

# Modeling a Sustainable Future for the Federal Depository Library Program in the 21<sup>st</sup> Century: Value Proposition

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*Note: Ithaka S+R has been commissioned by the Government Printing Office (GPO) to analyze the Federal Depository Library Program (FDLP) and recommend a sustainable and practical model or models, consistent with its existing vision and mission, for its future. This document evaluates the value propositions of a set of potential new models for the Program presented in previously released sections; subject to further substantive revision and copy-editing, this document will be incorporated into the final report.*

*The assessments of value described in this document do not examine legislative feasibility, which is to be analyzed at a later stage. We welcome feedback on the assessment of these models.*

*For more project background or to provide comments, please visit <http://fdlpmodeling.net> or email the project team at [fdlp-modeling@ithaka.org](mailto:fdlp-modeling@ithaka.org). Reactions provided by March 9, 2011 will be especially helpful in our preparations of findings and the modeling exercise that will result from it, so we will be most grateful for your immediate review.*

## Modeling a Sustainable Future for the Federal Depository Library Program in the 21<sup>st</sup> Century: Value Proposition

This document assesses the *value proposition* of the Direction and New Models presented previously, with the goal of determining the impact of the implementation of these proposals on the costs and benefits of participation in the Federal Depository Library Program. A value proposition presents the costs and benefits of an offering, assessing how these costs and benefits are weighed and assessed by target communities in motivating choices. This document first reviews the historical value proposition of the Program and some of the ways in which this value proposition has shifted in recent years, then considers the broad impact of the proposed Direction on the value proposition of the Program, and finally evaluate the specific value propositions of each of the proposed New Models for the Program.

The goal of this exercise is to evaluate how these proposals will impact the Program's sustainable accomplishment of its overall goals by considering the value proposition that they pose to libraries. Evaluating the value proposition of a given scenario entails consideration of how a library might perceive and make choices about its role in the Program based on the various costs and benefits associated with fulfilling this role; a library that views a role in the Program as offering a good value proposition will be more inclined to play that role than will a library that views the responsibilities associated with a given role as burdens not matched with commensurate positive benefits.

Value is assessed from the point of view of the individual library in its decision-making process, and the same set of costs and benefits may reasonably be viewed by one library as compelling and by another as unappealing, due to their unique local circumstances and needs. Consequently, it is problematic to make blanket judgments that a value proposition is generally "good" or "bad" without conducting some sort of broader survey of potential participants, which is out of scope of this project.

Still, our assessment of the value propositions of the proposed models seeks to recognize that different libraries will identify and weight the sources of cost and benefit of models potentially quite differently, reflecting their own individual priorities. Our approach is therefore not directly comparable with certain similar efforts, such as the document that GPO has previously released describing the value proposition for the Program,<sup>1</sup> which focuses on describing the benefits provided by GPO to FDLP participants; although these benefits are indeed provided across the Program, the value assigned to them by individual participants may vary widely.

This challenge is exacerbated by the fact that so many of the benefits associated with participation in the Program are difficult to quantify. For example, many libraries will see their support for the shared community value of long-term, no-fee public access to the workings of American government as a critical benefit of participation. A specific library's valuation of this benefit, however, may vary – some libraries will see this as critically aligned with their overall mission and a motivation to participate even aside from any other benefits, while others may see it as a secondary priority to be weighed alongside other factors in a decision to participate. Such benefits are difficult to quantify to begin with, and especially difficult to communicate quantitatively to institutional budget officers.

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<sup>1</sup> "Value Proposition for the FDLP" (Government Printing Office, November 2009), [http://www.fdlp.gov/component/docman/doc\\_download/1112-value-proposition-for-the-fdlp](http://www.fdlp.gov/component/docman/doc_download/1112-value-proposition-for-the-fdlp).  
Ithaka S+R Public Draft for Comment  
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For this reason, this assessment considers how these models offer libraries a range of options for roles that may align with a variety of different institutions, rather than assuming that a particular option that works well for some kinds of libraries will work well for others. Given the GPO mandate to develop practical and sustainable models for the network of libraries participating in the FDLP, this value proposition focuses on considering the costs and benefits of participation in the FDLP from the perspective of a participating (or potentially participating) library under this new Direction and various new Models. While we recognize and celebrate the value that the Program offers to the American public and various specific communities, that value is only discussed here insofar as it contributes to the value proposition of a library. Ultimately, structures that offer positive value propositions encouraging libraries to take on a wide range of roles and responsibilities in support of the overall mission of the Program will directly support the interests of the American public in long-term, no-fee access to government information and support for its effective use. On the other hand, a Program that does not consider the value propositions perceived by the libraries that are expected to serve in critical roles runs the risk of the failure of both the Program and its ability to support the needs of the American public.

