

PUBLIC LIBRARY EBOOK LENDING INITIATIVE  
**Request for Proposals**  
(RFP)

eBOUND Canada  
Canadian Urban Libraries Council

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## **Introduction**

Canada's English-language publishing community (represented by eBOUND Canada) and Canada's public libraries (represented by the Canadian Urban Libraries Council – CULC) are accepting proposals to develop a made-in-Canada solution that will provide eBook lending capabilities to all Canadian public libraries from Canadian publishers, with the opportunity for international publishers to join partner as well. In addition to eBook lending, the solution will, potentially, facilitate the sale of both eBook and print materials from the same publishers to library patrons.

We require a solution wherein patrons are permitted to seamlessly borrow, purchase and download content within the public library's existing discovery layer, without the appearance of leaving it. We are seeking partners who feel their organizations possess existing technology that can meet our requirements or who feel their organizations can provide such technology within a few months.

In reaction to the shortcomings of existing content distribution models, in which vendors primarily retain the control of assets, public libraries in the U.S. are watching the creation of this model with great interest. The successful vendor has a very real opportunity to expand the model into the international market. To be successful, a vendor must address the need for publishers to ensure that all content is used solely as set out in contractual agreements with libraries. The vendor must also meet the needs of libraries by providing access to and portability of those materials.

This Request For Proposals (RFP) process is intended to lead to a yearlong pilot project and, later, to full implementation of the solution across Canada. If successful, it is possible that the pilot period will be shortened. We are confident that a joint venture of libraries and publishers, with participation by a vendor who provides services, is the model that will ultimately succeed.

## **Objectives**

The main objective of this project is to develop a Canadian-controlled infrastructure for the storage and distribution of digital content that can manage multiple lending agreements between publishers and libraries as well as transactions between libraries and patrons. Additional goals, which must be met in order for this project to be viewed as successful, require that:

- Canadian public libraries are not limited through contract terms or technological barriers from using multiple vendors of their choosing to supply digital content
- Canadian public libraries retain control of their digital content and assets such that these assets, whether licensed or owned, are both accessible and portable
- Both digital and print materials can be sold to members or the public through public library discovery layers, with local or preferred booksellers becoming an option for fulfillment where available
- All publishers have the capacity to market their digital content to public libraries, and
- Libraries have the ability to merchandise that content through their discovery layers (catalogues).

### **Scope**

When fully implemented, the partnership between eBOUND Canada, CULC, the selected vendor(s) and other appropriate entities is intended to facilitate the eBook transactions taking place between Canada's public libraries and publishers.

The pilot stage, which we estimate will last up to one year, may result in as many as 8,000,000 annual patron loans. Beyond the pilot period, this initiative may result in the participation of several hundred library systems and the loan of many millions of items. It is possible that, if immediately successful, the pilot period may be shortened.

In any case, the initiative:

- Will include all sizes and types of public libraries
- Is limited to public libraries at this time
- Is intended to provide interaction with Canadian publishers and distributors of all sizes – small, medium, large (including organizations having their own Digital Asset Management systems)
- Is intended to include at least four public library systems serving a combined total of at least 4,000,000 people
- Is intended to include at least 10,000 titles from Canadian publishers, including a number of titles in French.

The initiative will be formalized in an agreement between publishers (represented by eBOUND), Canadian public libraries (represented by CULC) and the selected vendor(s) to provide a service. At the launch of the pilot, the following libraries will participate in the project: Hamilton Public Library, Ottawa Public Library, Toronto Public Library and Vancouver Public Library.

The service will provide robust and well-documented APIs to each pilot library's search/discovery layer or ILS. It will be up to the individual library and/or its vendor to make use of those APIs. The service includes a secure, Canadian-controlled repository where publishers can place their content, knowing that they retain sufficient control such that it will only be used in accordance with their specific agreements, and where public libraries can access material from any publisher without having to arrange for contracts with multiple distributors.

### **Project Requirements**

The additional partner or partners we are seeking must demonstrate the ability to provide a robust, stable and scalable solution that can be used during the pilot phase as well as during full implementation following the pilot. The solution must also have the ability to adapt to changes in the market and in technology.

In addition to this, the qualifications needed for companies to be successful in this RFP process are outlined in Appendix B. For each mandatory requirement, please detail whether your proposed solution can meet the requirement as stated. For rated requirements, please describe how this functionality is met through your solution.

