries, which is really disappointing. And the sad thing is, if they really looked at it closely, if they looked at what they pay in their taxes in their local community, it is probably less than $10 a month to have access to all those library materials. These people are looking at convenience and access and don't want to ask, “What can I get right now?” People are willing to pay premium prices for access.

Is it a real competition for library service?

It's not really a competition for library service, it's a competition for library content. We've got the service nailed. Who can compete with us when it comes to service? But as far as being able to access content, this is definitely a competition for people who are willing to spend that kind of money. But as I said, if they stopped and did the math, they would realize that public library is a lot cheaper.

New Strategies
So what are we going to do about it? We have some new strategies, and all of these libraries [on the slide] are doing something interesting and innovative. These are all different consortiums or individual libraries. There are public and academic libraries in the U.S. that are trying things different.
I mentioned Douglas County, that library in Colorado. They’re a very big deal. They’ve done something truly innovative. It has caught on, and people love it and want to model it. This is why we have the name “the Douglas County Model.” What they did is they built their own e-book hosting system. They went out and bought themselves an Adobe content server. They said “If EBSCO or Ingram can do it, why can’t we? Why can’t we have our own server and host our own books?” It only cost $10,000 for an Adobe content server. Then they had to do some other tech stuff and I’m not an expert in this technology so it is hard for me to explain. If you want to read all the details, you can go to this article that breaks it down. And I have a list of other articles too.

The Douglas County Model has the Adobe content server so that they can go to publishers directly and say “Can we buy books from you? We want to own them. We agree to put DRM on them. We’ll put them on our Adobe content server if you will sell them to us and let us own them.”

VuFind is an open-source software that is the interface that allows the users to interact with the content.

MySQL is an open-source storage area for content that doesn’t need DRM. Project Gutenberg titles can go here. If an author comes into the library and says “I want to donate my e-book to you”, it can go there if they want.

SOLR is a search engine. It’s an open-source indexing server that allows this interface to interact with the content and bring it forward.

They’re extremely successful. I think it cost them $100,000 to build this. Three parts of it are open-source which people constantly contribute to. The Adobe content server is a one-time upfront payment and then you pay a small fee for every transaction. This option may be a lot cheaper than the access fees for the other vendors.

Fig. 60 –

Locally Own/Manage Content

* Purchase content files direct from publisher or author - “own” content
* Control Interface
* We are the aggregator
* Self-preservation
* Some titles no DRM
* Self Publish
* Support local authors
Other states are catching on, saying “I want to do that too.” California built a product called ENKI, based just on the Douglas County Model. They took it and duplicated it, maybe improved upon it. They're going direct to publishers, they're buying content, and
they’re hosting it themselves. They own their content, they do not lease it, there are no 26, or 52 loan rules here. They don’t have many titles though. 22,000 titles is no comparison to nearly 2 million at OverDrive, but they’re just starting. 75 libraries in California, and the State Library of Kansas, which we mentioned earlier, are all part of this.

Fig. 63 –

Connecticut’s Solution

- 2014
- Connecticut Dept. of Consumer Protection report
- Fairer access to ebooks
- State of Connecticut passed law to authorize state library to create statewide platform to share books

