

# CDL Content Budget: Overview and Status



# Outline

- Role of the CDL's content budget and how it's strategically deployed
- Size and scope of the CDL content budget in relationship to campus collection budgets
- Impact of the economic downturn and strategies used to capture savings
- Future challenges (both immediate and structural)

# Role of CDL Content Budget

- Facilitate the transition to digital formats
- Leverage combined purchasing power of all ten campuses for superior cost avoidance and marketplace influence
- Extend systemwide access to important information resources for all UC students and faculty

# Structure of CDL's Content Budget

- Ongoing Resource Commitments
  - Journals and databases
  - Increasingly, ebook packages (new phenomenon)
  - Includes SCAP fund (Shared Content and Access Program), which pays for core systemwide databases like Web of Science
- Discretionary and One-Time Purchases
  - Discretionary budget used to selectively contribute to new ongoing licenses, smoothing out campus inequities and allowing all campuses to 'play'
  - Deployed for strategic benefit in conjunction with major journal renewals (e.g. large backfile purchases)
  - Allows CDL to purchase expensive resources for the system that smaller campuses can rarely afford

# Strategic Deployment of CDL Content

## Budget – more detail

- **Journal negotiations**
  - Large one-time purchases of journal archives and other content in exchange for lower annual increases and long-term cost control
- **Collection management**
  - Journal archive purchases facilitate space savings for back runs of print journals while enhancing access
- **Maximum discounts for key digital products**
  - CDL aggregates large-scale purchases for unparalleled discounting for all ten campuses
- **Equitable access across the campuses**
  - CDL pays ‘cross-access’ publisher fees to enable systemwide access to entire journal portfolios at all campuses
  - Smooths out cost-sharing arrangements to allow smaller campuses to participate while lowering costs for the larger campuses
  - Covers funding gaps for individual campuses, keeping systemwide access and discounts intact

# Examples

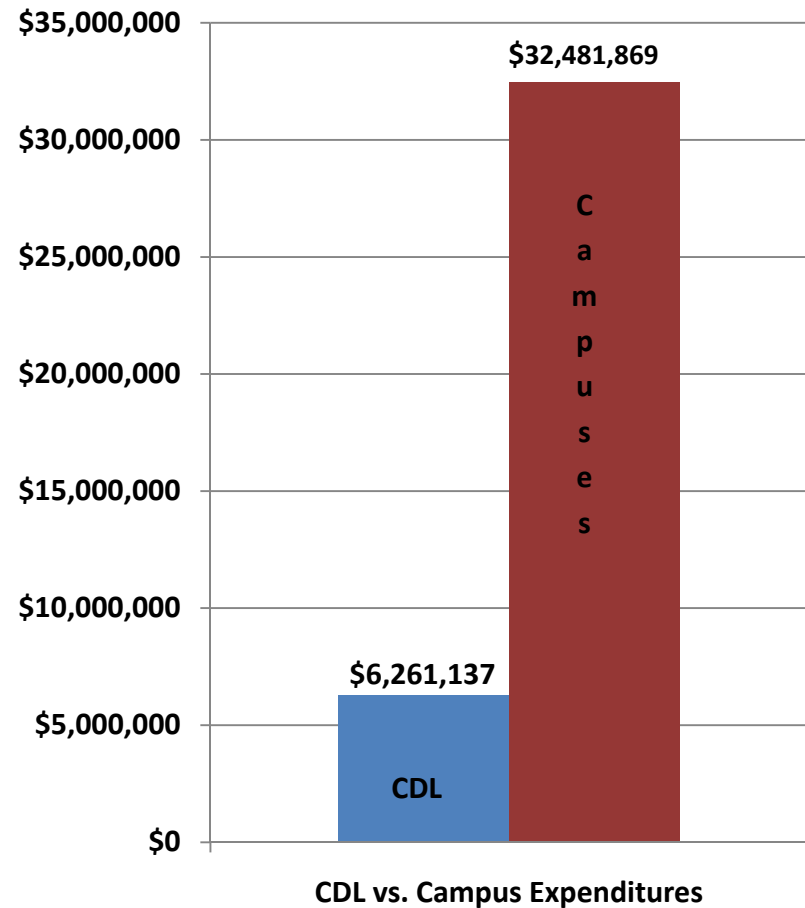
- Journal licenses
  - Journal licenses typically have a ‘multiplier’ of 2.5 – 4 (i.e. UC pays for 2-4 copies, not 10 copies) – CDL pays the cross-access fee for systemwide access, typically around 10% of the total contract
  - 0% annual increases over multiple years obtained for many licenses in conjunction with purchases of journal archives or similar, often \$1M or more
  - Result:
    - Springer license: subscription fees are 65% below list price
      - Purchasing these journals for all campuses at list price would exceed the total UC Libraries collections budget
    - 2006 Wiley ‘Cost-to-walk’ analysis showed campus access would decline by 75%-95% if our consortial license were cancelled
- Superior discounts on major database products such as Early English Books Online, Eighteenth Century Collections Online, etc.
  - Typical discounts of 60%-70% or more on these major ‘one-time’ purchases
- Print collection management
  - Journal archive purchases facilitate the digital transition, providing a foundation for WEST (Western Regional Storage Trust)