## The FDLP's historical value proposition

The long-standing structure of the FDLP – summarized by Kessler as “government creates the information, depository libraries house and service it for public use, and the public gets to use the information for free”<sup>2</sup> – was based around a particular value proposition for participation in the Program. For many years, the costs and benefits of this model for the Program were largely in alignment, with libraries generally feeling that the burdens they assumed were reasonable and were made up for by the benefits realized through their participation.

## Benefits of participation

Participation in the Program historically entailed a variety of benefits to member libraries. Three major and driving sources of value to participating libraries can be described:<sup>3</sup>

- The most tangible source of benefit to participating libraries has long been the fact that participation in the Program provides libraries with **free access to wide ranges of government information**, including many materials that are not broadly available to non-participants. This benefit was important to libraries for multiple reasons:
  - Before government information was broadly accessible online, building local tangible collections was essential to libraries' abilities to provide for the needs of their constituents; to enable constituents to access government information, libraries needed to build local collections, and the best way to do this was through membership in the Program.

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<sup>2</sup> Ridley R. Kessler Jr., “A brief history of the Federal Depository Library Program: a personal perspective,” *Journal of Government Information* 23, no. 4 (1996): 369-380.

<sup>3</sup> To support and facilitate the realization of these values, GPO also provides a variety of ancillary services to member libraries, supporting libraries in managing their collections, communicating and collaborating with each other and with GPO, and more. See GPO's “Value Proposition for the FDLP.”

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- Independent of these functional considerations, however, traditional metrics that heavily weighted collection size in evaluating the quality of libraries also encouraged many libraries to view this ability to rapidly and cheaply expand their collections as an intrinsic good. As a result, some libraries built collections of government information that went well beyond the needs of their local communities.
- Beyond the functional considerations of building and maintaining collections, a significant benefit of participation to many libraries is their awareness of their role in supporting system-wide **shared values**. Many libraries deeply share the Program's priorities of long-term access to and preservation of government information, and feel substantial value is realized through their contribution to these system-wide goals. Libraries' self-recognition as stewards of government information and the value they place on their own involvement in defending its integrity and preserving it over time provides an additional key benefit of participation in the Program.
- Beyond libraries' own recognition of their involvement in supporting system-wide needs, **community recognition** by other libraries of the vital role played by depository libraries as community resources provides an additional broad source of historical value to its participants. Selective and especially regional libraries have been regarded by their peers as community resources, contributing to these broad shared values as well as serving practically to support the access needs of users even beyond their normal constituencies. Participants' roles in supporting access and preservation are widely recognized across the library system, as peers recognize the commitments taken on by depository libraries on behalf of the broader community; the reputational benefits associated with this credit are a long-standing source of value to participants.

Of course, individual libraries valued each of these benefits differently, based on their local circumstances and institutional priorities: for some libraries, the ability to better provide for the needs of their local constituents by building robust collections of government information was the critical motivation to participation, while for others a broader set of priorities focusing on support for shared values drove participation more than anticipated near-term concrete benefits. The range of motivations described above brought a wide range of participants to the Program, encouraging libraries to join and remain in the Program based on their idiosyncratic priorities in order to support the collective advancement of the Program's vision, mission, and values.

