

January 21, 2010

To: Cheryl Middleton, Head of Instruction User Services & Task Force Liaison

From: Kindle Task Force (Anne-Marie Dietering, Jessica Lawhead, Loretta Rielly)

Re: Report & Recommendations: Kindle Pilot Project

In June 2009, LAMP appointed a task force to develop a circulating Amazon Kindle program. In November 2009, five Kindle e-book readers were placed in circulation. This report describes the questions addressed, decisions made, and the circulating program as it is currently configured. We make short- and long-term recommendations.

How do Kindles work? The 6" Kindle e-book readers can hold up to 1500 titles downloaded from the Amazon's Kindle site; the Kindle DX can hold 3500. Its strength is the number of titles available for purchase, over 400,000 books as well as subscriptions to newspapers, magazines and blogs (*Oregonian* 12-3-2009); its weakness is that only Amazon titles can be downloaded to the device. Titles can be purchased and downloaded directly from the reader via a wireless connection or on the Kindle website. All purchased titles remain on the Amazon server and can be managed by the account holder. A Kindle account is restricted to six Kindles, but the titles purchased can be moved to any or all of the six readers.

Is it legal for libraries to circulate Kindles? No and yes. When we researched the legal issues, we discovered that Amazon is essentially looking the other way since libraries provide good exposure. The Legal Issues Question & Answer column in *Against the Grain* concluded that the most recent Amazon license agreement (Feb 2009) "is silent about lending Kindles loaded with purchased books. . . . When librarians have contacted Amazon . . . the answers received are not clear."¹ Their conclusion: since the license is silent there appears to be no reason a library can't lend Kindles.

Are other libraries, particularly academic libraries, circulating Kindles? We identified ten libraries which circulate Kindles, including seven academic libraries, most of which have 1 to 3 readers. The most ambitious programs are at Texas A&M (18 Kindles) and North Carolina State (30 Kindles). Conversations with staff at Texas A&M, Vanderbilt, and Bowdoin College were especially helpful in developing our procedures.

¹ <http://www.against-the-grain.com/2009/12/toc-v-21-5-november-2009-issue/> See also LJ: <http://www.libraryjournal.com/article/CA6649814.html?q=Amazon+kindle>

Locations. Number of devices. Content.

Since this was a pilot project, and we did not know the impact on staff in acquisitions and circulation, we limited the program to Valley Library where we could more easily test and refine procedures.

We purchased six Kindles, the maximum number allowed on a single account: five 6" Kindles, and one Kindle DX. Five Kindles circulate, and one of the 6" Kindles is used by cataloging and available for staff testing.

The Kindles were an opportunity to provide a popular reading collection, including newspapers and magazines. We originally planned to have the smaller Kindles hold the book collection and circulate for 3 weeks, while the larger DX would have a two-hour loan period and be loaded with short-term reading (newspapers and magazines, reference books, textbooks, blogs).

Books: We purchased a start-up library of 51 books, most of which are popular reading. Amazon's selection of reference books and textbooks is limited but we did purchase style manuals, test guides, and introductory science texts. Patron requests will build the remainder of this collection.

Newspapers and Magazines: We initially subscribed to four newspapers and had planned to add two or three magazines. We subsequently cancelled the subscriptions for a couple of reasons: 1) we could not use Amazon gift cards for serial payments, and 2) since newspaper issues would have had to be downloaded daily, we wanted to wait until workflow and responsibility for managing the Kindles had been established before adding another level of complexity.

Acquisitions. Access. Requests.

Monograph acquisitions purchased the first few Kindle books on the Library's collection account, but after talking with other libraries, it was clear that using Amazon gift cards would allow us to track expenditures more easily and simplify workflow by enabling circulation staff to purchase books as they are requested by patrons.

Patrons can identify and request already-purchased titles in our Kindle library through our catalog or via our Kindle webpage at <http://osulibrary.oregonstate.edu/books.html> We fully catalog most of the titles we purchase; Kindle editions with sparse bibliographic information have only brief records.

Patrons have a couple of options for borrowing books: they can borrow ones we've already purchased or they can request titles to be purchased from Amazon, with a limit of \$20 per person. These books are then added to our Kindle library and available to other users. The Kindle webpage includes a form for submitting requests and links to a LibraryThing account of our purchased books and to the Amazon Kindle bookstore. We cannot put our Kindle books on patrons' personal Kindles because of Amazon restrictions.

Policies. Procedures.

All Kindles circulate for 3 weeks with no renewals, including the Kindle DX, to OSU faculty, staff and students. Fines are the same as for laptops: \$1 per hour. Replacement costs cover the Kindle readers, the protective sleeve, and the carrying case.

Instruction and User Services manages the Kindle program, with one staff member designated as the lead for training, monitoring the program, and responding to questions. When new requests are received, patrons are placed in a queue and notified when a Kindle is available.

User Response

When the Kindles went public in November, the response was immediate. All were checked out within a day and there were 52 people in the queue by December 3, 2009.

As of January 9, 2010, Kindles have been loaned ten times, and there are currently 110 requests in a queue and three Kindles waiting to be checked out to patrons. The 6" Kindle has had 106 requests and the Kindle DX has had 14 requests. The types of patrons requesting Kindles are as follows: Special Graduates-10 requests, Masters- 14 requests, Undergraduates- 56 requests, OSU Faculty/GTA-12 requests, OSU Staff- 5 requests, Doctoral- 12 requests, Post-Bacc Undergraduates- 5 requests and OSU Library Faculty- 6 requests.

