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The Network of Alabama Academic Libraries and the Consortial Licensing of Electronic Databases

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Introduction

Consortial licensing of electronic databases and journals offers significant advantages to libraries. As described by **Kohl** and **Sanville** "In the last decade and a half the convergence of two explosive trends-the rise of digital information and consortial organization — have provided radical new possibilities for improving libraries' abilities to get more value out of each dollar spent."[1] While debates over the ultimate value of "the Big Deal," an online aggregation of journals offered to libraries as a package has generated numerous debates,[2] the increase in access to journal literature through consortial licensing is an attractive option, particularly for smaller and mid-sized academic libraries. As **Kohl** and **Sanville** point out, the essence of the Big Deal is "primarily a means of substantially improving the purchasing power of the consortium and its library members by delivering proportionately more titles per dollar spent…."[3] The **Network of Alabama Academic Libraries** has operated on the principles articulated by **Kohl** and **Sanville** and has provided the academic libraries in Alabama with electronic access to a wide range of titles by increasing the purchasing power of the institutions through shared purchasing power.

History of the Network of Alabama Academic Libraries

When the **Network of Alabama Academic Libraries (NAAL)** was established in 1984, its goals were ambitious: to coordinate resource sharing among academic institutions

Recently read a column by **Kathleen Parker** which I cut out and put on my bedroom work table. It was called "Loss of Newspaper Book Sections Symptomatic of Rising Illiteracy" and was published in the Charleston *Post & Courier* on Thursday, April 26 (p.13A). It's about the recent decision by the *Atlanta Journal-Constitution* to eliminate its book editor position. Now there are only five stand-alone book sections: *The Washington Post*, *San Francisco Chronicle*, *Chicago Tribune*, the *San Diego Union-Tribune*, and the *New York Times*.

Rittenhouse Book Distributors, Inc. is partnering with **Cambridge University Press** and **Springer Publishing** to offer their titles in the **R2 Digital Library.** *www.rittenhouse.com.*

in the state of Alabama that offer graduate education.[4] The **NAAL** homepage (*http://www.ache.state.al.us/NAAL/Index.htm*) includes the following statement of purpose:

> The purpose of the **Network of Alabama Academic Libraries (NAAL)** is to coordinate academic library resource sharing to enhance education and research. **NAAL** is an unincorporated consortium of the **Alabama Commission on Higher Education** and Alabama's eligible public and private four-year colleges and universities. In addition, other research libraries not affiliated with educational institutions may join as nonvoting cooperative members.[5]

NAAL currently consists of twenty-one member institutions, along with a representative of the **Alabama Commission on Higher Education**. The twenty-one general members include both public and private non-profit institutions. Additionally there are seven cooperative members consisting of two federal libraries, three state agency libraries, one special library, and one public library.[6] In 2000, the **NAAL Advisory Council** established an affiliate institution program for the eight private non-profit academic institutions in Alabama that were not eligible for general membership due to lack of graduate programs.

The member libraries of **NAAL** have worked assiduously to ensure cooperation that would benefit the students, faculty and researchers in Alabama. As described by **Dr. Sue Medina**, Director of the **Network of Alabama Academic Libraries**, "Alabama is unique among the states in considering its total academic library resources as a single research collection. The resources are housed in the libraries of the various institutions, but are available for use by all students, faculty, and researchers."[7] Through the 1980s and 1990s, **NAAL** efforts focused upon the sharing of resources, both via traditional interlibrary loan services and document delivery activities. By the early 1990s, however, **NAAL** embraced group licensing of databases as a strategy to improve access to information. A statewide plan for electronic access to information, "An Electronic Gateway to Information: Networking for the Nineties,"[8] was adopted by the **NAAL Advisory Council** in 1992. The overarching logic that drove this decision was that given the inherent poverty of the state, only by collec-

tive action could the institutions overcome the economic limitations each institution's budget placed on their libraries.

NAAL and the Alabama Virtual Library

NAAL was an early leader in advocating a statewide collection of electronic resources. Recognizing that the students coming to the state's universities were under-served by the resources in their local school systems and public libraries, **NAAL** began in the early 1990s to advocate negotiations with vendors for a statewide program that would benefit K-twelve schools, two year colleges, public libraries, as well as colleges and universities.[9] In 1998, by working with the leadership of key education agencies, a successful lobbying campaign was conducted which resulted in the Alabama State Legislature providing three mil-

> *"…the essence of the Big Deal is 'primarily a means of substantially improving the purchasing power of the consortium and its library members by delivering proportionately more titles per dollar spent….'"*

lion dollars for funding the **Alabama Virtual Library (AVL)** (*http://www.virtual.lib.al.us/*). Five state agencies[10] were responsible for the governance of the **AVL** and each appointed three representatives to a governing council.[11] The **AVL** licenses full-text access to fifty-six journal databases or encyclopedic resources, and eleven citation only resources.[12] Within the full-text resources, the **Alabama Virtual Library** licenses access to more than nine thousand full-text journals and magazines. Because of the support provided through the **AVL**, **NAAL** is able to focus upon licensing databases that have a higher level research component.

