

E-books in the public library

In 2000, the Norwegian Directorate for Public and School Libraries, as it was then, allocated NOK 50 000 to implement the project 'E-books in the public library'. In the years that followed, however, the debate on e-books subsided. It was still far too early to launch e-books in the libraries.

In 2009, the Norwegian government's white paper on libraries was published; it contained a few sentences on the subject of e-books and libraries, but it primarily referred to how Arts Council Norway should address the publication of e-books.

Before I go further, I think I have to say a few words about what we in Norway call the 'literary system'.

The literary system consists of many schemes whereby authors, booksellers and public authorities facilitate the publication and reading of literature in Norway.

There are various schemes, such as:

- The industry agreement, an agreement between publishers and booksellers on fixed prices for new books
- State funding received by libraries and paid to authors for the libraries' use of their books
- VAT exemption on books, which lowers the cost of books
- A purchasing scheme for books, which ensures sales and gives libraries access to new books
- The bookshelf agreement that gives the National Library the right to digitise books that were published before 2000 and make them available for the entire population

Before I talk about e-books, I must make particular mention of the last two aforementioned schemes.

First, the bookshelf agreement.

This is a service that provides free access to online literature published in Norway. The service is made possible through an agreement between the National Library and Kopinor, and means that 270 000 Norwegian books published before 2000 may be read without charge. Around 20 000 books that are no longer under copyright protection have also been made available for downloading. The access applies to everyone with a Norwegian IP address.

The purchasing schemes

Arts Council Norway manages purchasing schemes for literature and journals. The titles purchased are disseminated to libraries throughout Norway. Under the purchasing schemes for literature, Arts Council Norway simply purchases new book titles in order to make them available for Norwegian public libraries. These books are supplementary to those that the libraries purchase from their own budgets. This scheme costs approximately NOK 125 million.

As early as 2011, Arts Council Norway took the initiative to test e-book lending as one element of the purchasing scheme for Norwegian literature. However, the lending itself was not introduced before 2013, and it was not until 2015 that it became a permanent part of the scheme.

E-books are now included in the purchasing schemes:

New Norwegian fiction: a total of 773 copies of books for adults (703 p-books and 70 e-books)

A total of 1550 copies of books for children and adolescents (1480 p-books and 70 e-books)

Translated literature: approximately 130 titles in 542 copies (502 p-books and 40 e-books)
New Norwegian non-fiction: a total of 773 copies (703 p-books and 70 e-books)

At the same time, Norwegian library authorities spent a considerable amount of money on the introduction of e-book lending in Norwegian public libraries.

Two projects in Rogaland and Buskerud counties received a total of more than NOK 2.5 million to devise and test a system for e-book lending.

In April 2013, the publishers recommended that e-books could be sold to the libraries, and the Norwegian Library Centre was able to offer this service to its customers.

The terms that the Norwegian Library Centre was able to offer were perceived by the libraries to be expensive and difficult, and they therefore wanted new terms to be negotiated.

The funny thing is that the publishers perceived the terms that they themselves had recommended as being far too favourable for the libraries, and they felt that they lost a great deal of their market share by virtue of the libraries lending out e-books.

What was quite certain was that the libraries lent out more books to their borrowers than the publishers sold on the market.

It was against this backdrop that the National Library strategy stated:

Following dialogue with the Norwegian Publishers Association and other relevant parties, the National Library will recommend a model for the purchase and lending of e-books.

The strategy further stated that:

A recommended model will not be binding for the purchase and sale of e-books. It remains important not to establish a statistical model, but to test different solutions according to different priorities and needs. The model will serve as a recommendation linked to conditions for purchase and lending, while prices will continue to be negotiated between purchasers and publishers.

It was on this basis that the National Library began its dialogue with the publishers.

These discussions lasted over a very long period, from autumn 2015 to autumn 2017. The protracted nature of the discussions meant that both those of us representing the libraries and those on the publishing side gained considerable experience during the process.

The most important experience was that e-books did not end up taking over the entire market for books. On the contrary, e-books would come to represent a small share of the market.

On the part of the libraries, we learned that the libraries could spend a great deal of money in order to satisfy the borrowers' need for new books, for example popular crime books.

The publishers found that it was difficult to sell old e-books. When it comes to print books, the publishers keep a backlist of old books that they can eventually sell cheaply. When it comes to e-books, there is no market for a backlist.

We were in possession of this knowledge when we made the recommendation that is now being followed.

In its recommendations, the National Library proposes a model that divides access to e-books into two categories.

A licence period and a click model.

In the first two years, it should be possible to purchase access through an e-licence model that has a limited number of loans. Loans that are not used when the licence period expires can be used later.

A click model entails payment for each loan (click). The National Library understands that beyond this, in essence no limits should be set for the click model.

All titles from Norwegian publishers should be available for the libraries in a click model after two years.

This means that following a recommendation given by the National Library, borrowers in Norway have access to the vast majority of e-books in Norwegian.

They have access to e-books acquired through the purchasing scheme.

They have access to e-books that the library selects and purchases.

They have access to all e-books that have been published, using a click model.

Some figures:

Last year, Norwegian public libraries lent out 11.9 million books. A total of 642 300 e-books were downloaded.

Out of 49% of the e-books that are lent out, fewer than 10% are read.

E-books will not represent an important product, either for the booksellers or the libraries, for a long time. For the libraries, they may serve as an important supplement to the physical book collection.

Once the libraries had established a scheme for lending e-books, the National Library was given a new commission from the Ministry of Culture.

Following discussions with the publishers and others, the National Library was requested to present a recommendation for how the libraries could lend out digital audiobooks.

In Norway, the publishers do not want the public libraries to lend out digital audiobooks, and the libraries are therefore unable to purchase this service.

The publishers believe that lending digital audiobooks will undermine their opportunity to earn money from these types of books. We know that there are large sums of money involved in this sector.

Storytell, an audiobook supplier, is priced higher than the value of the entire Norwegian bookselling industry on the Oslo Stock Exchange.

We understand the publishers' fear that the libraries will destroy the market, and nor do we believe that it is a good idea for the libraries to pay for a free streaming service for people. The libraries cannot afford this.

The discussions between the publishers and the National Library are now approaching their conclusion, and we have prepared a recommendation that the publishers will have on their desk on 16th October. We strongly believe that this time we will again reach a solution that is in the best interests of both the bookselling industry and the libraries.

Thank you for your attention!