

# We Need More Canada: The Library Equivalent of Hockey

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# The Wisdom of Experience

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The real problem is not what we  
don't know;  
It's what we know that is, in fact,  
not true that causes problems

# Faulty Knowledge

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- Bundled purchases aren't valuable because:
  - They don't save libraries money
  - eJournals are a minor part of library collection expenditures
  - They haven't stopped the decline in journal access
  - Such purchases have fallen out of favor
  - Such purchases suck money away from other (non-bundled) journal purchases

# “They don’t save the libraries money”

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- The goal is not reducing expenditures, but getting more bang for the buck
  - Overall cost increases a little
  - The value proposition increases a lot
- The goal of bundled purchases is:
  - Substantially increased access to the journal literature
  - Reducing the cost per title

# How Much Greater Access to the Journal Literature\*

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- Academic Press
  - Before: 1,140 subs.
  - After: 9,100 subs.
  
  - Before: \$1,100,000 total cost
  - After: \$1,210,000 total cost
- Elsevier
  - Before: 3,600 subs.
  - After: 59,800 subs.
  
  - Before: \$7,000,000 total cost
  - After: \$7,700,000 total cost

\* Combined titles of all OhioLINK members, 1995

# How Much Better Value \*

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- Academic Press
  - Before: \$964.91 avg. cost per title
  - After: \$132.97 avg. cost per title
- Elsevier
  - Before: \$1,944.44 avg. cost per title
  - After: \$ 128.76 avg. cost per title

\* Based on OhioLINK's first two big deals

# The New Titles Were Heavily Used!

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- Overall, **58%** (502,000) articles **were from journals not previously available** at that institution vs. 42% from journals which were previously available, i.e. “selected” journals\*

\* based on 865,000 articles downloaded June 1999 through May 2000; a second study based on 1,120,00 articles downloaded January thru December, 2000: same percentage!

# HEAL-Link E-Journal Use (Greek academic libraries)

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- The HEAL-Link deal with Academic effectively increased access system-wide
  - 6 fold increase in titles available
- In 2000, the Greek academic libraries downloaded 15,459 Articles from Academic Press journals
  - 62% were from journals not previously held in that library

# And on, and on...

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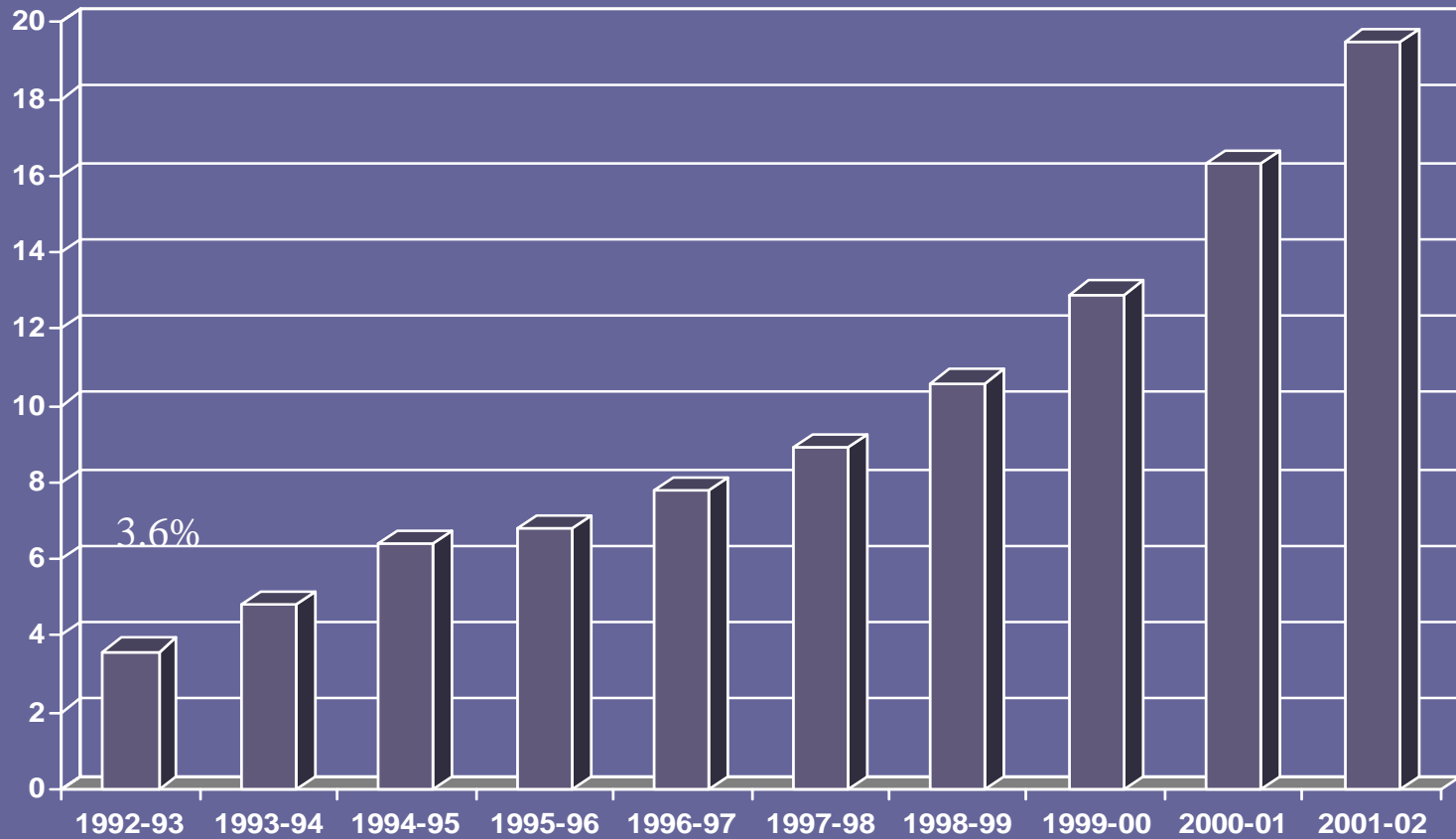
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- ANKOS (Turkish academic library consortium)
- Bibsam (Swedish library consortium)
- CONCERT (Taiwanese academic library consortium)