An evaluation form is included in the Kindle case and users are asked to complete it before returning the Kindle. Since there has not been much turnover of Kindles in the eight weeks since they began circulating, we have received only 7 completed evaluations, so it's too early to make any sort of assessment of the success of the program over the long term. It's clear, however, that these early users were curious about the device (only one of the seven borrowed it to reduce the number of books s/he had to carry.) A summary of the responses received is follows this report.

Unresolved issues:

ILL requests: The Kindle readers are suppressed in Summit, but the Kindle titles are not. Because the Kindle titles are cataloged as "e-books," we have received loans requests for titles owned in the Kindle format through ILL and Summit. ILL could deflect these requests through settings in OCLC; however, this would involve either deflecting all e-book requests, re-cataloging the Kindles under a material type that OSU Libraries would not lend through Interlibrary Loan, or add a local holdings record (LHR) to each OCLC bibliographic record for the Kindle titles and deflect at the title level. Requests are currently rare and easily cancelled from both Summit and ILL, so it is not an urgent issue, though it does need to be addressed.

Funding for purchasing titles. We have been purchasing gift cards in \$250 increments on JIS 071.

Recommendations:

Short-term:

1. Purchase 12 more 6" Kindles for a total cost of \$3587.88 (includes the e-readers, protective sleeves, and carrying cases). This will not eliminate the queue but it will help.

2. Notify patrons in the queue that we are adding more Kindles, thank them for participating in the pilot program, but let them know there is a long waiting list.
3. Explore cataloging options for suppressing ILL requests: re-cataloging the Kindles under a material type that OSU Libraries would not lend through Interlibrary Loan, or add a local holdings record (LHR) to each OCLC bibliographic record for the Kindle titles and deflect at the title level.
4. Lend Kindles to Cascades and Guin patrons.
5. Disband the Pilot Project Task Force. Tasks to be reassigned to circulation staff managing the Kindle:
 - Change email address for questions on kindle webpage. Forward questions about other libraries or the pilot project to Loretta Rielly and cc Cheryl Middleton.
 - Manage gift card balance. We have been purchasing \$250 cards on JIS 071. Need to determine if we continue to use this fund

Long-term:

1. Charge a new task force, or an existing group with Investigating other options for circulating e-books and serials on portable devices, including personal devices. The e-book landscape is volatile, and it is important that the OSU Libraries start planning now to stay ahead of this curve.

If right now, most users do not have their own e-reading devices, this is a situation that seems likely to change. For the first time, Amazon reported higher sales for e-books than print books during the 2009 holiday season. Barnes and Noble's Nook, and Sony's line of e-readers were both considered possible challengers to Kindle's domination of the market before the 2009 holiday season, and the market is only getting more crowded. One of the dominant stories coming out of the Consumer Electronics Show in January 2010 was the e-reader, which saw the debut of a dozen new devices.

And the market for e-books is not limited to those who have devices like the Kindle or the Sony Reader. At the same time, some analysts believe that shelf-life for standalone devices like the Kindle is limited anyway. There is a strong belief that consumers do not want to carry multiple single-function devices. The number of readers already using iPhones and other smartphones as e-readers lends credence to this point of view. In late 2009 there were reports that more book-related applications were launched for the iPhone (in September and October) than game applications.

As our users shift from trying e-readers, to buying their own e-readers, their needs will change. Their interests will shift from the device, to the content. If the Libraries are to connect as much content as possible to as many users as possible, the DRM restrictions inherent in Amazon's product are a real concern.

Also of concern to the current task force is privacy. A recent report from the Electronic Freedom Foundation provides a useful overview of this issue. More work is needed to develop policies consistent with the Libraries' commitment to privacy. <http://www.eff.org/deeplinks/2010/01/updated-and-corrected-e-book-buyers-guide-privacy>

Budget & Expenses

Budget: \$3824.39

Expenses: \$3276.78*

Kindles: \$2566.89

- E-book readers: \$2284
- Protective sleeves: \$154.94
- Cases: \$90
- Headset: \$37.95

Books: \$750

- \$81.65 balance on gift card as of January 21

Subscriptions: \$9.99

Flyers and Posters: \$193.70

- \$142.85 for printing
- \$36 for 2 stock images
- \$14.85 for 3 foamcore pieces

Supplies for marking readers and cases: \$6.20

*Pilot Project expenses from JIS 071

Summary of Evaluation Responses

How did you learn about the library's Kindle?

From library staff: 7 of 7 responses

Why did you borrow the Kindle?

To try it out: 4 of 7

To check out the big one: 1 of 7

Thinking about buying one: 1 of 7

Going on vacation and didn't want to carry books: 1 of 7

When you had the Kindle, did you register and buy a book of your own?

No: 6 of 7

No answer: 1 of 7

Will you borrow a Kindle again or recommend it to a friend?

Yes: 5 of 7

Probably not, not my thing: 1 of 7

No to borrowing again, put Kindle app on phone; Yes to recommending it: 1 of 7

How can we make the Kindle more useful for you?

No answer: 4 of 7

Get more: 2 of 7

Can't think of anything that makes it more useful to me (respondent who downloaded app): 1 of 7