### **Resources Provided by eBOUND/CULC**

During the pilot period, this initiative offers collaboration between publishers and public libraries in Canada that, together with a selected vendor or vendors, provides all parties with an exceptional opportunity to experiment and find new ways of doing business.

While we expect the majority of financial risk to be assumed by the partner vendor, eBOUND Canada and CULC bring substantial resources to bear on this project. These resources include, but are not limited to:

- Significant experience and expertise in developing applications for the library market
- Digital content storage via eBOUND Canada's Digital Asset Management system
- Digital content from Canadian publishers of all sizes – small, medium, large
- Initial public library recruitment
- Library and publisher resources for system testing and feedback
- An established patron base in libraries, to access and use the developed system and publications.

### **Business Relationship between EBOUND Canada, CULC and Vendor**

While eBOUND Canada and CULC are working together to facilitate the selection and creation of this pilot project, and while both parties may provide some initial funding, the platform itself must be self-sustaining with the majority of financial and operational risk assumed by the vendor. It is likely that a vendor assuming such risk will continue past the pilot period and continue with full implementation of the platform across Canada.

The vendor will be responsible for most aspects of the service, from start-up to ongoing operations, while drawing on the resources outlined above. This includes, but is not limited to:

- Infrastructure set-up
- Software development, integration and other tasks to facilitate the delivery of eBooks from Canadian publishers to public libraries and their patrons
- Integration with library discovery layer
- Integration with library ILS
- Design and implementation of reporting interfaces
- Customer support
- Technical support
- Infrastructure maintenance
- Improvements to the service and its infrastructure

Vendors responding to this RFP may present a solution or solutions wherein:

1. Publishers deposit their eBooks and digital materials in a repository hosted and managed by eBOUND Canada

2. Publishers deposit their eBooks and digital materials in a repository hosted and managed by the vendor.

In either case, library staff will search the repository to select titles (or groups of titles) that they wish to purchase/license.

The vendor will be compensated by an annual fee, connected to use, or by another model that the vendor may propose. It is assumed that the cost of the vendor's services will be built into an annual operating cost.

It is the intention of both Canadian publishers and urban public libraries that the successful vendor, rather than entering into several contracts with individual libraries and publishers, will negotiate collective contracts. As such, the solution will be managed by a project leader, to be determined by eBOUND Canada and CULC, who will ensure the parties' shared ability to influence and shape project development during the pilot period and beyond. A percentage of service revenue, to be agreed upon by participating libraries and publishers, will be retained by eBOUND for central project costs.

Given our existing relationships with Canadian publishers and public libraries, our expertise and frequent communication with the publishing and library communities, eBOUND Canada and CULC may wish to provide the following service components in exchange for a greater share of service revenues:

- Ongoing marketing of the service to Canadian publishers and libraries
- Publisher education and training
- Library education and training
- Patron education and training

In any case, eBOUND Canada and CULC will require training, education and orientation from the vendor. We reserve the right to create and publish analysis of the project during the pilot implementation based on the experience of participating publishers and public libraries and on the usage statistics collected during that time.

Public libraries require the right to access and move, to any location of their choosing, all digital content and assets where purchase terms allow.

## **Evaluation Criteria**

Vendor proposals that meet the mandatory requirements, as outlined above, will be evaluated based on:

### **a. Pricing**

The partner or partners' ability to offer a pricing model that is acceptable to small and medium-sized publishers and libraries as well as their larger counterparts. The model must provide clear visibility regarding price increases that may take place over the course of the pilot. The vendor must also provide an understanding of factors that could drive such increases.

### **b. Completeness of solution**

The vendor must demonstrate a proven ability to provide solutions centred on the delivery of digital products and assets.

### **c. Domain experience**

The vendor must demonstrate a proven track record in providing solutions for the book trade and, specifically, in understanding the unique needs of the Canadian publishing and library communities. The vendor must illustrate an ability to prioritize and address the needs of Canadian publishers and libraries.

### **d. Flexibility**

The vendor's ability to provide a service that meets the requirements of Canadian publishers, public libraries and readers, and willingness to accommodate experimentation during the pilot period is imperative. The vendor's ability to address ongoing change requests in a timely and efficient manner will ensure maximum satisfaction for all stakeholders.

### **e. Adherence to legislation**

The vendor's ability to provide a service that meets the requirements of privacy and accessibility legislation as it applies to the pilot libraries. For example, MFIPPA and AODA for Ontario.