### Costs of participation

Alongside these benefits, participation in the Program has always also entailed costs to the participating libraries. Although the specific costs vary among libraries, and detailed cost figures are not always easily quantified, a 2008 report by Regional library coordinators estimated that Regional libraries spend on average \$330,000 annually on "costs for staff, cataloging and processing of collections, additional databases and reference materials in support of FDLP collections, and equipment/supplies, such as computers, microform equipment, and collections maintenance supplies," and an additional "\$700,000

in yearly amortized costs for facilities to house the collections.”<sup>4</sup> Despite these sometimes heavy costs, libraries joined and remained in the Program due to a perception that the benefits received were worth the costs – that is, that the costs of participation were at least balanced by the benefits of participation, and in most cases that the benefits outweigh the costs. Still, participating libraries incur costs in performing the responsibilities associated with their roles in the Program:

- Participating libraries must *retain* the materials provided to them through the Program in accordance with their status in the Program, and must deaccession materials through defined procedures. In the case of selective libraries, this entails some loss of flexibility in collections management decision-making, as well as incurring ongoing direct technical services costs associated with acquiring, processing, and maintaining collections. In the case of Regional libraries, this entails a long-term commitment to retain large print collections with very little flexibility to deaccession unwanted materials, posing opportunity costs in the flexible use of space as well as direct costs associated with technical services around these materials. In addition to the above estimates of costs associated with serving as a Regional library, parallel work on the costs of maintaining monograph and serials collections underscore the substantial expenses associated with the simple long-term maintenance of tangible materials.<sup>5</sup>
- Participating libraries must also provide public access and a baseline level of services around these collections, making these collections freely available to the broad American public. Libraries in the Program are not only obligated to provide access and support to the communities that they are intrinsically mission-driven to serve, but to the broader population that the *Program* is intended to serve. For some libraries, this is a minimal burden, achieved as a matter of course; these libraries already consider the broader community as a core constituency, and may serve them in a wider variety of ways than just through the provision of government information. Other libraries, however, may generally only provide services to a relatively limited set of constituents in their normal course of business – for example, some university libraries may view their campus community as priority users but generally not provide services beyond these constituents. As a result, the requirement to serve individuals outside of these normal communities may be seen as a non-trivial cost of participation in the Program.

### The evolving value proposition

Although these broad sources of costs and benefits associated with participation in the Program have remained relatively static over time, perspectives on some of these sources of costs and benefits have shifted across the library community. In recent years, the perceived balance of costs and benefits

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<sup>4</sup> “Regional Depository Libraries in the 21st Century: Regional Librarian's Joint Perspective” (Federal Depository Library Program, May 19, 2008), [http://www.fdlp.gov/component/docman/doc\\_download/57-regional-librarians-joint-perspective?Itemid=45](http://www.fdlp.gov/component/docman/doc_download/57-regional-librarians-joint-perspective?Itemid=45).

<sup>5</sup> See Paul N. Courant and Matthew Nielsen, “On the Cost of Keeping a Book,” in *The Idea of Order: Transforming Research Collections for 21st Century Scholarship* (Council on Library and Information Resources, 2010), <http://www.clir.org/pubs/reports/pub147/pub147.pdf>; Roger C. Schonfeld et al., *The Nonsubscription Side of Periodicals: Changes in Library Operations and Costs between Print and Electronic Formats* (Washington, D.C.: Council on Library and Information Resources, June 2004).

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associated with receiving and retaining free government information in tangible form – a core source of value in the historic Program – has changed for many libraries. While the mechanical interactions entailed – the free provision of materials by the government, and the responsibilities of depository libraries for maintaining and making accessible these materials – have not changed, many libraries now view these costs as more burdensome and the corresponding benefits as less rewarding, throwing their incentives to participate out of equilibrium.

For many – although certainly not all – libraries, the benefits of receiving free tangible government information has declined in recent years, due to an increasingly common perception that use of tangible versions of government information (and really much information well beyond, as documented in the Environmental Scan) has been replaced by reliance on digital versions. Although many libraries continue to value tangible government to a greater or lesser degree, in alignment with their own priorities and perceptions of local user needs, it is increasingly clear that the exclusivity once enjoyed by depository libraries as the sole venue for accessing government information has largely disappeared. The increasing ability of the average American to access government information without the intermediary of the depository library has left some depositories questioning the value that they realize by building and maintaining tangible collections of government information. Although the provision of free tangible copies of government information is intended to be one of the core benefits of participation in the Program, many libraries no longer view this as a particularly compelling incentive to participate.