# CDL vs. Campus Online Resource Expenditures



# 2011 Systemwide Content Expenditures

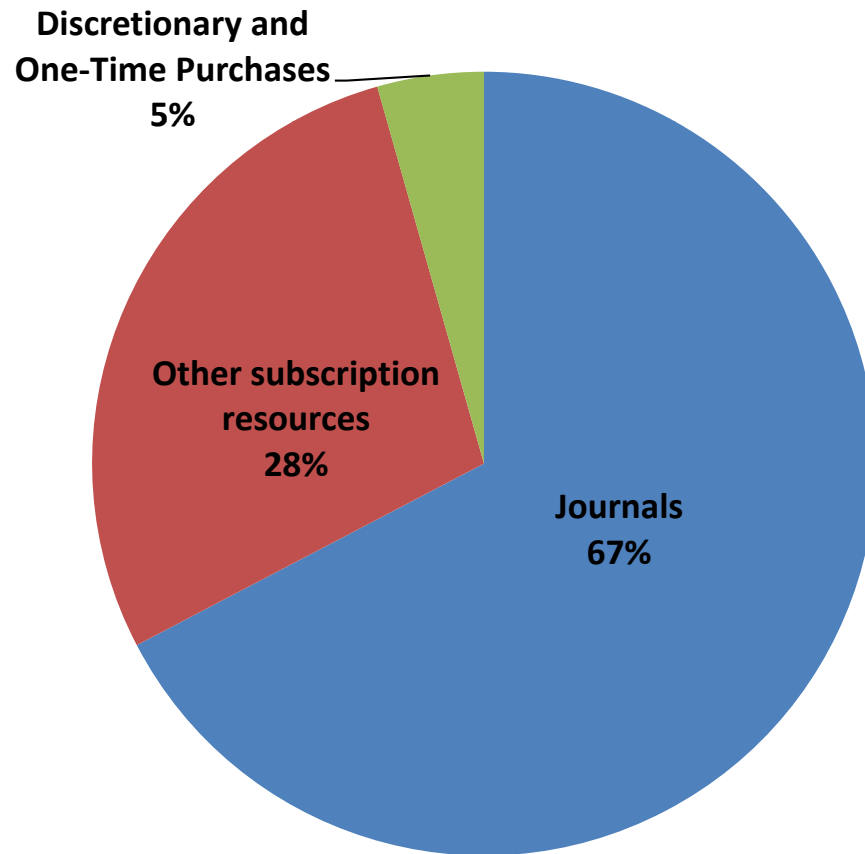
- Total Expenditures
  - \$ 38,743,006
- CDL
  - \$6,261,137
  - 16%
- Campuses
  - \$32,481,869
  - 84%