## **RFP Procedure**

This is an open and competitive process.

Proposals received after 11:59pm EST on March 11, 2013 will not be considered.

Vendor responses must include:

- A complete supplier profile, as outlined in Appendix A
- A complete requirements matrix, as presented in Appendix B
- A technical architecture document detailing the proposed structure of the solution detailed in Appendix B.

Quotes related to price and compensation should be inclusive. If certain fees or charges are not included, please provide a detailed list of those fees accompanied by an explanation.

If the work to be performed by your company relies on services provided by outside contractors or additional vendors, you must clearly state this in your proposal. Outside parties must be identified and the work they are to perform must be defined. We will not refuse a proposal based on partnerships or the use of additional vendors. However, eBOUND Canada and CULC reserve the right to decline the use of certain vendors or subcontractors that you have selected.

## **Contacts**

For questions regarding this RFP, you are welcome to contact:

Jefferson Gilbert  
Executive Director, CULC  
[info@culc.ca](mailto:info@culc.ca)  
416-699-1938

Susan Renouf  
Chair, eBOUND Canada  
[susan@abanakiconsulting.com](mailto:susan@abanakiconsulting.com)  
416-573-7847

Questions and answers will be published on the CULC web site in an anonymous fashion.

## Time frame

Following are important deadlines and dates related to this RFP.

Feb 7, 2013	RFP issued and published HERE: <a href="http://www.culc.ca/knowledge/ebook%2Drfp/">http://www.culc.ca/knowledge/ebook%2Drfp/</a>
Feb 15, 2013	Last date for questions from vendors
Feb 20, 2013	Questions answered and published on the CULC web site
Mar 11, 2013	Last date for responses to RFP
week of Mar 18, 2013	eBOUND/CULC completes initial screen of responses  Questions from eBOUND/CULC sent to vendors for where additional clarification is needed
Mar 27, 2013	Deadline for vendor answers to questions
April 2013	eBOUND/CULC to convene a working group to assess proposals. The working group will include technical advisors from the publishing and library communities. Selected vendors will be invited to make presentations.  All respondents will be notified when a successful vendor is selected.  eBOUND/CULC will proceed with scoping, project plan and contract negotiations with successful vendor. Note: eBOUND/CULC reserve the right to conduct parallel negotiations with more than one vendor.  Final agreement(s) vetted by legal counsel, Boards of Directors
TBD	Implementation of pilot commences.

## **Terms and Conditions**

Contract terms and conditions will be negotiated prior to the award of any business or partnership.

Participation in this Request for Proposals (RFP) process, presentations given in relation to the process, or subsequent discussion in no way imply commitment to enter into an agreement with the respondent. Agreements for provision of service are subject to legal counsel and approval by the Boards of Directors of eBOUND Canada and the CULC/CBUC.

## **Background on Key Partners**

### **eBOUND Canada**

eBOUND Canada was born out of the digital efforts and programs of the Association of Canadian Publishers, and was incorporated as a distinct and separate organization in 2011. Acting as an intermediary between Canadian publishers and vendors in the global eBook supply chain, eBOUND's mandate is to advance all aspects of digital publishing in Canada, particularly eBook conversion, retail distribution, digital asset management, and research and education.

### **CULC/CBUC**

The Canadian Urban Libraries Council (CULC)/Conseil des Bibliothèques Urbaines du Canada (CBUC) was formally incorporated in 2008 with a mandate to strengthen the capacity of Canada's urban libraries.

CULC/CBUC members collectively serve more than 7.5 million active users who annually make more than 384,000,000 annual uses of 522 physical locations plus virtual services. In 2010 CULC/CBUC members loaned more than 185,000,000 items. Member library systems spend over \$90,000,000 on material, including over \$11,000,000 on digital resources. Customer activity that takes place in CULC/CBUC comprises more than 80% of all Canadian public library use.

# APPENDIX A

## SUPPLIER PROFILE

### **General information about your company or service**

Please provide some background about your organization, its experience and services.

Company name

Company address

Company web site

Description of main products / services

Primary market or customers

Number of employees

Ownership (e.g. privately held, public)

Description of products or services that are already delivered to customers today, and could be comparable to what is requested in this RFP

Contact person responding to this RFP

Position or role

Telephone

E-mail

Additional contacts

### **Detailed information about your company or service**

Please note that respondents selected for further evaluation will be asked for detailed financial statements. Respondents may be asked to provide a certificate of liability insurance and, in Ontario, vendors must meet AODA legislation requirements before a contract can be signed.