In Connecticut, they published a report, the “Connecticut Department of Consumer Protection report” and eventually passed a law authorizing the Connecticut State Library to build a platform to share e-books. So they’re getting legislative support to move forward on a project like this because people understand that libraries are in an unfair situation.
Libraries are also taking it a step further. Now that we can host the books ourselves, why don’t we help you publish too? We’re a service-oriented group, we have thousands of members of our community we are extremely smart and talented. They may be authors, they may be editors, they may be artists. If we get them all together, and share our knowledge, can we, as a community, come together at our public library and publish content together? And guess who’s doing it? Douglas County. As soon as they started that hosting, that was their next step, “Let’s help people publish.” So they will host your content for you, they’ll support and help train, they’ll get you connected to a community, to share and work on things. And when you’re all done, your project’s there, they’ll host the content for you.
There are good things that are happening. There’s a lot of fun things. This isn’t the end of it. We’re going to keep on going. I’ll give you these slides. This entire host-your-own concept, and libraries as publishers, they’re all discussed quite a bit in these sites up here so when you get the items from this presentation you’ll be able to read some of those articles. It’s fascinating. It’s very innovative.
These are blogs that I use to keep up on what is going on with e-books. It is predominantly U.S.-centric. They'll do some international type reports and things every once in a while, but it’s predominantly U.S.
This is my blog, No Shelf Required. I don’t blog as much as I used to, but every week I have a colleague of mine who goes through Twitter and pulls anything that is library-related and puts it on my blog in a kind of weekly digest. We’ll get some other content up there too. I just try and put up what is going on, newsy things, what’s going on in the industry with libraries, etc. So you’re welcome to visit there, to get an RSS feed, Twitter: @noshelfrequired.

Feel free to read the books. I read some of them the other day, and I thought “Are these really getting dated?” Yeah, you know, some of the stories are a little dated, but a lot of it isn’t, and is still pretty good, and explains some of the history in how things started. In fact I used several chapters to help me prepare for today, to get some of my dates straight and remember the stories, things that went on.

You’re welcome to ask me questions afterwards, whatever you’d like. That’s our story, that’s what happening in the U.S. It’s sometimes crazy, sometimes wonderful. One thing I can say for sure is that there’s never a dull moment. Things change constantly, and it’s a race to keep up. I hope that was interesting and the right kind of information to give you a snapshot of what’s happening. I look forward to seeing what happens here.

Thank you.

Discussion

What about book shops?

What are those? Our large chains are going away. Lots of them are going away. We call them brick and mortar stores. The chains are decreasing every year. What is interesting is the smaller, independent shops saw a decrease but they are stable now, and in some cases there’s just a slight increase. We talked about that at lunch, and said “Why is that?” I think it’s the localized service that an independent bookstore can provide to their community. Because they do more than sell books now.

On print, are there links between libraries and bookstores? Do bookstores sell to libraries?

Yes, some of our libraries work with their local bookstores to get some of the content. Sadly, a lot of our libraries use Amazon. My library buys several titles from Amazon, when we need a rush order. In Dayton, Ohio, where I’m from, we have a local bookstore. We’re an academic library, we primarily buy the extremely boring scholarly titles, but we like to give the students something interesting to read if they just need a break from academics. So we’ll go to that local bookstore and they’ll pick out 50 recent titles for us and we’ll buy it from them. Public libraries probably have other relationships too but the majority of our public libraries get their print and electronic books from a larger, national distributor.

On those millions of books, do you have statistics on what is leading in public libraries?

I do not have any with me, but each of those vendors will release the top 10, 20, 30 titles this month, this year. They’ll give you statistics on what are the best titles. And at an individual library level, absolutely. They are tracking that, because they are determining how many copies to lease.

What about apps in libraries?
We can't do a thing with apps. We can't buy them, we can't download them. The only thing we can do is buy devices, preload the apps, and lend the devices. What libraries are starting to do, particularly children libraries, they're starting to get together groups of librarians to review children's apps. So that's they're at least providing a service for parents to make wise decisions on content.

Do you see Google and Apple have a strategy?

I don’t see a strategy yet for libraries and apps, because it’s all based on an individual consumer with an online account and a credit card attached, licensing that app. And there’s just not a way for organizations to do that too much. I know that Apple does have a school-wide purchasing program, and they'll offer perhaps a discount, or they'll offer a way for a school to buy 50 copies of the same app for their 50 iPads. So there are some small programs for that, but they're mainly used to put on a device that’s in the library, that the students are using. And I think Kindle has a program too, it’s been a long time since I’ve thought about those. A program where libraries can buy things in a bulk way for devices, or other things.

And what about EPUB in libraries?