Complementing the declining perceived benefit of receiving free tangible copies of government information, many libraries see the burdens associated with the development and maintenance of these collections as increasing. For many libraries, the increase in burden of maintaining collections is principally due to the opportunity cost of doing so rather than the direct costs; as described in the Environmental Scan, many libraries are increasingly interested in reallocating space away from collections and towards the provision of new services or user-centric environments. As libraries increasingly view space as a scarce asset, many have begun to consider how alternate uses of space currently devoted to tangible collections perceived as low use might realize greater value. Although this opportunity cost is felt across library types – even Selective libraries, which have relatively greater abilities to deaccession materials, may feel constrained by limitations on their abilities to manage collections as flexibly and agilely as they would like – it is pressing for some regional libraries, which have extremely large collections of tangible government materials and face more substantial restrictions on their ability to manage these collections in alignment with changing institutional priorities.

The declining perceived value realized from tangible government materials combined with the increasing perceived costs of the responsibilities of maintaining these collections poses a complex dilemma for many participating libraries; libraries continue to view their participation in the Program as an important contribution to system-wide shared values, but some have come to view the practical business of participation as out of alignment with their local institutional priorities. Due to libraries' shifting valuation of tangible collections, the central value proposition of participation in the Program has changed. Historically, participation in the Program both supported system-wide values *and* provided concrete local benefits; as library priorities and needs have evolved, though, some libraries may see

decreasing local value realized through their performances of roles that remain critically important from a system-wide perspective, sometimes creating tension between libraries' support of local priorities and their commitments to system-level shared goals.

## **The value proposition of proposed new structures for the FDLP**

Bringing these priorities back into harmony is a principal goal of the proposals put forth in this project. The Direction and Models proposed in this project seek to allow libraries to recommit to the Program's vision and mission, realizing their commitment in a way that aligns more substantively with the changing strategic priorities of their institutions. Fundamentally, these proposals seek to encourage libraries to define roles in the Program based on the set of roles and responsibilities that they *want* to play, rather than attempting to meet but not exceed the technical requirements associated with their existing roles. To do so, our proposals emphasize offering libraries a substantially greater ability to define their own roles in the Program, shaping a value proposition that makes sense locally; at the same time, these redefined roles are still designed to support, in the aggregate, community-wide priorities. By recognizing contributions towards a wider range of shared priorities, and by allowing libraries to shape more granular roles, these proposals seek to allow libraries to strategically realign their participation in the Program and contributions towards system-wide goals with local, on-the-ground circumstances.

## **Overall value proposition of proposed Direction**

Broadly speaking, the goal of the proposed Direction is to enable libraries to design their own value proposition for participation in the Program, defining a role that provides a positively balanced set of benefits and costs to the library. This proposed Direction should not diminish any of the existing sources of value to participation in the Program, but rather offer a variety of additional sources of benefit, enabling libraries to better shape their involvement to match local priorities. As such, the proposed Direction will enhance the Program's ability to sustainably and effectively pursue its mission of providing long-term, no-fee access to government information and services to make effective use of it to the American public, both broadening access to basic assistance in finding, interpreting, and making effective use of government information as well as supporting its long-term survival and integrity in both tangible and digital form.

## **Benefits of participation**

As such, one major benefit of participation in the Program remains its provision of free copies of tangible government materials. This new Direction should *in no way* impinge on the ability of any library to take on a role that emphasizes tangible copies of government information, leaving libraries able to continue to build and maintain tangible collections as appropriate to their local user needs and priorities. This Direction recognizes that many libraries may continue to view the development of tangible collections of government information as in alignment with local priorities, and that some libraries may wish to make significant investments in these collections as their unique contributions to system-wide priorities.

