

E-books and libraries: which business model?

By Ken Chad. CILIP Library+Information Gazette. 11th November 2010

Ken Chad is picking up threads from the Higher Education Library Technology (HELibTech) service and its sister Local Government Library Technology (LGLibTech) website. These from a resource for anyone interested in libraries and the technologies they use.

<http://helibtech.com/> (HELibTech)

<http://lplibtech.wikispaces.com/> (LGLibTech)

'After a number of false dawns, books are, finally, starting to go digital'¹ The much cited event in support of this view was when Amazon US reported in July that its e-book sales overtook sales of hardbacks for the first

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time. Bloomsbury's Richard Charkin estimates e-books will hit a ceiling at 30 per cent of total sales. 'Others say the sky is the limit'.² Nevertheless the role of e-books in public libraries remains controversial. 'E books are not for public libraries.... just now anyhow.'³

In academic libraries e-books along with e-journals are mainstream fare. Many UK universities spend most of their materials budget on e-resources. The market for scholarly publishing, which is predominantly in journal form, is *institutional*. Libraries are the biggest purchasers and are vital to the market. Large, expensive reference works are

¹ 'Do writers need paper?' By Tom Chatfield. Prospect 71. November 2010

² Reported in 'Books and the iPad' By Bryan Appleyard. The Sunday Times, 25th April 2010
<http://www.bryanappleyard.com/2010/04/books-and-the-ipad/>

³ 'E books in public libraries'. Good Library Blog. 22 September 2010. The comments to the blog posting offer divergent views.
http://www.goodlibraryguide.com/blog/archives/2010/09/e_books_in_publ_1.html

also typically bought by libraries so unsurprisingly this is where *public* libraries first got involved with e-books.

However the main fare of public libraries is *books* supplied by 'trade publishing'. Analysing the publishing business, John Thompson remarked: 'Unlike scholarly book publishing, there is no obvious institutional market to which the trade publisher can turn - there are public libraries but they represent a relatively small anddeclining part of the market.'⁴ He concludes that trade publishing is the least amenable to online

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dissemination. This is not to say that trade publishers have not taken advantage of digital technologies in terms of *production*. Most new trade books that public libraries buy are based on a digital file. Publishers have spent a lot of money and effort in building up their backlists as digital archives so books can be delivered in a variety of ways and formats. And of course e-books is one of those ways. Well it's not really *one* way. There is a multiplicity of e-book formats. Most computer devices will read a PDF but if you want something more user friendly for a particular e-book reader or an iPad you may be frustrated.

⁴ 'Merchants of Culture. The publishing Business in the twenty-first century'. By John B Thompson. Polity Press. 2010. Isbn 978-0-7456-4786-9

So apart from the near universal adoption of e-reference it's no surprise that public libraries are behind their academic counterparts in e-book adoption. However e-books aren't new to public libraries. Essex

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Libraries was a pioneer six years ago and has been joined by many more. A look at the 'systems review' page of the Local Government Library Technology (LGLibTech) website shows that around one quarter of public libraries are delivering e-books⁵. Overdrive is the most popular technology and content aggregator with around 40 public library customers. Askews has recently entered the market with a handful of 'pilot' sites.

Nevertheless the lack of 'clout' with publishers is likely to be an important factor when considering business models for the dissemination of e-books by public libraries. Publishers have even forced major retailers like Amazon to accept new business models⁶. It should come as no surprise then that the Publishers Association has recently announced new restrictions on the download

⁵ An A-Z listing of UK public authorities with the library technologies they employ is available at <http://lglibtech.wikispaces.com/Systems+Review>

⁶ 'eBooks in Libraries a Thorny Problem, Says Macmillan CEO'. By Eric Hellman. Go to hellman blog. 10th March 2010. <http://go-to-hellman.blogspot.com/2010/03/ebooks-in-libraries-thorny-problem-says.html>

of e-books from public libraries.⁷ The DCMS policy paper on public libraries⁸ expected 'e-books to be loaned for free...and government will make an Order preventing libraries from charging for e-book lending.' It will be hard to reconcile this with the interests of publishers. Earlier this year Macmillan's CEO, John Sargent admitted that e-books and public libraries was a thorny problem: 'If there's a model where the publisher gets a piece of the action every time the book is borrowed, that's an interesting model.'⁹ At a recent NAG seminar on e-books a library supply

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chain veteran thought it high likely that the DCMS would change course on e-books and allow charging. Is this just common sense or a fundamental threat to the ethos and business model of public libraries?

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⁷ 'PA sets out restrictions on library e-book lending'. By Benedicte Page. The Bookseller website. 21st October 2010. <http://www.thebookseller.com/news/132038-pa-sets-out-restrictions-on-library-e-book-lending.html>

⁸ The modernisation review of public libraries. A policy statement. DCMS March 2010 http://webarchive.nationalarchives.gov.uk/+http://www.culture.gov.uk/images/consultation_responses/modernisation_review_public_libraries.pdf

⁹ 'eBooks in Libraries a Thorny Problem, Says Macmillan CEO'. By Eric Hellman. Go to hellman blog. 10th March 2010. <http://go-to-hellman.blogspot.com/2010/03/ebooks-in-libraries-thorny-problem-says.htm>