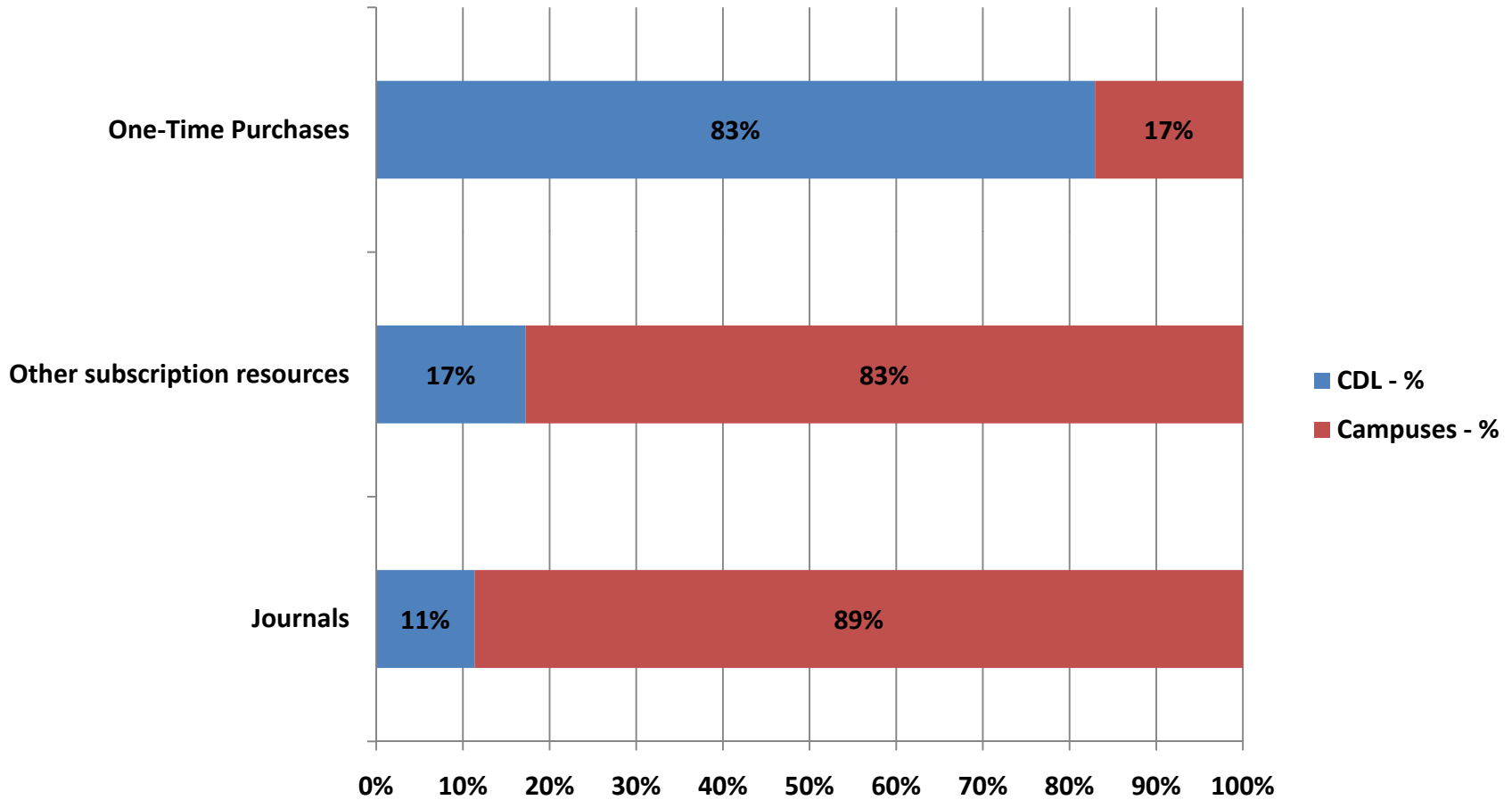


# Percent of Systemwide Spend, By Category

**Total Systemwide Spend, 2010-2011:  
\$38.7 M**



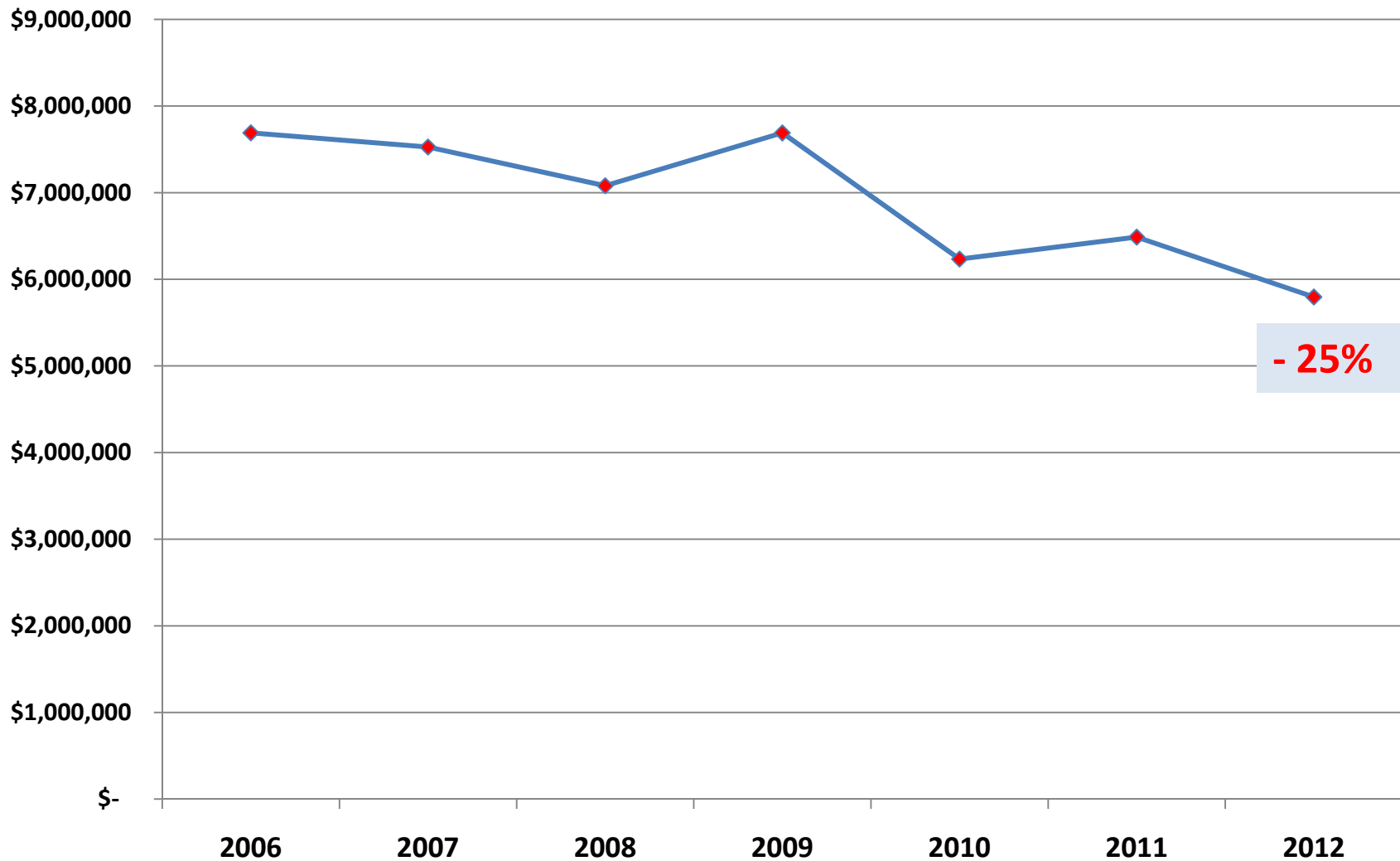
# CDL vs. Campus Contribution, By Category