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But while these tangible materials were historically the principal tangible benefit of participation in the Program, the proposed Direction recognizes that other benefits may be more salient for some libraries today, and offers the opportunity for libraries to define their participation around other benefits in the place of or in addition to an emphasis on tangible materials. Critically, it recognizes their contributions in these new areas and therefore provides a concrete source of value for their internal and public communications. Specifically:

- The proposed Direction imagines that some libraries may define roles based around the acquisition, maintenance, and preservation of *digital* government materials. These digital collections support libraries in developing and curating digital collections to serve the needs of users in their local communities and beyond, and afford an opportunity for libraries to advance their own local priorities in developing unique digital collections.
- The proposed direction also imagines that some libraries may define roles based around the provision of services to assist end users in discovering, interpreting, and making effective use of government information at varying levels of complexity and including both in-person assistance and the development of digital tools to support remote users. To encourage and support these activities, appropriate training and outreach will assist libraries in developing and maintaining skills, supporting libraries in defining rich and vital new contributions to their users' needs.

In addition to these new and relatively *concrete* benefits to participation, the historic benefits of participation in the Program associated both with contribution to shared system-wide priorities and with reputational benefits for a library's role are maintained and extended under the new Direction:

- Libraries continue to, through their contributions, support system-wide priorities and values. Many libraries will continue to do so by maintaining tangible collections of government information to support community access and preservation needs, but libraries will also have the opportunity to instead or additionally contribute to other shared values. Some libraries will contribute to the extension of long-standing system-wide practices of preserving and maintaining the integrity of government information through a network of libraries to digital collections; libraries will also have renewed opportunities to support the American public in finding, interpreting, and making effective use of government information, contributing to development of both a robust network of front-line service providers and rich online tools to connect users with services and expertise.
- Libraries also continue to receive recognition and status from their peers for their roles within the Program, but have the opportunity to stand out and be formally recognized for their contributions in a broader array of ways. Under this new Direction, individual libraries may be recognized for excellence along a variety of axes, and can serve as community resources for a wider range of needs; some will continue to support community needs for tangible access, some will curate and protect digital collections, and some will stand out as service providers on the ground or in the cloud.



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In addition to extending these long-standing benefits, the Direction also provides another source of benefits to participants. By embracing collaboration, the Program would provide a venue for libraries to work together in pursuit of shared priorities. Although libraries may already collaborate on efforts related to government information, participation in the Program could support libraries in identifying and pursuing collaboration.

The benefits offered under this new Direction should both maintain the historic sources of value to participants as well as providing a variety of new sources of value. But this Direction does not simply expand the benefits to participants; it also shifts the way in which these benefits are allocated across the library system. Rather than assuming that all libraries share a common set of interests that drive their participation, the new Direction proposes allowing libraries to identify and pursue the sources of value that draw them to the Program. In this way, libraries take on costs associated with the benefits that are most salient to them, and are able to avoid costs associated with intended benefits that offer little locally.

### **Costs of participation**

Although participation in the Program in any of these roles will incur costs for libraries – including new costs for new roles oriented around digital collections or services – this reapportioning of activities should allow libraries to only incur costs that balance with locally valued benefits. By focusing their activities on locally relevant areas, and by enabling libraries to set their levels of participation more granularly than is currently possible, libraries should not be required to take on costs that are associated with roles they do not wish to play or that are out of proportion with their perceived benefits for playing their roles.

In addition to reallocating costs and allowing libraries to principally incur participation-related costs that align with local priorities, the opportunity to collaborate also offers the opportunity for cost savings system-wide. By collaborating among libraries where appropriate, redundant costs may be reduced, enabling libraries to lower costs while maintaining service levels or even take on new challenges at costs that can be borne.

### **Value propositions of individual proposed New Models**

Although these broad themes pervade all of the proposed models, analysis of the specific value propositions offered by each of the individual models described can help to provide insight into their feasibility and impact on the overall value proposition of participation in the Program.

#### **Model 0**

As Model 0 does not anticipate any changes from the current Program, the value proposition remains in its current state, which we believe will over time continue to encourage libraries to choose between their system-wide values and their local priorities, in many cases leaving the Program due to an inability to balance the costs of participation with adequate realized benefits.