All show similar increases in journal access and substantial use of newly available journals.

# “ejournal purchases are a minor part of the library collections budget”

Digital serials expenditures as a % of total collections budget 19.5%



# But...

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- Based on:
  - Lagging indicators (1-2 years old)
  - Big Deal purchases (where the electronic costs have traditionally been a minor add-on to print costs)
  - Central money (not reported) often picks up even these minor add-on costs

# Big Deal purchases are a significant element

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- Ingenta report suggests that 50-60% of all ejournal sales are bundled consortia deals
  - This is probably low
- Traditional Big Deal model:
  - Continue to pay for the print (reported to ARL)
  - Get all the publishers ejournals for a marginal (0-15%) additional cost (not reported to ARL)
- Often the marginal costs are paid for by central consortial money (not reported to ARL)

# For Example...

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- University of Cincinnati digital journal costs in the first Elsevier deal reported to ARL
  - UC added 1,200+ digital journals (700+ new titles)
  - OL picked up the add-on costs
  - UC reported only print costs for its 500 print journals

The ARL statistics reflect no expenditures for adding 1200+ digital journals to UC's collection!

# From Substantial to Really Large\*

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- Reported e-journals expenditures by ARL in 2002
  - \$ 154,418,679
- Likely e-journals expenditures in actuality
  - \$ 300 – 600,000,000
- Out of a total ARL library collections budget for 2002 of just under \$1 billion

\* Unless you work for the Federal Government

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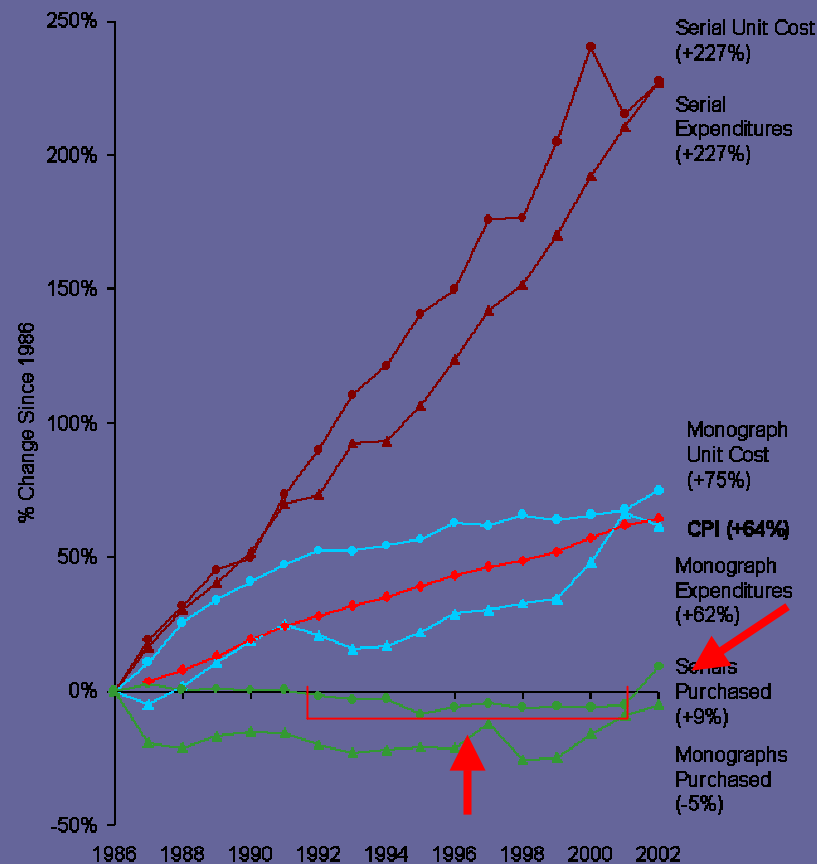
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The transformation to digital collections in academic libraries has been much faster and more thoroughgoing than our conventional statistics indicate