I think it’s a fabulous thing if it catches on. I think it’s going to get here. I love EPUB. What I’ve heard about it is that many of the publishers that implement it aren't doing the full implementation and really taking advantage of the features it offers, particularly when it comes to accessibility. It’s a shame because that is one of the major advantages of EPUB, the accessibility is built in. If the publishers ignore that, then what’s the use? But more and more publishers are adopting EPUB. I think it’s either Baker & Taylor or EBSCO, that said they would have EPUB titles coming soon.

Is lending an e-book in a library only an online service? I think it’s not, and if it is not, why do people go to the library to find an e-book, and what kind of services do they find on site?

The lending of the e-books and the audiobooks is a primarily online service for most public libraries. They do offer those discovery terminals in the libraries. It’s a way to market the e-books to the people that are physically still coming. There are ways to borrow the books on the discovery terminals and download them later. People can come and at least browse through the e-books that are available, but at some point, they have to go online to interact with the content and download it, so it does automatically, by default, become an online service.

I was saying at lunch that libraries are lending all kinds of things. Not just books anymore. They're lending any kind of format of media they're having available. But they're really getting close to their communities and finding out “What is it that you’d like to have access to, but you don’t necessarily want to buy for yourself?” And they’re lending cake molds. One of our libraries lent drones for a short time. Golf clubs. Power tools. Libraries are finding all kinds of creative things to lend, because they realize there’s a need for someone who can’t afford an item they only may need one time. In my library, we lend cameras. Digital cameras, video cameras, flip cameras, e-book readers, tablets, tripods... We lend all kinds of things like that to our students, who might need it for one assignment, but don’t need to own it. They also come for community things. Workshops, talks, children’s programming, classes. They’ll teach all kinds of classes. Computer. Lot of computer classes at libraries. With basic computer skills, social media skills. Libraries are also creating maker spaces, places where you can come and create a video, or an audio
project, or create something physical, or maybe it’s an image, or 3D printing. They’re offering all kinds of services like that. Again, it’s all technology that people and their communities may not be able to afford, but they want them to have a place to be able to do it.

163 You work in an academic library. How do you compare e-book services in public libraries and in academic libraries today? Which is the most developed, and how would you compare these markets?

164 The markets are different. We’re after different content. Academics are after scholarly monographs. We’re after reference titles, dissertations, thesis... We’re after scholarly journal articles. We’re after things that may not be read cover to cover. We’re after things that people may need to consume a page of, or a few paragraphs of, or a few numbers of. So we buy it differently. We tend to pay for as much access as we can have, as we can afford. Because we know that an entire classroom might need to interact with that book at the same time. So that’s very different than public libraries where much of the content they buy is designed for one person to interact with and read cover to cover. So the different needs of our content means that there’s different formats, different purchasing business models, different ways to interact with the content. How we’re similar is that there’s always a license agreement, we’re paying more than the print book usually, we’re signing away the same rights, and we’re taking risks for ongoing access. All of those things are very similar.

165 Do you think it might be more difficult to find business models for public libraries than it is for academic libraries.

166 Yes, academics have a wide variety of business models. Public libraries, because of the content, primarily this fiction content that is cover to cover, by big name publishers, they’re only willing to license it at one model. They’re not willing to give you unlimited access. Some are. In fact, OverDrive announced a new business model at the last conference. They are actively seeking more creative business models. Some publishers will sell unlimited access models to certain content.

167 There’s a lot of competition between two markets in public libraries: B to C, and B to B. It’s not the same thing in academic libraries. In France, there’s not many students who buy many books. So it’s not the same thing. So if you are a publisher, it’s difficult to find a business model.

168 There’s not a lot concern from academic publishers that libraries are going to steal the market away. Because the consumers aren’t buying most of the titles. Our publishers make the books so that libraries buy them. So they want to sell to us, and they’re willing to negotiate very different models if we will buy the content.