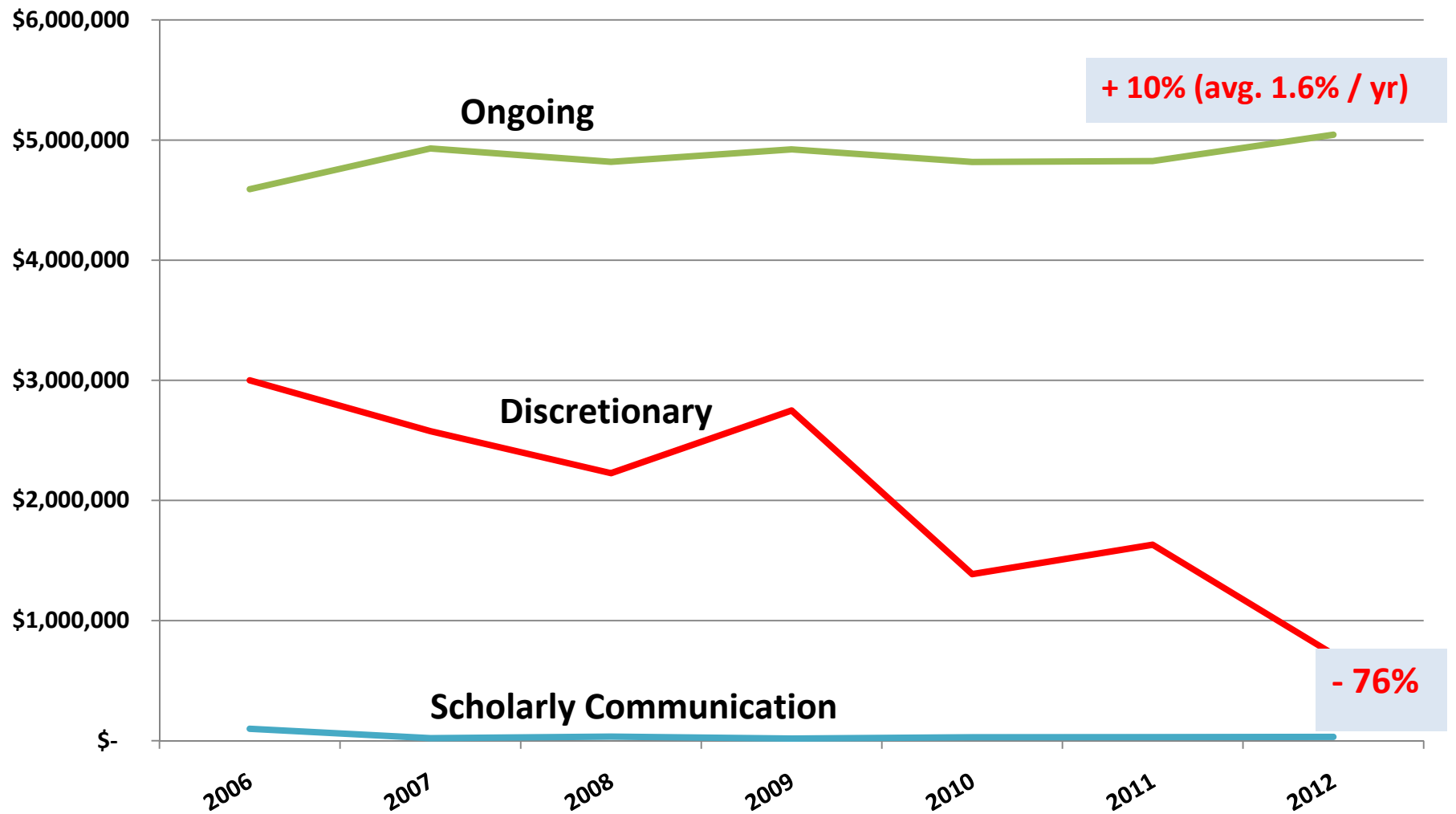
How has the CDL content budget fared during the current downturn?



# CDL Content Expenditures, 2006 – 2012: -25%



# By Expenditure Category



# Coping strategies



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California Digital Library

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May 26, 2009

## OPEN LETTER TO LICENSED CONTENT PROVIDERS

The University of California Libraries ask all information providers with whom we negotiate content licenses to respond to the major fiscal challenges affecting higher education in California in a spirit of collaboration and mutual problem-solving. We expect to work with each of our vendors at renewal to develop creative solutions that can preserve the greatest amount of content to meet the information needs of the University of California's students, faculty, and researchers.

The University of California Libraries, including the California Digital Library (CDL), share the economic concerns expressed in the *Statement to Scholarly Publishers on the Global Economic Crisis* issued by the Association of Research Libraries <<http://www.arl.org/bm~doc/economic-statement-2009.pdf>> and the *Statement on the Global Economic Crisis* issued by the International Coalition of Library Consortia

# Strategies and Outcomes

- 15% systemwide expenditure reduction target (per CoUL )
  - ✓ 15% reductions (\$2 million) achieved in base cost for selected major products
  - Only achievable selectively without major cancellations
- Control annual increases
  - ✓ 0% increases for nearly 90 resources; most others @ 3% or less (with some important exceptions)
- Database cancellation reviews conducted in 2008 and again in 2011
- Major journal evaluation project in spring 2012 to prepare for 2013 negotiations
  - Communication to faculty from campus libraries forthcoming