NAAL Licensing Practices

The **Network of Alabama Academic Libraries** has developed a set of guiding principles, described under the heading of **Online Content Program** on the **NAAL** Webpage (*http://www.ache.state.al.us/NAAL/backgrnd.htm*). Among the background information provided is a description of the **NAAL** licensing strategies. The principles that **NAAL** adheres to for allocating group costs to its members are:

- **NAAL** should make it possible for as many members as possible to subscribe to needed databases by seeking the lowest possible group cost and allocating individual costs as equitably as possible.

- No member should pay more than an individual subscription would cost.[13]

In allocating costs, **NAAL** utilizes five models[14] to allocate group subscription costs to the individual subscribers in the groups. These models were developed when vendors provided a single group quote, but can be adapted for use with almost any quote if the vendor allows **NAAL** to allocate the costs. The models are:

- The **FTE Model**. The total group cost is distributed using the participating institutions' student FTE data. Each institution pays the percentage of the cost that represents its percentage of the group's total student FTE.

- The **Equal Model**. The group cost is divided equally amongst the participating institutions.

- The **50/50 Model**. In this model, the participating libraries divide one-half of group cost equally. The remaining cost is divided using the FTE allocation.

- The **Bid Model**. Institutions are asked to "bid" the amount they can pay to be a part of the **NAAL** group.

- The **Vendor Model**. Vendors will present quotes stipulating the price for each institution. Vendor pricing is most often linked with access controlled by simultaneous users with a set number of users assigned to each participant.

With each model, the **AUM Library** has benefited by being able to extend access to full-text journal coverage at a reduced cost for licensing products, particularly when compared to our licensing a product as a single institution. In negotiating the license for a product, **NAAL** seeks to establish a common expiration date for renewal. Any current subscribers are able to transfer an existing subscription for a resource into a **NAAL** group licensed subscription. Each of the models listed above has advantages and disadvantages which are listed on the background page for the **Online Content Program**.[15] The advantages and disadvantages are identified as follows.

The **FTE Model** results in the lowest possible cost for the smallest members and the highest possible costs for the largest members. As a result, it violates **NAAL**'s second principle in that larger schools may pay more in this model than they would pay for an individual subscription. The **FTE Model** works the best when participating institutions are similar in size.

The **Equal Model** works best for reference type products not generally used by students, e.g., *Books In Print*, *Ulrich's International Periodicals Directory*. It is also used when a group shares the same number of simultaneous users. The assumption in this instance would be that every user, regardless of the institution's size, has an equal chance of accessing the database. The model is also used for online products which have a comparable print cost.

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BORN & LIVED: Yes, to both. Actually, born in Los Angeles, CA and grew up in Riverside, CA.

EARLY LIFE: Nothing extraordinary.

FAMILY: Married to **Charlotte Redemann**.

EDUCATION: BA MA in History from the **University of California Riverside**; MLIS from the **University of California Berkeley**.

FIRST JOB: Manuscripts Librarian for the **San Diego Historical Society**.

PROFESSIONAL CAREER AND ACTIVITIES: Dean, **Auburn University at Montgomery Library**. Member of **ACRL Government Relations Committee**.

IN MY SPARE TIME I LIKE TO: Travel.

FAVORITE BOOKS: *Economic Interpretation of the Constitution of the United States* by **Charles Austin Beard**. *The Big Four* by **Oscar Lewis**; and (though I probably shouldn't admit this *Don't Step in the Leadership* by **Scott Adams**.

PET PEEVES/WHAT MAKES ME MAD: Arrogance; Selfishness.

PHILOSOPHY: Live to make each day better than the one before.

MOST MEANINGFUL CAREER ACHIEVEMENT: The improvement in the **LibQual+** scores for the **AUM Library** from 2003 to 2006.

GOAL I HOPE TO ACHIEVE FIVE YEARS FROM NOW: A new library building for our campus.

