CNI Executive Roundtable Report:
E-Book Strategies
December 8-9, 2013

Landscape Survey and Synthesis of Key Issues

E-books are now a substantial part of the broader book marketplace. Within the research and higher education world, libraries are acquiring them in substantial numbers, and textbooks are moving into electronic form in a variety of settings and economic models. New marketplace structures are developing as old intermediaries vanish and new ones appear. These developments frame a wide variety of management and policy issues at higher education institutions and pose challenges and opportunities for publishers and distributors of e-books. During two separate convenings of this roundtable, we explored questions that these new directions raise for institutions, the strategies that institutions are using to make choices among the available paths, the stakeholders involved, and the new programs and projects that CNI's members are planning or have implemented. Our emphasis was on breadth rather than deep explorations of very specific issues; often we were most interested in understanding how institutions were shaping the questions and how they were exploring them, since many of these questions are far from resolution. Roundtable participants included representatives from academic libraries and information technology units from research institutions and liberal arts colleges, library associations, publishers, and aggregators/intermediaries.

E-book strategies encompass at least these major issues (each with many subsidiary facets):

- Rethinking library collection scope since e-books are acquired using a combination of access and ownership strategies, and are acquired both transactionally book-by-book and at various levels of aggregation. For example, some libraries view macro collections such as HathiTrust as part of their institutional collection; for the public domain book collections available freely online, there is the usual long-standing library ambiguity about the relationship to the local collection, or to an emerging "collective collection, and the responsibilities for stewardship.

- A large number of e-books available today (and considered part of library collections in some sense) are retrospective in nature, representing digitized versions of books in existing print collections. Strategies for managing this collection of e-

books is inextricably tied to strategies for managing the materials in the print collections that they reflect.

- A still small but growing number of new e-books are not being produced in a print version, or they contain additional material that is not available in the printed version. The ability to acquire, make available, and preserve these materials is clearly core to the future collection and operation of research libraries. Provisions and strategies for everything from selection and acquisition to preservation are highly immature.

- Many of the e-books that research libraries want to acquire are electronic versions of monographs from scholarly presses (primarily university presses), and the research and education community represents the main market for these publications. This is a small, fragile, and increasingly dysfunctional market in print, involving a large number of economically marginal small players who carefully guard their autonomy and have found collaboration challenging in the past; the looming transition to electronic publication is an opportunity that various marketplace players are watching closely. Everyone senses that there will be winners and losers in this transition, and everyone is being cautious, trying to protect their own interests and improve their positions, but there is little agreement among the players on how best to address many of these current market dysfunctions, or what priorities should guide decisions.

- There is also a large class of this "born-digital" material for which libraries (and particularly research libraries) are *not* the primary market; instead, this market is made up of individual consumers. License agreements and pricing provisions can severely punish or totally block libraries of all kinds from collecting and preserving these materials (as has happened with public libraries and mass market books in some cases), and can create difficult policy challenges with regard to considerations such as reader privacy. It is worth noting that similar issues are emerging with regard to other parts of the cultural record, such as music. Here the fundamental challenge is for research libraries to devise ways to practically collect and preserve these materials. Research library interests are closely related to but not entirely congruent with those of public libraries.

E-textbooks present a series of specific and deeply important policy choices, with outcomes that alter both the costs of higher education and the quality of the educational experience. Do institutions want to take greater control over the acquisition of educational resources (perhaps, for example, by having the library site license them for the use of the entire campus community), or leave acquisition to be negotiated largely between individual students and publishers, bookstores, or other suppliers in the new digital world? How do textbooks relate to other content that is in-licensed and placed in various learning

management platforms? Are distinctions between e-textbooks and other kinds of online learning resources helpful, and what do they mean from various economic and policy perspectives? To what extent do institutions want to commit to open educational resources, and how will they support this commitment? Do institutions want a standardized, specific e-book platform, or a minimum set of features and functions for such a platform to be selected by faculty? What are the issues around collection, control, and access to usage data that comes out of student interactions with e-textbooks? To what extent should libraries be collecting educational resources?

We don't yet have much good data about the acquisition and use of e-books in the academic world, and collecting such data is challenging due to the multiplicity of vendors and vendor relationships, the mix of consortial, single-institutional and individual purchasing and licensing programs, and the very contextual and variable approaches to measuring and reporting use. None of the institutions present at the roundtables could clearly and confidently answer the question of how many e-books their library "has," how many were available to their patrons through their affiliation with the institution, or exactly how to relate these two figures. Therefore, it is difficult to make cross-institutional comparisons. While various individual institutions have carried out user surveys that address preference for e-book versus print in both textbooks and library materials, that data is not widely shared, and it is complex to interpret. For example, the capabilities and affordances of various e-textbook platforms are so widely variable that it is almost meaningless to simply ask about "print versus electronic" textbooks in a general way.