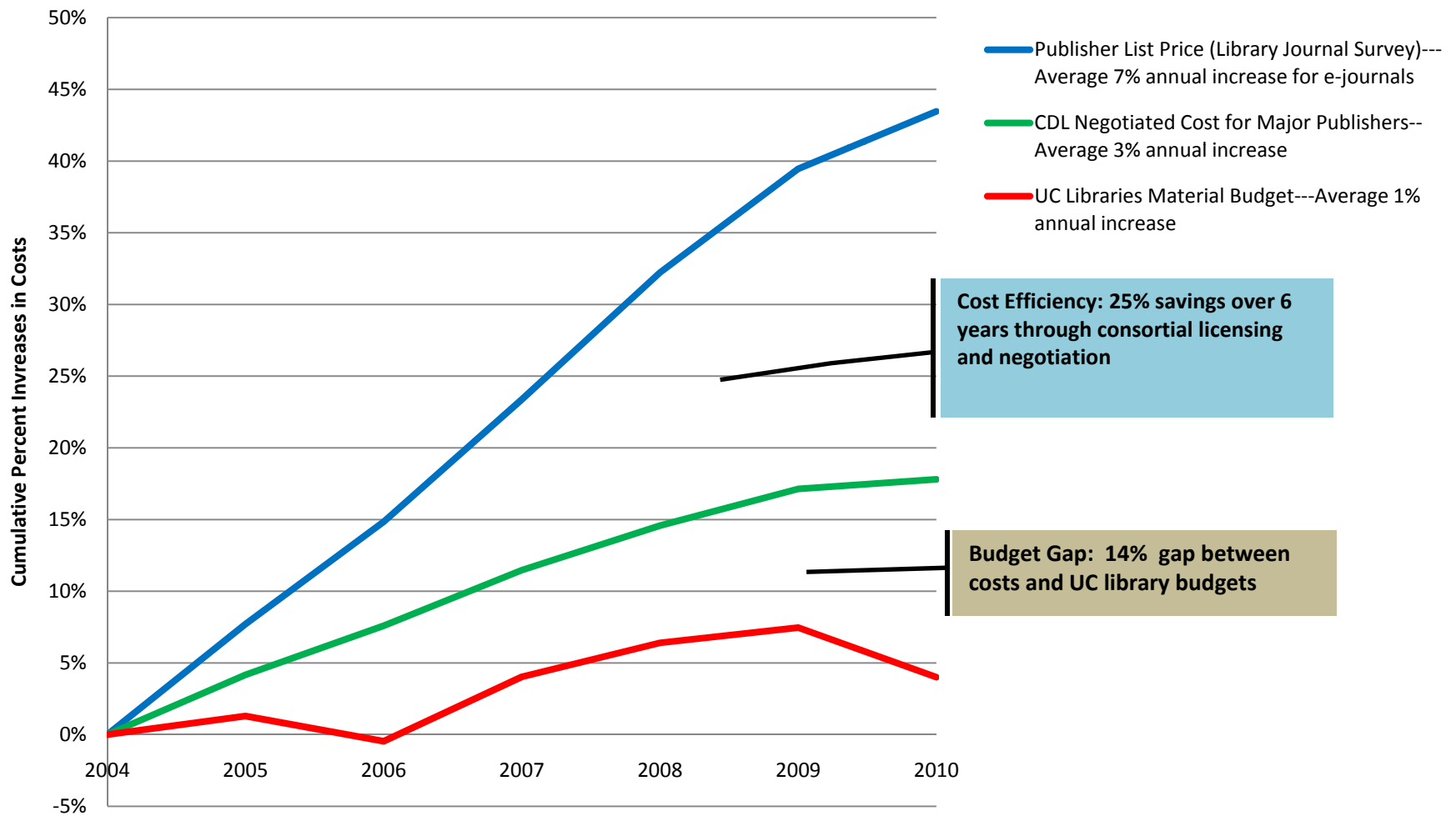


# Impacts and Future Challenges



# CDL efficiencies can't make up the entire budget shortfall

## CDL Cost Efficiency for e-Journals vs. Budget Gap Over 6 Years



# Impacts since 2008

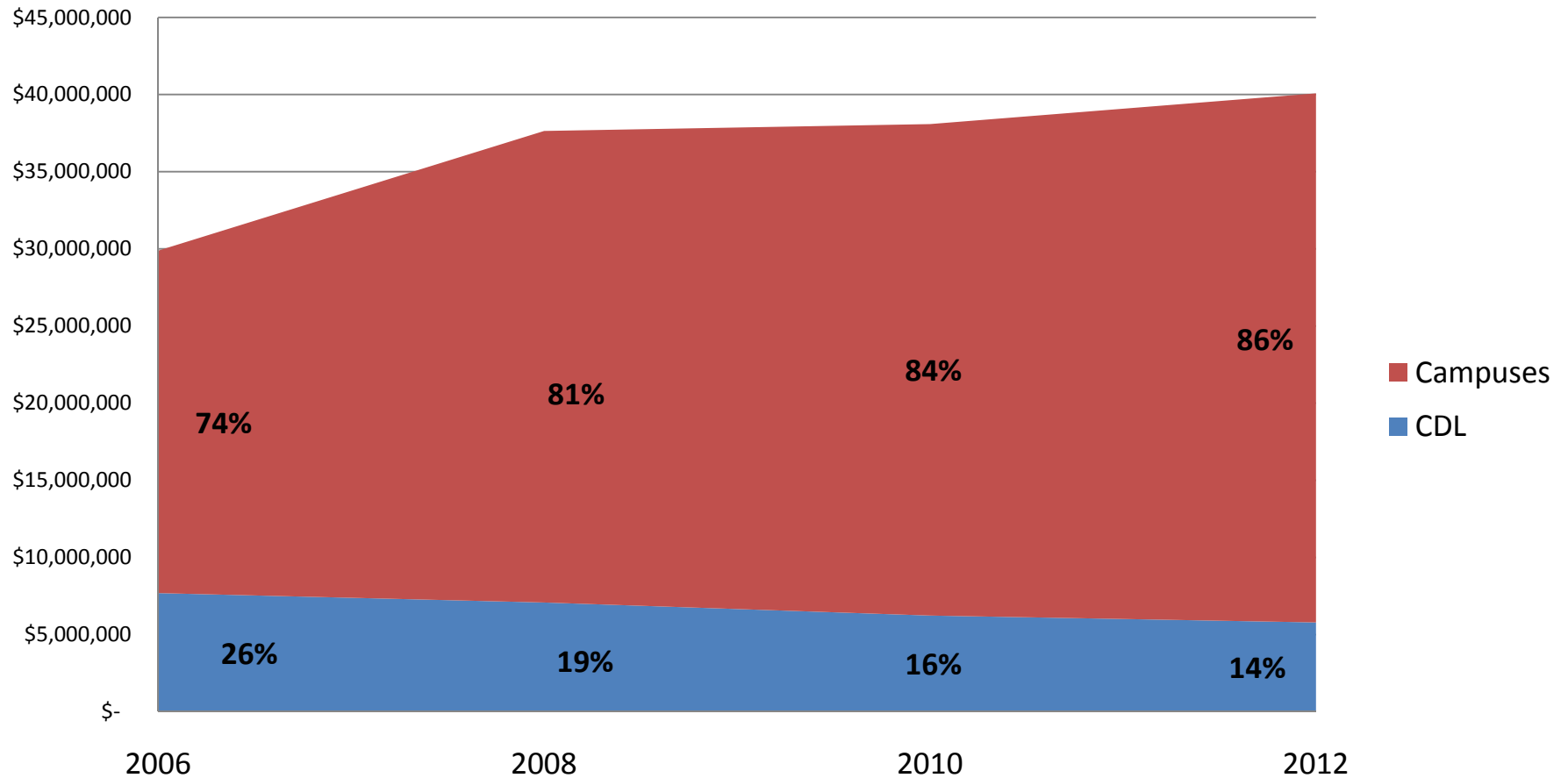
- \$340,000 in resource costs shifted to the campuses in 2008 to resolve SCAP deficit
- 9 database contracts canceled
- 600 journals (7.5%) canceled in 2010-2011, including one entire contract
- More journal cancellations possible in 2013