Caution: Objects in mirror are much closer than they seem

# “Bundled purchases haven’t stopped the decline in journal access”

Graph 2  
Monograph and Serial Costs  
in ARL Libraries, 1986-2002

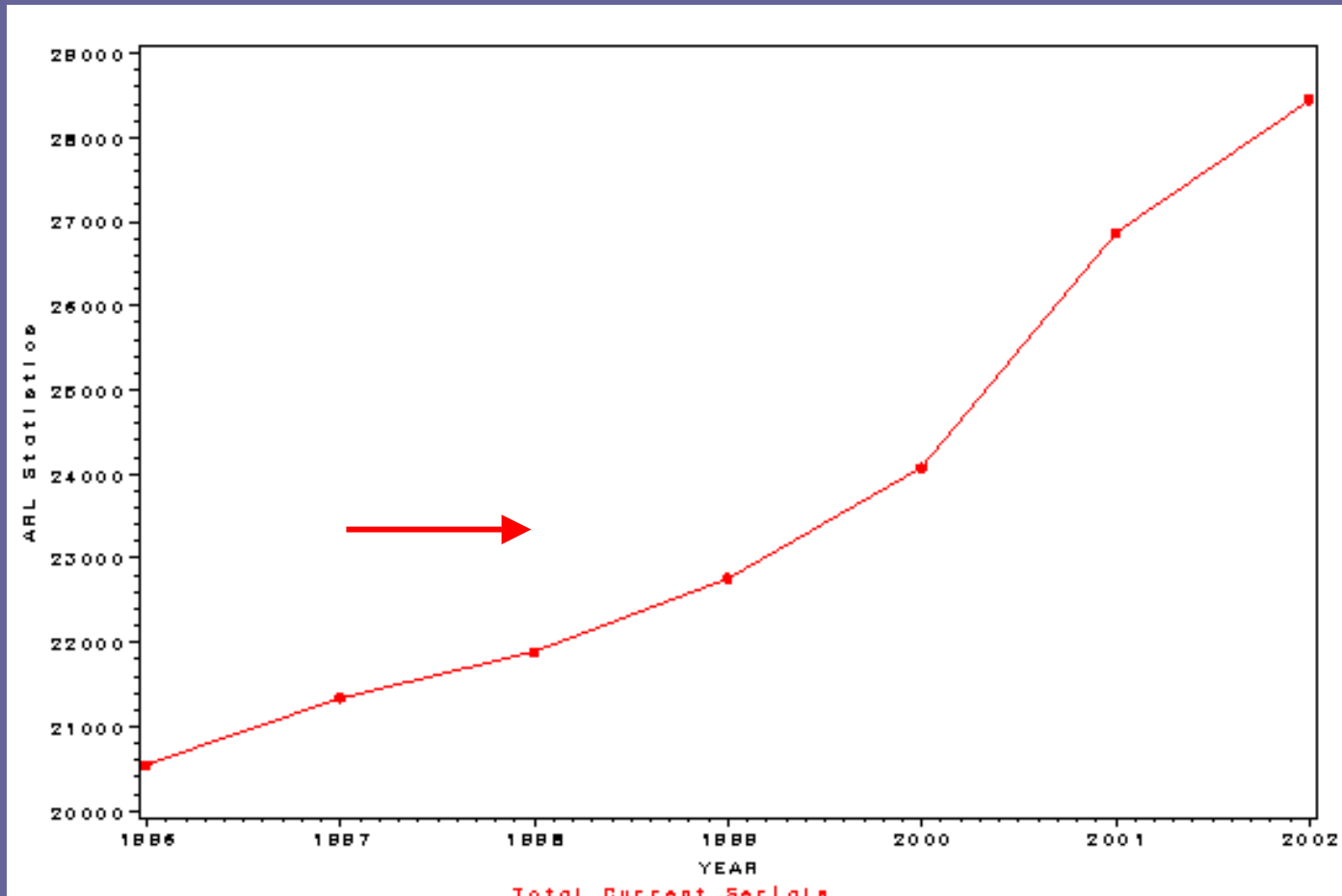


Source: ARL Statistics 2001-02, Association of Research Libraries, Washington, D.C.