The scale and diversity of deals available in the e-book market are tremendously complex; it is much less mature than the market for electronic journals, for example. Questions about the locus of responsibility for providing access, and who will select and provide these platforms, is still very real for e-books. Questions about whether an institution "owns" or has permanent access to materials is much less clear in the e-book world; this is tied to worries about the stability of the contents of aggregator offerings, and the transparency associated with changes to these offering. There are e-books that are simply not available to libraries (or not under acceptable terms and conditions). Some corpora are gigantic: not just HathiTrust, but various foreign-language corpora being assembled by national libraries or private vendors running into the hundreds of thousands or even millions of books.

There is uncertainty around the core acquisition model for e-books. As journals transitioned to digital form, after a fairly short period of experimentation, the model of unlimited concurrent access within a community of users licensed for the journals became almost universal in higher education. Scholarly publishers and libraries are still struggling over whether they want to emulate the way libraries circulate physical books (one reader at a time, with large time quanta for readership switching), or to embrace the unlimited parallel users model that is working so well with journals. Much of the issue from the scholarly publisher side is about capturing as much revenue as possible on a consistent and

predictable basis, while at the same time avoiding terms and conditions that put them at risk of occasionally capturing less revenue than they might otherwise on the rare best-seller. Research libraries seem to be clear about what model they would prefer but are unwilling to pay license fees hugely in excess of their print acquisition costs. For the trade marketplace, there's not really any meaningful discussion yet with the research library world (though there has been heavy endorsement of the model which emulates the practice with physical books, and very hard-fought negotiation with the public library world).

There is also some lack of clarity about what it means to provide access to an e-book. Does "providing access" mean being able to read it online, or to download it in some unencumbered format like HTML or PDF? Does it mean that it is downloadable and readable (perhaps in some constrained way) using some piece of digital rights management (DRM)-laden reading platform software (such as the Kindle book reader, or Adobe Digital Editions), and, if so, what hardware (computer, tablet, phone) and OS platforms are required for this specialized software? Does it mean downloading the book into some appliance book-reader like a Kindle? How much and what aspects of access are the responsibility of the publisher versus the responsibility of the library? Converting manuscripts to a variety of formats for e-book devices has imposed new expenses on publishers, which has been especially challenging for small publishers, including association and university presses. Public libraries, in particular, need to cater to users with a multiplicity of devices, all employing different platforms.

Publisher use of DRM software has presented serious concerns for libraries and for intermediaries who sell collections of materials from a variety of publishers. While DRM has largely been abandoned by the music industry and some parts of the video industry, it is widely in use in the trade e-book market. Aggregators and buyers such as libraries, as well as individual consumers, are pushing to get rid of DRM in publishing but have been unsuccessful so far. DRM is not in general use today in the scholarly e-journal industry but scholarly book publishers seem to be currently on the fence (as they need this to enforce a use model that emulates physical books). It is unclear what is driving the use of DRM other than fear and a desire for control, and whether its use is genuinely in the interest of source publishers. The use of DRM in the trade e-book market has had a detrimental impact on bookstores, which could not develop their own platforms to accommodate the DRM technologies of the large number of publishers and distributors and went out of business in droves, and has left the trade publishers largely at the mercy of Amazon and to a lesser extent Apple in reaching their customers. If one wants an e-book marketplace where it's possible to *enforce* business models that emulate the single-use-at-a-time behavior of physical books, it's hard to see how to do this without DRM.

In the emerging e-textbook environment, some institutions are developing broad policies, but at present, most leave decisions about e-textbooks up to individual faculty or departments. Some faculty develop course materials using proprietary platforms without

thinking through the implications for their students, who may not have the requisite software to access the resources. Obsolescence, discontinued platforms, lack of standards, and lack of adoption of those standards that do exist are all consistent challenges. Accessibility has also emerged as a major issue in recent years. Some professional schools have had success with mandating a particular e-book platform for texts used within their programs, but for the typical undergraduate the experience of encountering a range of e-book platforms used in different classes is not pleasant.

Institutional Perspectives

Some key perspectives from institutional participants included these observations:

- Many libraries acquire e-books in a variety of ways, including subscription licensing or purchase of large collections, direct patron-driven acquisition (where a title is purchased upon selection by a user), consortial licensing, approval plans and standing orders, and transactional ordering of individual books by library selectors (sometimes in response to patron requests). Most libraries employ more than one of these approaches; some employ all in various circumstances.