# Increasing gap between 'have' and 'have-not' campuses

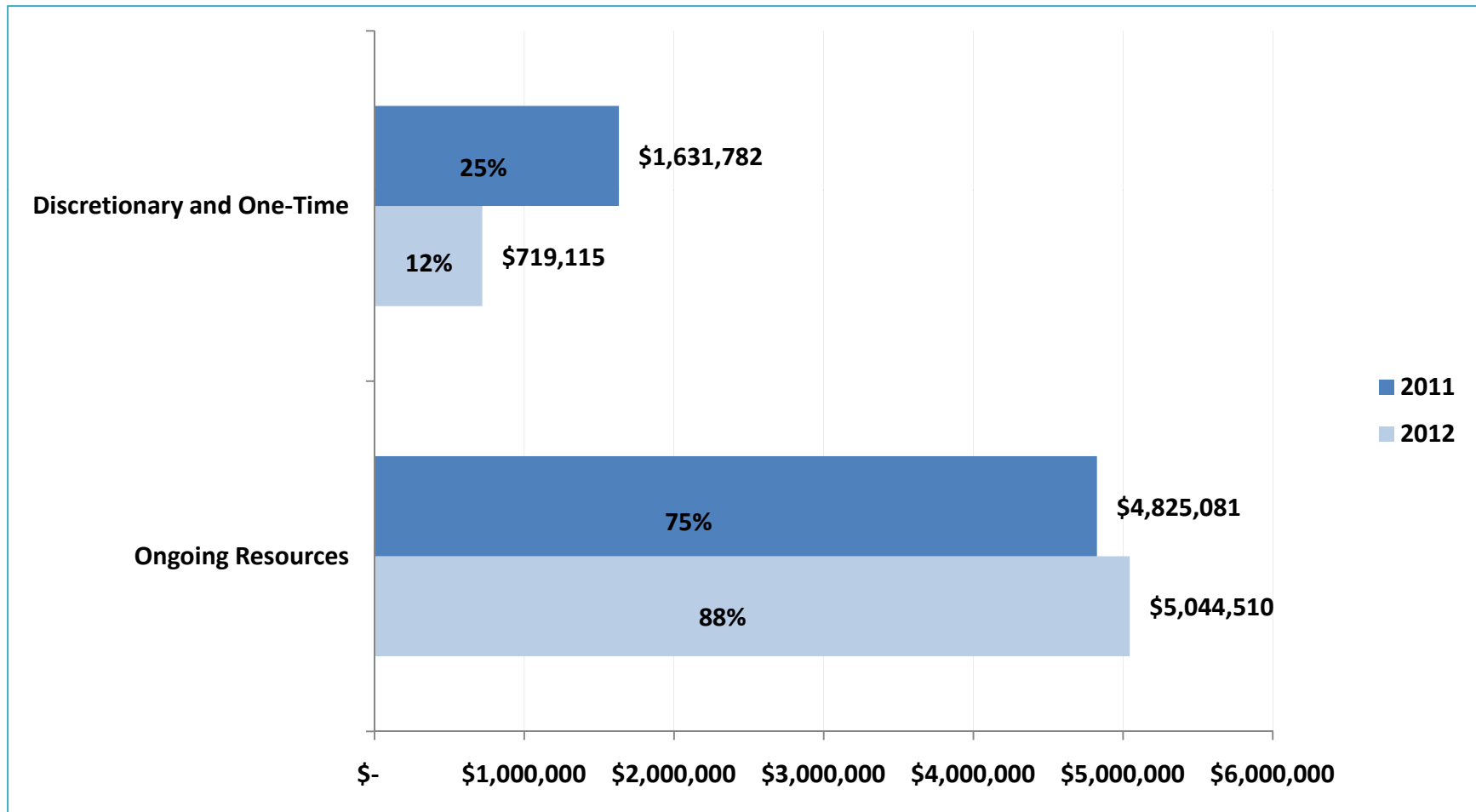
- 3 Campuses have dropped out of >5 systemwide contracts
- 2 Campuses have dropped out of 10 or more contracts
  - CDL is no longer able to step in to fill the breach
- Important 'high ticket' resources increasingly cannot be acquired systemwide (owned by many peer institutions – may be available locally at selected campuses). Examples:
  - 19<sup>th</sup> and 20<sup>th</sup> C. House of Commons Parliamentary Papers
  - Historical Newspapers, Black and Hispanic Newspapers
  - Nineteenth Century Collections Online (forthcoming)
  - Foreign Broadcast Information Service (FBIS)
  - Congressional Hearings, Congressional Research Digital Collection
  - Ethnographic Video Online
- When retrospective products *are* acquired, CDL is unable to compensate early-adopter campuses that have licensed these resources locally
  - undermines CDL's traditional 'honest broker' role – although we do seek some level of comparable benefit (e.g. lower ongoing maintenance fees)