HOW/WHERE DO I SEE THE INDUSTRY IN FIVE YEARS: I think there will be a restructuring of the "Big Deal" concept as libraries are forced to cancel because of costs. I think we're going to see more publishers pull their titles from aggregated databases and move towards licensing on their own.

The **50/50 Model** is judged as being more equitable in distributing costs. Larger schools with bigger budgets are paying more than smaller schools but less than would be the case using the **FTE Model**. For both the larger and smaller schools, the costs are less than an individual subscription.

The **Bid Model** has as an advantage — the ability to allow smaller schools to join in a subscription based upon what they can pay. Larger schools will often pay their individual costs or more in order to allow as many institutions to participate as possible. Even doing so, the larger schools benefit from the lower group cost negotiated by **NAAL** and the resulting group does not incur the higher costs that a smaller group would be charged. Over time, **NAAL** works to move to a **50/50 Model** for the participants in groups using the **Bid Model**. To accomplish this, renewal price increases are allocated to those schools paying less than **50/50 Model** while holding the costs level for those paying more than the **50/50 Model**. An advantage for the smaller schools is that even with the renewal price increases there is not the sticker shock of having to come up with a large amount of money to maintain the subscription at renewal.

The **Vendor Model** utilizes vendor set pricing linked with access controlled by simultaneous users with a set number of users assigned to each participant. This can be a problem in delaying user access to a resource because a limited threshold has been reached. However, **NAAL** has always been quick to react to situations where this occurs and works with the vendors to acquire additional simultaneous users for the group. Overall, the price stipulation provided by vendors does not offer a distinct advantage for the **NAAL** libraries.

Benefits of NAAL Licensing

NAAL licenses access to ninety-six separate databases,[16] three of which are provided by multiple vendors. In one instance, **NAAL** negotiated with the database vendor for a discount based on the number of subscribers and then negotiated a separate access cost with the database platform provider so members could choose their preferred provider platform. **NAAL** has also negotiated deeply discounted secondary access to the same licensed content available from multiple vendors. Table 1 documents the number of databases and the allocation formula ascribed to each.

The methods that have been used by **NAAL** to license databases have saved the citizens of the State of Alabama more than two million

dollars annually[17] by reducing the costs for licensing of needed databases by the participating institutions. More importantly, the **Online Content Program** has assured that **NAAL** members can add needed databases which might not have been possible if the institution was forced to accept the vendor's retail pricing. In actuality, however, the savings are far more extensive. The value of print costs for titles included in one of the SMT databases alone is in excess of three million dollars. In providing statewide access to the general members of **NAAL**, one can easily extrapolate the benefits received by the state. For the **Auburn University at Montgomery (AUM) Library**, we license sixteen databases through **NAAL**. Of these, four are abstracting and indexing services only. The remaining twelve all include full-text access.

In 2006, the **AUM Library** spent $202,481 to license electronic resources, including databases and e-books. Of the databases, sixteen were subscribed to via **NAAL** at a cost of $77,630. These sixteen databases had 92,509 searches conducted for a cost per search average of .84. The searches conducted resulted in 38,978 journal articles being retrieved, for a cost per article of $1.99. Given that **Mary E. Jackson** has reported a unit cost of mediated ILL / Document Delivery services in 2002 as being $17.50,[18] the **AUM Library** has certainly received an extraordinary benefit by participating in the **NAAL Online Content Program**. Our users have access to articles at their convenience. By our participation in the **NAAL** program **AUM** has been able to license databases that we would never be able to afford on a stand-alone basis. This is particularly true with SMT databases such as **Science Direct** and **Wiley Interscience**.

The spirit of cooperation that has been a hallmark of the activities of the **Network of Alabama Academic Libraries** has successfully made the leap from a print environment to a digital environment. Through the cooperative licensing of resources, the **AUM Library** has access to 7,487 journal titles available in full-text. When examining the value the **AUM Library** has received, we divided by the number of titles available in full-text through the sixteen into the subscription cost. With the **NAAL** licensed databases, our average cost per title is $10.36 per title. When taking into account the lack of storage cost necessary for housing print collections of these titles, the library reaps a substantial benefit.[19]

Conclusion

The experience of the **NAAL** consortium fits neatly within the context of improving access to journal literature while improving the purchasing power of the participating academic libraries. Access to more titles was provided per dollar spent by the academic libraries. Substantial cost savings have occurred for the institutions participating compared to individually licensing the databases. Overall, the **NAAL** libraries have chosen to provide users with access to a wide range of literature and to allow the user to judge those titles and articles which have the greatest utility. This has involved a shift from the traditional role of the library and librarians as selectors and repositories for journal literature to a role as a portal, or gateway to a wide range of literature. The cooperative efforts of the **NAAL** libraries have immensely benefited the students and faculty in the academic institutions in Alabama. 🐦

Table 1
NAAL Allocation Formula for Licensed Databases for 2006

Formula	Number of Databases Licensed Using
50/50	7
Bid	1
Equal	9
FTE	3
Vendor	74
SOLINET*	1
Other (Vendor/Bid Combination)	1
Total	96

Note: NAAL coordinates member participation for one subscription, but the license for the database is actually provided by the Southeastern Library Information Network (SOLINET).