- Many more libraries than we anticipated are using the patron-driven acquisition strategy to acquire monographs broadly, including e-books. Some are now preferring an e-book if available unless the patron specifically requests a printed version of the book. There is a big disconnect, however, with the acquisition pathways (delivery, standard and reasonable license terms and conditions, etc.) available for libraries to obtain e-books for their collections.

- Participants in the roundtables expressed concern with the amount of time taken on negotiating licenses or purchases of e-books from vendors. There are few model licenses or industry standard terms and conditions, or indeed even overall agreement on the points that need to be covered in such agreements. This is particularly difficult for low value, transactional acquisitions where the transaction costs may vastly outweigh the value of the transaction.

- Librarians participating in the roundtables reported e-book collections ranging from less than 100,000 to 4 million titles (the latter including HathiTrust titles) with the caveat that these numbers generally constituted access to materials, not ownership.

- A number of institutions and presses have e-textbook pilots, which may include students individually licensing a text, or a mandatory purchase/license by students by means of a course fee, or availability of materials by means of an institutionally subsidized open access e-book program. Most of these arrangements are being tried in large, introductory courses with expensive textbooks. There is considerable

interest from publishers in a course fee model, though it's unclear how the economics of this play out. It is sometimes uncertain what questions these pilots are intended to clarify: acceptability of the e-book platform to students, for example, or the financial implications of various choices. It would be helpful to have a systematic summary of these studies.

- A gray area for course materials are those monographs which are not textbooks, strictly speaking, but are used as required or recommended course materials; tensions are arising between bookstores and university presses on one side and libraries on the other when the library has purchased a site-licensed e-book that is subsequently used in a course and, as a result, may cut into sales.

- Institutions should be thinking explicitly about the relationship of e-textbook strategies and library e-book strategies. How should collecting and licensing of these resources be handled, and by which units? What efficiencies can be realized if an institutional approach is adopted?

- E-reference titles are a significant but struggling type of e-book publication due to economic factors; conversations about these titles have generally been separate from the focus on general collection monographs. They have typically been categorized with other reference database acquisition and have different economic and sustainability models than scholarly e-books, including often much higher price points (one might think of them as reference resources as a service). This leads to their marginalization in collection development discussions and has resulted in many reference titles struggling to survive.

- Libraries are launching new publishing initiatives in both monographs and textbooks in digital format, working with faculty or other programs such as an online learning unit. It is not clear how well aligned these efforts are to institutional e-textbook strategies (if such strategies exist at the institution) as opposed to being primarily faculty driven. There is strong faculty interest in these new venues for monographs, or monograph-like works with some additional digital dimensions (CNI's Executive Roundtable report *Institutional Strategies & Platforms for Scholarly Publishing*, www.cni.org/go/scholarly-publishing-report/, explores these developments in a more depth).

- Particularly in some public institutions, state-funded programs are in place to develop open e-books for introductory level, large enrollment courses. (University presses so far have not had much of a role in this arena, nor did most presses have an active role in the print textbook market. Monographs that they produce are often used in upper level undergraduate or graduate level courses, but they usually have

not produced high-volume undergraduate textbooks *per se*.) Participants at the roundtables could not identify much impact from these programs to date.

- Counting volumes in collections has become more complicated. Institutions subscribe to large collections of e-books but purchase them only when a patron accesses a title under patron-driven acquisition models. Many of the roundtable participants who subscribe to HathiTrust count those titles as part of their collections, but this may not be a consistent practice.

- A small number of large research libraries are acquiring large collections (e.g. a half million Chinese language books) as e-books as a strategy to expand their global coverage; however, availability and terms and conditions of such large collections of e-books vary greatly by country and language. This could be an important development in supporting area and foreign culture and language studies, however.

- Some participants described e-books as part of their "hidden collection" in that, in some cases, the book records are not part of the library's main catalog. Strategies for integrating e-book metadata into the library catalog varied among participants.

- Whereas when journals went electronic and most library users were content to print out what they liked from an issue using existing personal and workgroup print infrastructure, a number of library users are requesting their library to purchase both the print and digital versions of some monographs to facilitate different kinds of usage of the books. There is also interest in book-print-on-demand machines as companions to collections of e-books, since the existing distributed print infrastructure does a poor job on book length printing.