1. What percentage of your current business is in providing services to libraries?
2. What percentage of your current business is in providing services to publishers?
3. Please list the markets in which you currently operate (Canada, US, UK, Other), as well as the number of clients in each market
4. Please attach a detailed organizational chart for the main office that would service this account
5. Please provide a brief Curriculum Vitae (CV), including specializations and years of experience, for key staff involved in the project
6. Will you provide all services and infrastructure, or will you subcontract some services to outside vendors or contractors? Please provide as much detail as possible.
7. Please describe your experience, if any, in developing and maintaining a bilingual platform.

## **SERVICE PROFILE**

### **Service Launch**

8. Describe the solution your company would implement to deliver services that meet the business needs described in this RFP, starting with contract signing and ending with active daily use. Include a detailed work breakdown and structure with timelines
9. Will you be developing a new system that is exclusive to Canadian publishers and urban public libraries or will the solution be integrated into a pre-existing product? Please provide details
10. Provide a schema to indicate how your service will integrate or interact with library catalogues or other potential vendors.
11. In your opinion, which areas/tasks represent the greatest challenges or risks in launching a new Canadian eBook lending platform?

### **Operations & Support**

12. Describe staff and competencies required to deliver the solution, including tasks and time required, showing a “week in the life” of the operation. Show for all parties involved including library staff, staff at publishing houses, vendor staff and outside contractors supporting the application
13. Describe your expected model of collaboration between internal staff, eBOUND Canada staff, and external contractors (if any)
14. Describe the support services, including technical support, education, training and fee structures (if any) available to Canadian users of the service. Include your plan for providing support in English and French
15. Describe your hours of operation and methods of obtaining support by your staff. Preference will be given to those who provide multiple contact options and hours responsive to library hours (e.g. week nights and week-ends)

16. Describe how service-level agreements are managed. Include details of customer interactions, service issue escalations, tracking, and reporting. Show call types, severity and response times for typical issues. For example:
  - Severity 1: System Down: Respond within 30 minutes during open hours
17. How do you ensure successful partnerships with clients?
18. What method is used to continually improve service/product efficiency and effectiveness?
19. Please provide a copy of standard service agreement contract
20. Please detail any additions or changes to your standard service agreement that would apply to this project.

## **COST STRUCTURE**

While Canadian publishers (represented by eBOUND) and urban public libraries (represented by CULC) will endeavour to raise or provide some funding for start-up costs, our expectation is that the vendor will assume the majority of financial risk.

### **During the Pilot Period**

21. Describe the pricing model during the pilot period. Include any metrics that explain how pricing is calculated.
22. Show the schedule of price increases or changes to price calculation throughout the pilot period.
23. Show start-up costs, if any, including:
  - Initial project management and analysis
  - Infrastructure setup
  - Discovery layer integration

- ILS integration
- Modifications to existing software
- Retail (buy button) integration, if applicable
- Other costs

24. List any items or services that are not represented in the pricing model outlined above.

### **During Full Implementation**

25. Please provide details on how your system will provide high availability and scalability from the project pilot phase to implementation across Canada

26. Describe the pricing model beyond the pilot period. Include any metrics that explain how pricing is calculated

27. Show the schedule of price increases or changes to price calculation beyond the pilot period.

28. Show costs associated with roll-out after the pilot, if any, including:

- Project management and analysis
- Infrastructure setup
- ILS integration
- Modifications to existing software
- Retail (buy button) integration, if applicable
- Other costs

29. List any items or services that are not represented in the pricing model outlined above.

### **Other**

30. Identify and describe any ongoing or recurring charges, if any, including:

- Annual fees (i.e. licensing)
- Transactional fees
- Hosting fees
- Support costs

31. Are there any volume discounts or other mechanisms to minimize cost?
32. Include a payment schedule that reflects when and how much you expect to be paid. The schedule should reflect costs at signing, during development and testing and during implementation. It should also include ongoing operating costs.
33. Provide a minimum of three customer references for businesses using services similar to what is proposed for eBOUND/CULC. Include:
  - Company name
  - Company address
  - Contact name, position in the company
  - Contact number and email address
  - Description of service provided

Please provide additional detail by completing the accompanying Technical Requirements Matrix document (Appendix B).