### Model 1

Through marginal changes to the current model and a new emphasis on services, Model 1 does not change the fundamental value proposition of the current Program. It does, however, seek to rebalance some aspects of this value proposition and provide alternative sources of value for libraries no longer sufficiently incentivized to participate by existing structures. First, Model 1 seeks to facilitate those libraries that feel the greatest imbalance between the costs and benefits associated with their participation in transitioning smoothly to new roles within the Program; although Model 1 does not correct the underlying tensions, it can offer temporary relief. Additionally, by providing service-oriented roles, Model 1 offers libraries a new set of benefits and reasons to participate in the Program. For libraries that have largely deemphasized the tangible collections aspects of participation and may be questioning the rationale for continued membership in the Program, these service oriented roles may provide a compelling way to remain involved in the Program in a way that better matches local priorities.

We believe that the goals of this model can be firmly achieved based on the intrinsic incentives of the depository library community. This model anticipates limited firm targets for participation in particular roles, and those activities it does seek to coordinate are in consistent with many existing examples and in alignment of system-wide priorities; although some effort may be required to build the participation needed to accomplish this model's goals, we believe that there are more than adequate incentives across the library system to perform these activities.

### Model 2

Model 2 introduces an additional alternate pathway for participation in the Program, enabling libraries to realize new sources of value either related to service provision or digital collections, but continues to limit libraries' ability to balance the value received for their roles in the Program related to tangible collections. By further diversifying the set of roles available to libraries in addition to tangible collections roles, libraries have the opportunity to define their involvement in the Program principally around alternative sources of value, and the accomplishment of system-wide values in new areas previously unaddressed is promoted. In addition to providing new sources of recognition for libraries taking on digital collections roles, this model also formalizes the *government's* commitment to supporting a robust and distributed digital infrastructure, rather than leaving this as a supplemental and at-will activity by GPO. But libraries are given little opportunity to redefine their roles surrounding tangible collections; while this model may diversify investment in the Program, it will not address structural challenges around the incentives associated with building and maintaining print collections.

As in Model 1, we believe that the incentives exist to effectively accomplish the priorities of Model 2 relying only on libraries' intrinsic motivations. Many libraries across the Program have demonstrated an interest in building and maintaining digital collections, to support the development of locally curated collections or to safeguard the integrity of these materials in a digital environment; this model seeks to aggregate together and build upon this enthusiasm, and we believe that there exists a sufficient level of investment already across the community to move strongly towards the support of these priorities.

### Model 3

Model 3 is the first model to fundamentally restructure the Program, reshaping the role of tangible collections in the Program to better meet the changing needs of libraries. This model, more completely than the previous two models, enables libraries to focus their participation on those aspects that are of greatest value locally, and also provides the opportunity for libraries to take on newly granular roles associated with the development and maintenance of local tangible collections. These new roles both allow libraries the option to responsibly draw down on their tangible collections as well as to be recognized for extraordinary investments in these collections; this model enables the broad expansion of the Program to integrate a substantively wider range of libraries interested in pursuing certain Program priorities without requiring investment in print collections, and coordinates the library community to build truly comprehensive preservation collections by recognizing and structuring the activities of libraries that contribute to these shared goals.

We believe that this model can largely be implemented based on intrinsic library incentives, although there may be some requirements for narrowly targeted interventions around certain roles. Many libraries clearly retain an interest in building and maintaining print collections of government information, and this model enables libraries that wish to continue to contribute to system-wide objectives but require a greater level of flexibility than is currently possible to do so through the provision of a more granular set of roles. A very few roles, such as the comprehensive tangible collections, may require greater proactive efforts by GPO or other community leaders to coordinate and incentivize activity to support the accomplishment of shared priorities, but we believe that narrowly targeted interventions will be the extent of extrinsic incentives required.

### Model 4

Model 4 is substantially similar to Model 3, but provides a wider range of ways in which a library can contribute to system-wide goals by introducing a higher level of print collections roles. The success of this model seems likely to require substantial external guidance and incentives; the library community has thus far demonstrated little interest in the levels of investment required to build page-verified archives of *any* materials, given the substantial costs and marginal rewards associated with doing so; extrinsic incentives in the form of direct payments to defray these costs by outside agents have been the only successful way in which these collections have been built. As such, we doubt the success and sustainability of this model, as the depository library community would be unlikely to view the costs associated with the full implementation of this model as realizing sufficient value to incentivize the activities needed for the success of this model.