Endnotes

1. **Kohl, David E.** and **Sanville, Tom**. "More Bang for the Buck: Increasing the Effectiveness of Library Expenditures Through Cooperation." *Library Trends* 54(3) (2006) p. 394-410.

2. For issues relating to library subscriptions to "The Big Deal," see **Frazier, Kenneth** "The Librarian's Dilemma: Contemplating the costs of the "Big Deal" *D-Lib Magazine*, 7(3) (March 2001), Available at: *http:www.dlib.org/dlib/march01/frazier/03frazier.html*; and **Sanville, Tom** "Letter to the Editor" *D-Lib Magzine* 7(4) (April 2001), Available at: *http://www.dlib.org/dlib/april01/04letters. html#SANVILLE*. Accessed April 25, 2007.

3. **Kohl, David E.** and **Sanville, Tom**. "More Bang for the Buck: Increasing the Effectiveness of Library Expenditures Through Cooperation." *Library Trends* 54(3) (2006) p. 394-410.

4. **Medina, Sue O.** "The Evolution of Cooperative Collection Development in Alabama Academic Libraries." *College & Research Libraries* 53 (January 1992); p. 7-19.

5. **Alabama Commission on Higher Education**. **Network of Alabama Academic Libraries Homepage**. *http://www.ache.state.al.us/NAAL/Index.htm* Date Accessed: April 6, 2007.

6. For a roster of membership in the **Network of Alabama Academic Libraries**, go to the NAAL membership page at *http://www.ache.state.al.us/NAAL/members.htm*. Date Accessed: April 6, 2007.

7. **Medina, Sue O.** "Network of Alabama Academic Libraries: An Emerging State Network." *The Southeastern Librarian* 37 (Summer 1987); p. 41-45,

8. **Network of Alabama Academic Libraries**. Unpublished Report. Contributed by **Dr. Sue Medina**, Director of the **Network of Alabama Academic Libraries**.

9. **Morgan, Josie**. "Turning a Dream into a Virtual Reality of Statewide Information Sharing." *Computers in Libraries* 21 (1) (January 2001): 50-55.

10. Agencies include the **Alabama Commission on Higher Education** (parent agency of **NAAL**), the Alabama Department of Education, the Alabama Department of Postsecondary Education, the Alabama Public Library Service, and the Alabama Supercomputer Authority.

11. **Alabama Virtual Library**. Background Information. Available at: *http://www.virtual.lib. al.us/background/funding/html* Accessed April 9, 2007.

12. **Alabama Virtual Library**. Available at: *http://www.virtual.lib.al.us/databases/index.html*. Date Accessed April 9, 2007.

13. **Network of Alabama Academic Libraries**. Online Content Program Background. Available at: *http://www.ache.state.al.us/NAAL/backgrnd.htm*. Date Accessed April 9, 2007.

14. **Network of Alabama Academic Libraries**. Online Content Program Background. Available at: *http://www.ache.state.al.us/NAAL/backgrnd.htm*. Date Accessed April 9, 2007.

15. **Network of Alabama Academic Libraries**. Online Content Program Background. Available at: *http://www.ache.state.al.us/NAAL/backgrnd.htm*. Date Accessed April 9, 2007.

16. Data provided by the **Network of Alabama Academic Libraries**, April 11, 2007.

17. **Network of Alabama Academic Libraries** Overview. Available at: *http://www.ache.state. al.us/NAAL/Overview.htm*. Date Accessed April 9, 2007.

18. **Jackson, Mary E.** "Assessing ILL/DD Services Study: Initial Observations." *ARL* 230/231 (October/December 2003) p. 21-22.

19. I would like to express my deep appreciation to **Dr. Sue O. Medina**, Director of the **Network of Alabama Academic Libraries**. Her generosity of spirit and cooperative support in reviewing an early draft of this paper is very much appreciated. — **R. Best**