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The Evolving DDA Project at the Orbis Cascade Alliance

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by **Kathleen Carlisle Fountain** (Orbis Cascade Alliance, Program Manager) <kfountain@orbiscascade.org>

Background

Although the decision by the **Orbis Cascade Alliance** to incorporate Short-Term Loan into our consortial acquisitions model predated me, I have been closely involved for the past two years, have a good understanding of that decision-making process, and I was most recently in charge of adapting our project when the STL rates changed in summer of 2014.

The original decision to incorporate STL was driven by a desire to use a model that clearly demonstrated value to the **Alliance** membership before committing to purchase. We decided to work with **EBL**, as they really pioneered the STL model and they worked with our preferred book vendor, **YBP**. STL was, at the time, viewed as the most obvious means of recording and understanding patron demand. Budget was certainly one major consideration, and one of the great benefits that we saw in **EBL's** STL model was the flexibility to vary the purchase trigger over time, in order to accommodate our existing fixed budget.

There was also a desire to have both an access and an ownership component to our project, and STL provided that as well. Initially, the members wanted a way to share eBooks across the consortium like they'd been doing for years with print. DDA let us collectively own and share a variety of eBooks that had demonstrated value to the membership.

Implementation & Initial Results Achieved

We manage our project with the help of three key vendors: **YBP**, **EBL**, and **OCLC**. **YBP** maintains our profile, and they feed the list of titles for activation to **EBL**. **EBL** activates the new titles and sends a record set to **OCLC**. **OCLC** adds our holdings and makes catalog records available to our libraries initially and, now, centrally to our shared ILS.

The project launched in July 2011 with a small, six-month pilot. It turned into an ongoing program at the end of Year One, so we've been managing it for four years now. At this point, our budget and our project oversight are in a fairly steady state. We've collectively purchased 2,300 titles from 22 imprints. Our patrons used our titles 454,118 times, and just over half of those uses were for owned content in the last year.

Although we see our DDA program as stable, we recognize that publishers still consider DDA a pilot and there is volatility in the model and the marketplace. So every change is discussed, digested, and then we determine a plan of action to take things forward.

We look closely at data every year and receive reports from **ProQuest** monthly, so we're able to track usage and purchasing, but we're looking at overall trends as well. The most important data points over time have been the usage data by publisher, the usage data by library, and the amount of the budget used for STLs and purchases over time. We've tracked the data on owned and unowned use and have seen our overall cost per use decline as more titles are owned by the consortium.

Budgets & Budgeting

We have an annual, central budget for our project, which is funded by the member libraries. Our budget has changed over time with our initial pilot's budget of $500K, which then rose to $750K, and then finally rose to $1M where it has been holding steady. Although we added an eBook subscription database to our portfolio, the vast majority of that budget is spent on DDA. There is always the question of whether we need to ask for an increase, but there is very little appetite for that at the moment within the membership.

Unlike libraries, which can move funds from one part of their materials budget to another, our budget is finite and fixed. At the end of fiscal year 2014, we ended up in the black because we kept our purchase trigger high for the year, which left us with a budget surplus. Then, we took the available pool, looked very closely at overall usage, and found the titles that had the most usage by the most members. We made the decision to purchase those titles directly using our available budget.

The lack of predictability with DDA since June 2014, however, means that we've been managing our project in crisis-management mode frequently during the last year to stay within budget.

STL Rate Increases & Response

When the first wave of increased STL rates were announced in May 2014, we knew the increases would have a substantial impact on the project. We first analyzed the budget impact, and we looked carefully at what we had spent with each participating publisher in the prior year and what that spending would have been had the new rates been in place for that same period. In many cases, our costs would have been significantly higher. Charges for the period of July 2013 through April 2014, for example, would have been an additional $443,000.

Those were costs that our budget could not have absorbed with the project as it was, so, working with **EBL**, we decided to pull approximately 5,000 unpurchased titles as a cost containment measure. From August 1st of 2014, titles that were above $250 or had a publication date of 2011 or earlier were removed. We then sent the removed title lists to our libraries, along with their relevant usage data. The libraries could then evaluate that use, and those that had loans could be purchased locally.

Unfortunately, we did not accurately predict the budget impact of these changes. We realized later that we should have, in fact, pulled more titles. This past April, we had to suspend purchasing in order to stay within budget and keep the titles available. Given our negotiated purchasing multiplier, the cost of purchase was too high to maintain for the last few months of the fiscal year.

The way we responded to the STL rates in summer 2014 established a new practice for our project. Now, in August, we remove the oldest year of unpurchased titles to make room for the new additions. This year, we also decided to reduce our price cap in order to remove additional titles. Our goal is to make it through the year within budget without any additional crisis measures.

Budget and budget management are truly core to our concerns and for me, as a manager of this project, I bear that responsibility, and I'm watching it very closely. Our key benchmarks are current year vs. last year spending and the average weekly spending. I track that as the year goes on, and then work with our group to determine how to manage the situation if spending is off target.