# 2012 Systemwide Forecast: CDL contribution will decline by another 2%

Percentage of CDL vs Campus Content Expenditures  
2006 - 2012



# Reductions are in the discretionary budget, where CDL's leverage resides



# Future Challenges

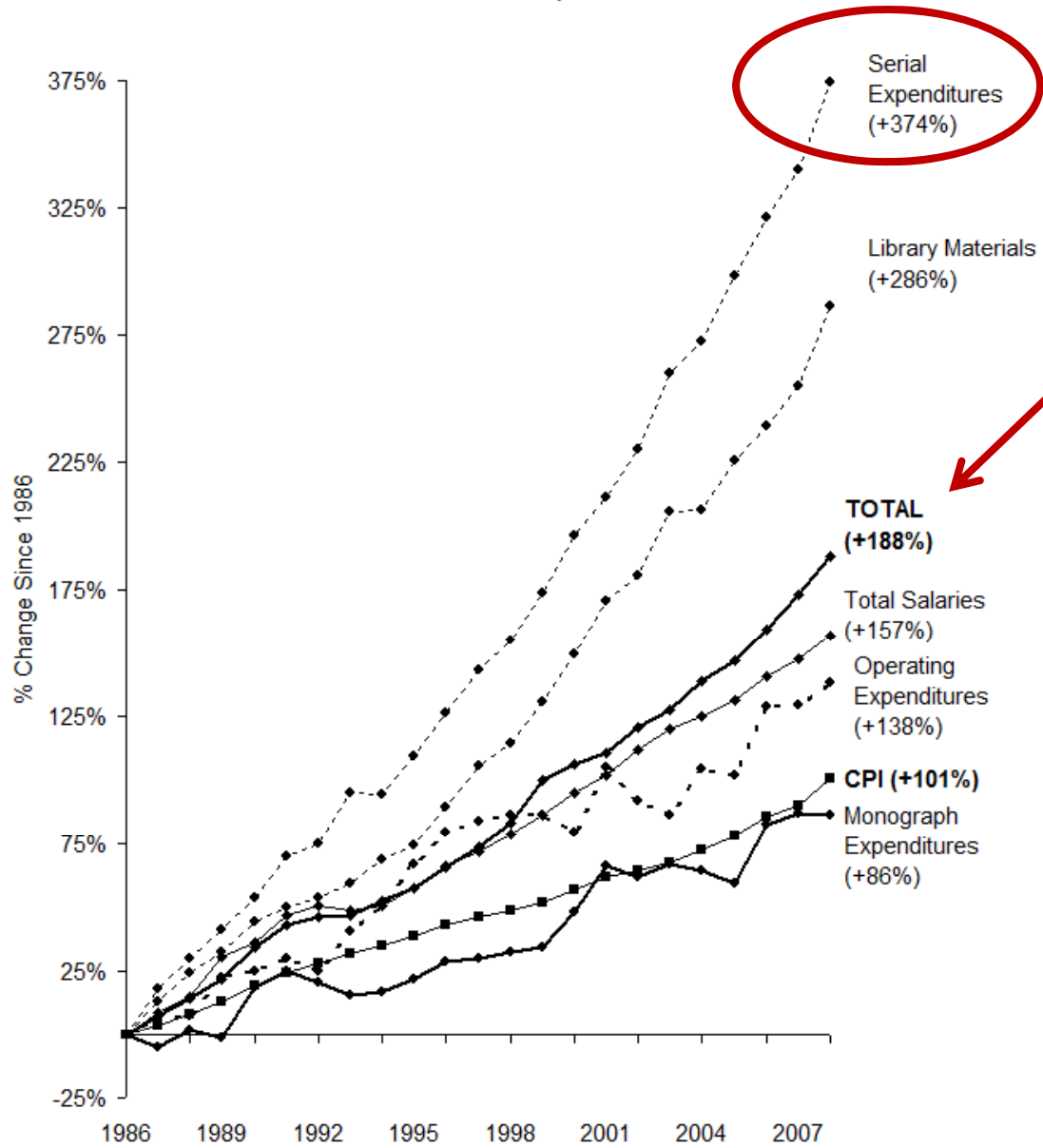
- 5 major journal contracts are up for renewal in 2013
  - Publishers will be seeking higher increases than in the past
    - ACS is proposing a major increase for UC
    - 0% contracts will be hard to sustain in other cases
- Elsevier contract balloons to a 3.5% increase in 2012 and 2013 (\$620K total) and will be up for renewal in 2014
- Nature Publishing Group license not yet resolved – \$100k - \$800k liability
- Ebooks – university presses are offering ebooks at 150% of print prices

