



**CITY OF MONROVIA
LIBRARY BOARD
AGENDA REPORT**



DEPARTMENT: Community Services
Library/Recreation Division

MEETING DATE: June 25, 2015

PREPARED BY: Linda Granicy, Senior Librarian

AGENDA LOCATION: AR -2

TITLE: Southern California Digital Library Consortium Evaluation

OBJECTIVE: To provide the Library Board with an evaluation of the Southern California Digital Library downloadable eBook, audiobook, and video service.

BACKGROUND: The Library Board accepted Staff's recommendation at the June 2012 meeting to join the Southern California Digital Library consortium (SCDL) eBook and audio downloadable service powered by OverDrive.

Providing electronic books to the public has had its challenges over the years. Legal issues and publishing company acquisitions dominate the industry. July 2013, U.S. District Court in Manhattan ruled Apple conspired with the top five publishers to raise eBook prices to undercut Amazon.com's eBook dominance, raising prices from \$9.99 to \$12.99. On December 13, 2014, Apple appeared in the U.S. Court of Appeals, Second Circuit to argue the 2013 verdict. At the end of the hearing, the judges reserved their opinion, which could take as long as six months, according to an article in Fortune Magazine's December 15, 2014 article.

Publishers: Publishers are worried that library lending will inhibit retail sales. Publishers want library models that collect payment for every use, lease access instead of sell objects, or have digital rights that enforce methods that worked for print, such as one copy, one user. Publishers fear piracy and some project a loss of profits over the long term in providing eBooks through libraries. As a consumer, books are available for purchase in many formats, but this is not the case for libraries.

Although the service isn't perfect, it is popular. Libraries and library vendors continue to have open discussion with publishers reassuring them the more people check out library books, the more likely they will also purchase books.

Penguin Random House is considered the largest trade book publisher. Currently, Random House is available for library lending for digital and audio titles. All titles are available under perpetual licensing and there are no loan limits or period of use limits. Pricing varies, but is generally 3 to 4 times hardcover list price for the eBook format. September 2013, Penguin Group USA started offering titles to libraries and consortiums. Currently, there is a one-year expiration date on eBooks licensed to libraries. Library pricing is similar to what is offered to individual consumers. In 2011, Penguin limited eBooks and digital audio titles for library lending and terminated its contract with OverDrive in February 2012, allowing Penguin titles already in the library's catalog to remain available.

In 2011, HarperCollins Publishers instituted a limit of 26 circulations after which the library must renew its license by buying the title again. November 2014, HarperCollins' purchased Harlequin and instituted

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the metered access lending model of 26 checkouts per item. Pricing varies, but generally pricing is not more than the cost of the hardcover equivalent.

Macmillan titles became available September 2014. Macmillan Publishers made the decision to begin selling their eBooks to library consortia and we now see titles from Stephen Covey, Lisa Scottoline, Bill O’Reilly, and Jeffrey Archer. Macmillan eBooks are metered access, meaning they are available for 52 checkouts or a 24-month timeframe, whichever comes first. Titles published less than 12 months ago are priced at \$60 and titles published over 12 months are priced at \$40.

On November 20, 2014, Simon and Schuster announced it would no longer require libraries to offer a “Buy It Now” button in order to purchase licenses for eBook lending. The publisher requires a one-year expiration date on eBooks licensed to libraries. Prices are generally more than the cost to the consumer, but less than the hard cover edition.

Hachette Book Group made its full catalog of eBooks available for library lending in May 2013. New eBooks are released simultaneously with the print edition and sold for an unlimited number of single-user-at-a-time circulations. Pricing is at the publisher’s sole discretion and is usually at three times hardcover pricing.

Additional Features: November 2014, OverDrive announced the availability of eBooks with embedded audio narration. Embedded audio narration is available for a selection of titles with the OverDrive Read format and using the Special features search. Unfortunately this feature is not supported by the Firefox browser at this time.

With OverDrive Read, you can start reading eBooks in your browser instantly with a single click without downloading software. OverDrive Read is a browser based eBook reader that works on most computers, tablets and mobile devices running up-to-date web browsers. Reading in your browser gives the public the option to read a book on any computer, reading always available eBooks collection, and streaming video are also available through the consortium.

ANALYSIS: The Library launched the Southern California Digital Library Consortium (SCDL) electronic downloadable book service to the community on August 29, 2012.

The chart below lists the Consortium’s collection statistics by format and check out type.

FORMAT	TITLES	COPIES
ONE COPY ONE USER		
Audiobooks	3,324	4,820
eBooks	4,149	6,692
Video	30	30
TOTAL	7,503	11,542
METERED ACCESS (by time)		
Audiobook	7	17
eBook	588	1,139
TOTAL	595	1,156

METERED ACCESS (by checkout)		
eBook	508	31,044
TOTAL	508	31,044

The chart below lists circulation activity for the top 17 genres for eBooks compared to Audiobooks.

COLLECTION SUBJECTS			
	AUDIOBOOKS	EBOOKS	TOTAL
Fiction	796	2,306	3,102
Romance	120	1,150	1,270
Mystery	266	498	764
Thriller	286	432	718
Literature	140	565	705
Historical Fiction	145	526	671
Non-Fiction	228	347	575
Young Adult Fiction	152	410	562
Suspense	155	396	551
Juvenile Fiction	138	378	516
Fantasy	119	338	457
Science Fiction	65	246	311
Humor	64	149	213
Biography/Autobiography	78	129	207
History	40	76	116
Juvenile Literature	14	99	113
Business	26	74	100

The chart below lists the amount of digital books borrowed by Monrovia library card holders, comparing two fiscal years. In 2014-15, we had 1,229 unique users, compared to 926 unique users in 2013-14.

MONTH	2013-14 BORROWED	2014-15 BORROWED
June	212	500
July	254	529
August	225	396
September	241	417
October	277	406
November	330	369
December	317	366
January	423	432
February	407	347
March	437	372
April	454	356
May	478	312
TOTAL	4,055	4,802

Comparing the last two fiscal years, the Library experienced an increase of 747 items borrowed.

ENVIRONMENTAL IMPACT: There is no environmental impact associated with this report.

FISCAL IMPACT: The Library's cost per year is \$6,000. The electronic format cost per item for libraries can range from \$50 to \$100. For fiscal year 2014-15, the consortium purchased 6,398 items for a total of \$194,480 compared to the previous fiscal year when 5,383 items were purchased for a total of \$172,748.

STAFF COMMENTS: The SCDL digital service has steadily gained in popularity for Monrovia card holders, beginning with 843 titles borrowed the first fiscal year compared to 4,802 borrowed this fiscal year.

Streaming services are gaining in popularity. At the end of 2014, the consortium started purchasing streaming videos, currently owning 30 titles. From November 2014 through May 2015, Monrovia card holders checked out 11 videos covering genres in documentary, instructional, comedy, children's, animation, horror and action. The consortium allows the Library to test the waters of new formats without having to invest a lot of money.

Staff recommends continuing to subscribe to the SCDL service based on the popularity of the service with our community.

RECOMMENDATIONS: Staff recommends the Library Board accept staff's recommendations as outlined in this report.

OPTIONS:

1. Accept Staff's recommendation as outlined in the report.
2. Accept one or more of the Staff recommendation(s) as outlined in this report.
3. Direct Staff to explore other options.

RECOMMENDATION: Staff recommends the Library Board move to accept option number one as outlined in this report.

LIBRARY BOARD ACTION REQUIRED: If the Library Board concurs, the appropriate action would be a motion: ***Accept option one, AR-2 Southern California Digital Library Consortium Evaluation.***

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