- While Portico and perhaps other preservation initiatives are making inroads in the preservation of e-books, so far there is little evidence of a comprehensive national or research library community strategy for e-book preservation; some participants commented that getting preservation permissions from publishers is difficult.

- The e-book landscape is a very diffuse ecosystem. It is hard to aggregate the data from various vendors back at the library; libraries want and need to put more focus on the ability to analyze e-book data (cost, use, etc.). We were clearer in translating the journal model into the digital world (e.g. allowing for concurrent users of journal content) even though it took a long time to sort out the details, but we have not reached that high level consensus around e-books so far. It is hard to understand the value propositions and to compare pricing models across institutions or vendors.

- The variety of access mechanisms used by different vendors is a source of confusion and difficulty for both library patrons and library staff.

- The searchability of e-book collections may lead to very different conceptualizations of how we think about and use monographs in reading and research. We can now discover portions of books in non-linear fashion, leading the reader to retrieve snippets, paragraphs, or chapters of a work. We do not yet understand the implications of this for scholarship and for economic models of access.

- Libraries are not putting much time into managing or improving the metadata they are provided for e-book collections and this negatively impacts discovery. They are also not putting much focus on linking to the "appropriate copy," a practice that libraries have worked on in the e-journal environment that helps users discover copies available in collections to which their library subscribes.

- While there are standard ways of finding reviews of print books, and, hence, also e-books, that parallel print publications, it is not clear that reviews or other assessments of electronic-only publications (especially those that are self-published) are readily available to libraries or to prospective readers. This is not just a problem with tenure and promotion processes, but also for library collection development.

- An obstacle to progress may be the campus bookstore, if one exists. At some institutions, campus bookstores have long standing contracts giving them, in some cases, veto power or exclusive rights to developments involving e-textbooks. The business operations side of the university, where there is little understanding of the strategic implications of potential conflicts, often administers these contracts. While the specifics vary greatly, this is an important area to check; a number of campus efforts to innovate in e-textbooks have been blindsided by these agreements.

Concluding Thoughts

Some factors driving CNI's interest in e-book strategies are that there are many aspects of developments that either entail new roles for traditional units or call for cross-unit collaboration and cooperation. For example, libraries are publishing e-books, whether with a university press or on their own, and information technology units and libraries are spearheading e-textbook initiatives, impinging on the bookstore's traditional turf. Cross-institution conversations about economic issues, platforms, and institutional policies will help create a more cohesive environment for our user community. E-books, as an increasingly important part of the broader cultural record, also invite conversations and collaborations across diverse sectors within the library and broader cultural memory worlds.

One of the highest-stakes and broadest issues is what a given institution wants to do in terms of acquiring and managing digital educational resources (open or commercial). When institutions develop e-textbook policies, there are questions about who should be involved. It may be very difficult to develop a set of university policies due to the different interests of such units as the library (which may also be a publisher), university press, bookstore, faculty, e-textbook enthusiasts, students and, additionally, inter-institutional or consortial commitments.

The conflicting economic interests of the academic side of higher education institutions (faculty, students, libraries) with the business side of the university (bookstores, etc.) are, in some cases, precluding some experiments with e-books and constraining options for access to course texts. One participant suggested bluntly that perhaps it is time to reconsider the reporting relationship of the bookstore and align it with the academic side of the institution. (It is interesting to consider the shift in the reporting lines of university presses over the past decade or two in this context.)

In addition, some are alarmed that libraries are accepting terms that are contrary to traditional library values, such as prohibiting the ability of one library to loan a title to another. Patron confidentiality, the sometimes conflicting user expectations of sharing information, or faculty interest in the analytics of textbook use raise additional policy issues.

There are many concerns about the myriad formats of e-books and the ability of users to read them on a wide variety of devices. Accessibility has also been a key issue on some campuses, when visually impaired users are not provided alternative capabilities for accessing e-book content.

We don't yet have a clear view of what is happening with open access e-books. How are they similar or different from open access journals? How are libraries thinking about them in relation to their production and to their collections? Who is using open access e-books? We need a study examining their use and perceived value in the academic community, and particularly how value is or is not assigned with stewardship responsibility.

Some participants asked whether they would be able to claim that their library has a "world class" collection in a particular subject in fifty years or whether that concept will be dead. If part of that collection is in HathiTrust (whether deposited there by the library in question or not) and part of the collection is not genuinely owned, but, rather, available on demand, or if it is part of a consortial collection of e-books, how will we characterize a particular library's collection? One participant commented that the issue should not revolve around the concept of a coherent collection but around the concepts of persistence and shareability, hallmarks of the library's stewardship role for society. The role of e-books

in collections is part of the overarching issue of the nature of the curatorial role of libraries in the digital age.