Evolving Models, Sustainability, and How Libraries Can Manage Change

So when you think about the consortium, anything we do and any adjustments made to the existing models impact 37 members, and whatever they do locally is shaped around what we do consortially. We don't slice and dice content, as that isn't really conducive to how we manage the project.

If we had a publisher, for example, that said it would withhold STL access for front list content going back eighteen months, that really complicates our task. Right now we're able to say across the board what the price cap, multiplier, publishers, and publication dates are. How do we then go about managing titles joining the pool 18 months later? How do we communicate to libraries what is and is not included? Would libraries buy the titles before they join our DDA pool 18 months later? The introduction of front list embargoes reduces the simplicity of our project.

Our present solution has been to remove the content from publishers that have STL embargoes. We are not able to justify purchasing multiple copies of a title based on the first STL within the consortium, so we are leaving our libraries to decide if they will add the publishers to their own local profiles.

What does the potential embargo of additional content mean for us as DDA and STL evolve? It has already altered the composition of our title list. It's changed how we view the stability of our DDA project. This will be the topic of the coming year.

Rumors
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There were many meetings in October. The **Ninth Outsell Signature** event was held in Pinehurst, NC. **Success in the Digital Machine Age** included over 140 information industry CEOs, COOs, and presidents from the U.S. and beyond. In the evening keynote, **L. David Marquet** whose best-selling book *Turn the Ship Around* described how a submarine of followers became leaders. Other speakers included **Anthea Stratigos**, co-founder and CEO of **Outsell** who outlined trends that will matter in the future, **Chris Giles**, economics editor of the *Financial Times,* **Wilma Jordan**, founder and CEO of the **Jordan, Edmiston Group, Inc**. (JEGI), **John Ross**, President of Analytics at Inmar and many others completed the speakers. There were many unique networking opportunities and it's truly impossible to do justice to all the unique approaches provided by the attendees, an amazing group of optimistic, energetic, creative, and innovative entrepreneurs.

At the Signature event, I had the good fortune to sit next to **Thane Kerner**, CEO of **Silverchair Information Systems**, who has spoken at the **Charleston Conference** several times. Will we see him this year? Meanwhile, heard from **Oxford University Press' Global Academic Division** that they have entered into an agreement with **Silverchair** to migrate their extensive portfolio of journals and many online products to a new publishing platform powered by **Silverchair's SCM technology**.

https://global.oup.com/academic/news/silverchair-announcement?cc=us&lang=en&

Dick Gottlieb of **Greyhouse Publishing** was also at the **Signature** event! It's hard to keep up with all the distribution arrangement acquisitions that **Dick** is making these days — **Bowker**, **Salem Press**, **H.W. Wilson**, etc., etc. **Dick** says he will be in Charleston for sure! *Greyhouse.com/*

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What Can We Do As A Consortium

There remain many big questions about long-term sustainability on the consortium side. We need to be able to model out what has come before in order to have a sense of what we are able to do in the future. I think that raises a major concern when we look at the evolution of libraries, electronic content, and librarians' skill sets.

I can only speak for myself, but I don't think that my experience is uncommon: I was not trained to purchase books after examining various sets of metrics. I bought books in anticipation of local needs that were based on plans, institutional research focus, the curriculum, and faculty requests. Those are two completely different skill sets, and I have learned on the job how to run analyses and use their results to make data-informed decisions. We as librarians need to continue to develop these skills that allow us to independently assess our success and adjust accordingly.

It's much more natural for publishers or aggregators to serve this role because they've been running their businesses and understand how to assess ROI using very specific metrics. The volatility in the eBook marketplace is driven in large part by what their data tell them about how new models impact their sales.

While **COUNTER** book reports provide some useful information, librarians also rely on the more granular data their vendor partners provide. The proprietary data collection methods used by vendors generate a variety of useful but non-standard data points. This puts librarians at a disadvantage for understanding the comparative ROI across various eBook platforms.

And this lack of a standard data set is an issue and will continue to be so. I don't think there are workable models right now that serve the needs of librarians — that demonstrate to us how to analyze the data, what it means, and how to then act on it — and that's really the crucial element. Librarians need to know, for example, what happens when STL rates increase. What impact would removing embargoed titles by one publisher have on costs? What happens when two years of titles from a new publisher are added to a DDA profile? Where is the best use, and how can we design around that? Without a standard approach for analyzing ROI, we may defer to those producing the data to model the impact of marketplace changes or we may just make some educated guesses. The libraries' users are best served when we have a shrewd understanding of the value of the products we buy and make our decisions accordingly, and good data is the foundation.

As publishers, aggregators, and librarians all continue to work together to figure out what the best, most mutually sustainable models are for eBooks, let's also collaborate to determine the right metrics and the right analytic models. Such shared transparency may help build trust across partners while also providing librarians with confidence in their data and decisions. In the end, it will provide the widest range of content at the best possible price to the libraries' users, now and in the future.

Future Dates for Charleston Conferences
Preconferences and

	Vendor Showcase	Main Conference
2016 Conference	2 November	3-5 November
2017 Conference	8 November	9-11 November
2018 Conference	7 November	8-10 November
2019 Conference	6 November	7-9 November