# The Larger Context

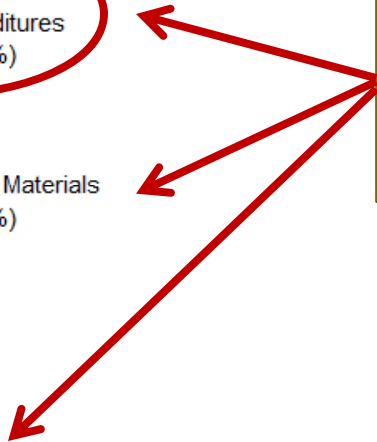




Graph 4  
**Expenditure Trends  
in ARL Libraries, 1986-2008**

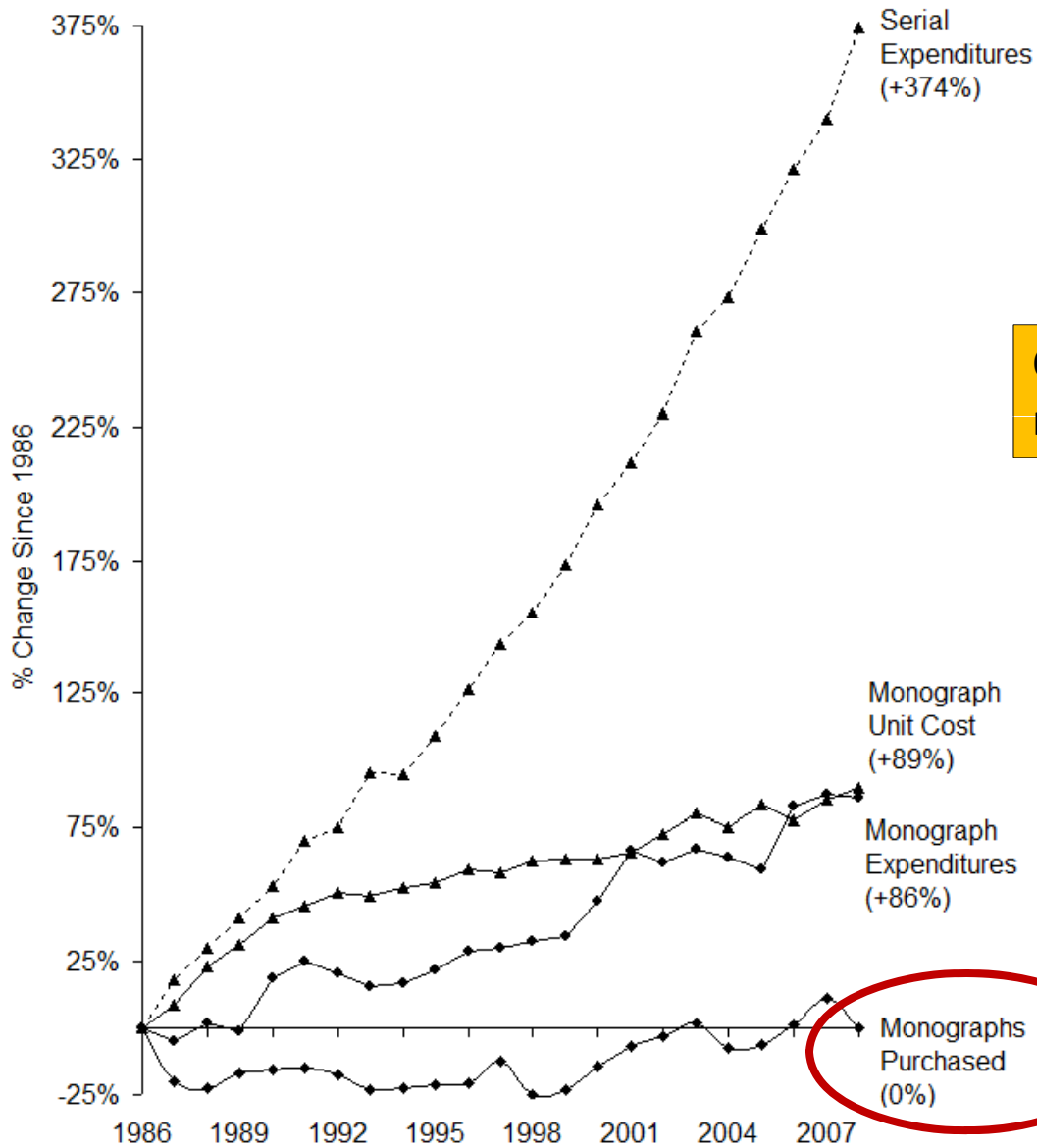


Journal costs continue to far outpace library budgets



Source: ARL Statistics 2007-08, Association of Research Libraries, Washington, D.C.

Graph 2  
**Monograph and Serial Expenditures  
 in ARL Libraries, 1986-2008\***



Causing the near-demise of monographic purchasing

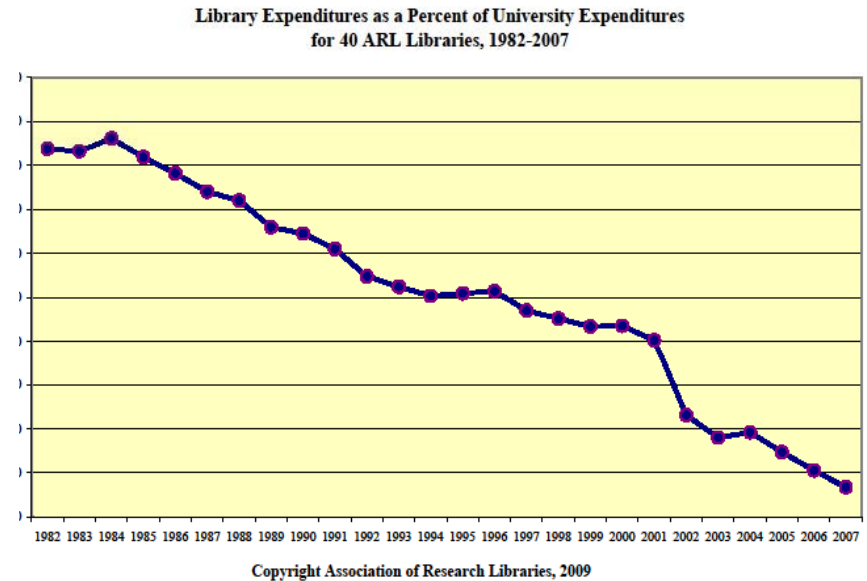
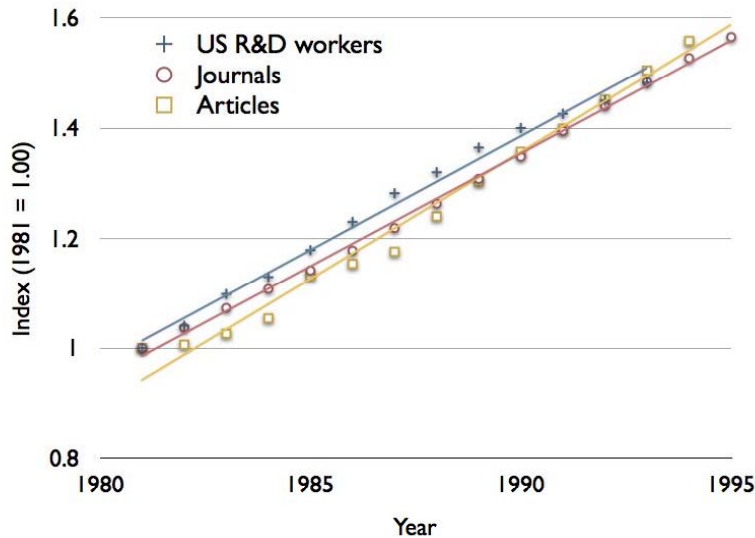
"The position in which libraries find themselves vis-a-vis Nature, Elsevier, et al is laughable — once you've shed a tear for all of the humanities collections (monographs and periodicals) that have already been cut"

Source: ARL Statistics 2007-08, Association of Research Libraries, Washington, D.C.

\*Includes electronic resources from 1999-2000 onward.

# Structural issues in scholarly journal publishing will continue

Upward pressure in journal publishing, fueled by the growth in research output, is exacerbated by gradual disinvestment in libraries by their parent institutions – how can we reverse this trend?



# Questions?