There are many challenges for discovery, acquisition, selection, use, and preservation of e-books. This territory is largely uncharted and the tendency is to frame discussions in the context of the print paradigm, which may preclude opportunities to improve practices in the digital world. The opportunity may be missed if we fail to establish new economic models and uses for publications. We need parties who will invest in the digital future and not block its evolution.

CNI will continue to serve as a venue for sharing information on innovations in the production and use of digital content in the research and education environment.

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CNI Executive Roundtables, held at CNI's semi-annual membership meetings, bring together a group of campus partners, usually senior library and information technology leaders, to discuss a key digital information topic and its strategic implications. The roundtables build on the theme of collaboration that is at the foundation of the Coalition; they serve as a forum for frank, unattributed intra and inter-institutional dialogue on digital information issues and their organizational and strategic implications. In addition, CNI uses roundtable discussions to inform our ongoing program planning process.

The Coalition for Networked Information (CNI) is a joint program of the Association of Research Libraries (ARL) and EDUCAUSE that promotes the use of information technology to advance scholarship and education. Some 230 institutions representing higher education, publishing, information technology, scholarly and professional organizations, foundations, and libraries and library organizations, make up CNI's members. Learn more at www.cni.org.

Addendum I

CNI Executive Roundtable
Call for Expressions of Interest
E-Book Strategies
Capital Hilton Hotel, Washington, DC
Monday, December 9, 2013
8:30 – 11:00 AM

At the Fall CNI meeting in Washington, DC we will have another in our series of Executive Roundtables. The topic for this Roundtable will be **E-Book Strategies.** We will discuss a wide range of topics related to the use and management of e-books in research, teaching and learning.

E-books are being deployed at scale; libraries are acquiring them as significant parts of their collections and textbooks are moving to digital formats in a variety of settings and models. At this Roundtable, we will explore the myriad questions that these new directions raise for institutions, the strategies that institutions are using to make choices among the paths available, the stakeholders involved, and the new programs and projects that our members are planning or have implemented.

We will hold the Executive Roundtable on Monday, December 9, the morning of the first day of the fall membership meeting. **At this Roundtable, institutions may be represented either by one individual or a pair of individuals who have different roles, e.g. a library director or CIO and leader of an e-textbook initiative. If you wish to propose a team of more than two people, please contact Joan Lippincott.**

Cliff Lynch will moderate this session and provide some framing remarks, and then participants will have an opportunity to discuss issues with peers from other institutions. The Roundtables build on the theme of collaboration that is at the foundation of the Coalition. We want to promote institutional dialogue and inter- and intra-institutional information exchange on digital information issues. We see these Roundtables as one means of bringing together stakeholders.

CNI uses Roundtable discussions to inform our program planning process. We will disseminate a summary of the issues that emerge from the Roundtable, but in order to encourage frank discussion, there will be no individual or institutional attribution of statements without prior permission from the relevant party. The report from the last Executive Roundtable is here http://www.cni.org/executive-roundtable-reports/multiple-devices-and-platforms-institutional-strategies/

In order to have in-depth discussion, participation in the Roundtable will be limited to approximately 20 representatives.

The meeting will be held at the Capital Hilton Hotel on Monday, December 9, 2013 from 8:30 AM – 11 AM. The broad topic for this Executive Roundtable is **E-Book Strategies** -- how institutions are developing new economic models, putting licensing into place, developing curation strategies, and promoting Open Access e-books and e-textbooks. Participants will share plans and perspectives on institutional initiatives in this area.

Potential topics to be explored – time permitting – could include:

- Strategies for choosing e-books over print (libraries and learning materials)
- Developing retrospective collections of e-books
- Mechanics of acquisition
- Curating and preserving e-books – responsibilities and strategies
- Platforms and formats – which to support and how
- Models and assessment of e-textbook programs
- Open Access initiatives and policies – monographs and textbooks
- Accessibility issues
- Economic models
- Future directions

To express interest in participating, please send a message by end of day Wednesday, October 16 to Joan Lippincott joan@cni.org with the name(s), title(s), and e-mail address(es) of the **one or two individuals** from your institution who would like to attend. We will choose approximately 20 individuals, using the criteria of position, experience, and balance of institutions (type, geographic area, etc.) to determine who will attend. **We will notify you by Monday, October 21 as to whether you have been accepted or whether you will be on a waiting list for participation.** If you have any questions about the Roundtable, please contact Joan Lippincott at joan@cni.org.