# Reality:

## The Number of Journals Provided by Academic Libraries has been Increasing

Median Journals in ARL Libraries 1996-2002



# Ohio ARLs 1996-2002

## Total Journal Subscriptions

	<u>1996</u>	<u>2002</u>	
Case Western	13,599	17,506	
Kent	11,676	14,605	
OSU	33,280	43,068	
Ohio University	25,839	28,581	
U Cincinnati	<u>19,431</u>	<u>34,615</u>	
Total	103,825	138,375	+34,550 serials; 33.3% increase

# And It Just Gets Bigger

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- If we consider the 13 core OhioLINK universities between 1996-2002 (in round numbers):
  - From a total of 16,250 journal titles
  - To a total of 65,000 journal titles
  - For an increase of 48,750 journal titles; a 300% increase

# “Bundled purchases are declining”

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- Important not to confuse negotiating tactics with end results
- Both librarians and publishers are trying to redefine the Big Deal to their own advantage

*This is not good versus evil, we're haggling over the price of goods in the bazaar!*

# Don't believe our own propaganda

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- After much public posturing...
  - Cornell basically continued its bundled deal after relatively minor cancellations
  - U. of California system continued its bundled deal and expanded the time frame from 3 to 5 years
  - When VIVA hesitated, its 5 major libraries went ahead with a just announced bundled deal two weeks ago

# And it's no different in Europe

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- After debating the Big Deal two years in a row:
  - eICOLC at Thessalonica in 2002 overwhelmingly endorsed the value of the Big Deal
  - eICOLC at Copenhagen in 2003 again overwhelmingly endorsed the value of the Big Deal

# “Bundled purchases take money away from non-bundled journals”

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- Based on the assumption that the amount of collections money available to the library is basically fixed
- Consequently:
  - More spent on a Big Deal must be taken away from some other journals
  - The more money locked up in a Big Deal puts greater pressure on expenditures for the remaining journals

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*The logical outcome of a defensive  
war is ultimately surrender.*

Napoleon Bonaparte

# The library is fighting a two front struggle

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- Publisher increases
- Reduced institutional funding of libraries
  - The library's share of the university budget has dropped steadily since the early 1970's
  - From 3.5% to 2.4% \*

Your academic colleagues can also be your competitors  
for institutional funds

\* Based on reporting ARL libraries

# Fighting the institutional funding battle

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- The bundled purchase argument addresses the internal institutional struggle for funds as well
- From:
  - the sky is falling, give us more money
  - we can't keep up, give us more money to buy less
- To:
  - give us a little more to buy a lot more

# It's Hard to Resist a Bargain Locally

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- UC faculty and administration agreed to support annual 8% increases in the collections budgets
  - Other UC areas were being regularly cut
  - Library collections were getting almost \$500,000 in new money annually

# It's Hard to Resist a Bargain Regionally

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- Central funding for OhioLINK has added substantial resources to support Ohio academic collections
  - In 10 years central funding directly allocated to collection support has increased from \$0 to \$9,000,000 annually
  - Even a 6% reduction in the past year is a trivial adjustment in the state's commitment

# It's Hard to Resist a Bargain Nationwide

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- Canadian National Site Licensing Project (CNSLP) put together an initial deal bringing \$50,000,000 (Canadian) in mostly new money to libraries to support Canadian academic collections
- CNSLP then moved to a \$100,000,000 (Canadian) follow up deal involving a combination of new and local money

# The Big Deal is not primarily about saving money, but...

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- Big Deals are almost always multi-year deals (3-5 years typically)
- They involve negotiated subscription inflation for the out years
- Negotiated inflation always turns out to be less than non-negotiated inflation
  - Typically the negotiated inflation is 3-7 percentage points less

# The savings which keep on giving!

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- Not only does the difference between negotiated and imposed inflationary increases represent a substantial amount of saved money in any given year
- But... it limits the increases to your base so that the library, in effect, saves an increasing amount every year

# A final misapprehension!

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All the significant consortial action  
takes place somewhere else!

# In fact...

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Canada is a consortial world leader by almost any objective measure



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When you done good,

Let the world know!

Go Canada!

# Thank You...

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Questions?

Comments?

Observations?