169 Can public libraries afford these new contents? Are they facing financial restrictions, like they do in France?

170 Yes, they are. There aren’t many public libraries getting budget increases. Nobody got a golden bag of money dropped on the library building when e-books came along to go buy a new format. So they have to take from the print fund, the database fund, or the audio fund to support another format. We’re buying the same item in multiple formats for our users, and our money can only go so far. There are people looking at the long terms effects of this. Can we survive on these models? Some people say no, we’re not going to be able to. Which is why people like Douglas County, and California, and Connecticut are realizing that we can’t sustain this. We have to have a different solution, so they’re trying
to come up with an alternative solution that will allow us to be sustainable. But yes, we have serious budget issues, absolutely.

What happens a lot in libraries, is that when the demand comes for fiction books in electronic form, they take a look at use data for everything. What’s the use on our journal, on our databases, on the golf clubs that we’re lending out? And then they make decisions on what to stop subscribing to, and then they shift that money over to something else. You have to be creative. Creative budgeting.

You said a few words about e-books accessibility, and I’m very happy about that. Is accessibility for print-impaired persons a concern for librarians in the U.S. at this moment, or is it just a concern for specialized persons like you?

I would like to think it’s the former and that it is a concern of every librarian. I’m probably more aware of it, because in my university, we specialize in assisting students with disabilities. 10% of our population has a disability so we’re more sensitive to it. But the ALA, the Digital Content Working Group, one of their goals for the next 6 or 12 months is addressing accessibility. So people are aware of it, and doing things about it. Little by little, I think it will come. It’s definitely getting much more attention now than it did 3, 4 or 5 years ago. EPUB really helped that.

One question about the subscription model which is developing with Scribd, Oyster and Amazon Unlimited. Does the ALA identify these offers as threats for libraries today? Are they developing some advocacy to explain the difference between Kindle Unlimited and buying a library card?

I don’t know that there’s a lot of advocacy on that yet. I mentioned earlier that what librarians are really trying to stress, is why are you spending $10 a month on this service, when your local taxes have already provided it to you with all of these resources. Print books, electronic books, whatever it is... Why are you duplicating your costs? So I can see that type advocacy happen. And maybe it’s not necessarily advocacy as much as making people aware: “Look at how little you pay for all this information that you have.” So I expect to see more of it. The Kindle Unlimited was just launched earlier this year I think, and immediately it was written about in the major library journals and things like that. People were already starting to talk about it and discuss what I just mentioned. So I see more of that happening.

A French publisher is asking on Twitter: why libraries don’t go on World of Warcraft, Minecrat, Second Life, and other stuff like that? Because we’re speaking about digital things.

I don’t know the answer to that. I know that when Second Life launched, many libraries went right out and did something and then stopped. If I had to take a wild guess, I would say other things are a higher priority. You have to look at everything you do. A big phrase in libraries is always: “We’re trying to be all things to all people.” Is that really what we should be doing or should we focus our attention on the services that impact the most. And when you look at budgets decreasing, which means resources decrease, and staff decrease, you probably have to stop and think about what can we afford to stop doing in order to make sure we’re doing our primary services to the best of our ability. That’d be my best guess about why we’re not there. If somebody wants to start putting money bags on Second Life, we’ll be there.

What about streaming models for music and video in American libraries?
We're moving in that direction. Freading has a music streaming part. OverDrive has streaming videos and audio now. In academic libraries, we subscribe to streaming music and video collections.

Audiobooks?

I don't know about audiobook streaming. It’s primarily films we buy for the humanities, and music. Naxos Music is who we stream from in academics. But I know OverDrive has a lot of that going on.

Do you have Netflix in U.S. libraries?

I think some have tried. It’s questionable whether or not we’re able to. It’s not my expertise at all, so I’d hate to say more about it, because I’d be making stuff up. I don’t know a whole lot about that, I really focus on the e-books.

NOTES

1. Transcript of the presentation, October 2014, Enssib (Lyon).