# Proposal

As you are probably aware, Macmillan Publishing announced that it will place a new purchasing embargo on eLending as of November 1, 2019, allowing libraries to purchase only a single copy of a Macmillan eBook in the first eight weeks of release, regardless of demand or the size of the library. This will be [painful for both our staff and our patrons](https://www.wcls.org/impacts-of-macmillan-policies-on-workflow/).

In protest, we propose to boycott Macmillan eBooks November 1, 2019 – December 31, 2020. We may also wish to boycott Macmillan eAudio.

Rationale:

* King County Library System will be boycotting Macmillan eBooks starting November 1 and will continue to do so while Macmillan continues to embargo. King County is the 4th largest library system in the US by eBook spending. If other library systems follow its example, we may have a real chance of collectively overturning the embargo.
* It is highly probable that more of the Big Five publishers will move to embargo content unless libraries take corrective action with Macmillan. And there is no reason to think that eLending restrictions will stop there. ALA is reforming the Digital Content Working Group, but a boycott will allow us to “hold the line” while they organize.
* Ebook embargoes are particularly bad for libraries. Unlike metered access, their impact cannot be ameliorated with more collection budget money. Embargoes are also bad for the publishing ecosystem as a whole, because they will cause readership on any given book to fall 25-40%.
* WDLC is struggling with unsustainable cost increases from growth alone. New metered access restrictions from multiple publishers will make it worse. Limiting our spending on Macmillan can give us financial breathing room while we determine how to move forward sustainably.

Given that other publishers are likely to follow Macmillan’s example, a boycott can be successful for our patrons even if Macmillan does not drop its policy. Success looks like:

* No other publisher implements an embargo of any type.
* No publisher adds further restrictions to lending models (changing from OC/OU to MA, etc.).
* No publisher increases pricing to libraries out of proportion with increases to consumers.
* If enough other libraries join us, Macmillan will drop the embargo.

Note: while the Macmillan embargo is somewhat different from Blackstone’s, the fundamental goals of the boycott are the same: communicate to the publishers that embargoes are not acceptable and encourage them to change their approach. It would be ideologically inconsistent to boycott Blackstone and not Macmillan.

# What would a Macmillan boycott mean for WDLC patrons?

Below are tables pulled from a report of all the titles in our collection added in the last 10 years. They show how many of our current titles and circulation we owe to Macmillan, 4.5% and 4.8% respectively.

|  |  |  |
| --- | --- | --- |
| **Publisher** | **# of titles** | **%** |
| Penguin Random House | 13,807 | 30.7% |
| HarperCollins | 7,415 | 16.5% |
| Hachette | 2,304 | 5.1% |
| **Macmillan** | **2,012** | **4.5%** |
| Simon & Schuster | 1,938 | 4.3% |
| Blackstone | 1,797 | 4.0% |

|  |  |  |
| --- | --- | --- |
| **Publisher** | **Circ as of July 2019** | **%** |
| Penguin Random House | 210,8477 | 38.4% |
| HarperCollins | 93,4368 | 17.0% |
| Hachette | 42,0135 | 7.6% |
| **Macmillan** | **26,4162** | **4.8%** |
| Blackstone | 26,0853 | 4.7% |
| Simon & Schuster | 22,0572 | 4.0% |

The top Macmillan authors in our collection, ranked by circulation, are:

|  |
| --- |
| Box, C.J. |
| Evanovich, Janet |
| Feeney, Alice |
| Gawande, Atul |
| Hannah, Kristin |
| Hendricks, Greer |
| Meyer, Marissa |
| Moriarty, Liane |
| Penny, Louise |
| Roberts, Nora (or J.D. Robb) |
| Sanderson, Brandon |

The above authors released these works in the last 18 months:

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **Author** | **Title** | **Print pub date** | **eB street date** | **Cons copy** | **Adv copy** | **CKOs** |
| Box, C.J. | *Wolf pack* | 3/12/2019 | 3/12/2019 | 15 | 6 | 440 |
| Box, C.J. | *The disappeared* | 3/27/2018 | 3/27/2018 | 12 | 3 | 719 |
| Box, C.J. | *The Bitterroots* | 8/13/2019 | 8/13/2019 | 9 | 1 | 8 |
| Evanovich, Janet | *Look alive twenty-five* | 11/13/2018 | 11/13/2018 | 22 | 14 | 1050 |
| Evanovich, Janet | *The big kahuna* | 5/7/2019 | 5/7/2019 | 10 | 4 | 180 |
| Feeney, Alice | *I know who you are* | 4/23/2019 | 4/23/2019 | 0 | 0 | 0 |
| Hannah, Kristin | *The great alone* | 2/6/2018 | 2/6/2018 | 23 | 62 | 2273 |
| Hendricks, Greer | *The wife between us* | 1/9/2018 | 1/9/2018 | 3 | 4 | 738 |
| Hendricks, Greer | *An anonymous girl* | 1/8/2019 | 1/8/2019 | 8 | 2 | 189 |
| Meyer, Marissa | *Gone rogue* | 1/30/2019 | 1/30/2018 | 0 | 0 | 0 |
| Meyer, Marissa | *Archenemies* | 11/6/2018 | 11/6/2018 | 3 | 0 | 79 |
| Moriarty, Liane | *Nine perfect strangers* | 11/6/2018 | 11/6/2018 | 23 | 25 | 1175 |
| Penny, Louise | *Kingdom of the blind* | 11/27/2018 | 11/27/2018 | 20 | 10 | 721 |
| Penny, Louise | *A better man* | 8/27/2019 | 8/27/2019 | 14 | 5 | 43 |
| Roberts, Nora | *Of blood and bone* | 12/4/2018 | 12/4/2018 | 13 | 5 | 410 |
| Roberts, Nora | *Shelter in place* | 5/29/2018 | 5/29/2018 | 17 | 8 | 1018 |
| Roberts, Nora | *Under currents* | 7/9/2019 | 7/9/2019 | 15 | 7 | 196 |
| Robb, J.D. | *Dark in death* | 7/31/2018 | 1/30/2018 | 13 | 3 | 695 |
| Robb, J.D. | *Leverage in death* | 9/4/2018 | 9/4/2018 | 13 | 5 | 526 |
| Robb, J.D. | *Connections in death* | 2/5/2019 | 2/5/2019 | 12 | 3 | 299 |
| Robb, J.D. | *Vendetta in death* | 9/3/2019 | 9/3/2019 | 10 | 2 | 34 |
| Sanderson, Brandon | *Legion: Lies of the beholder* | 11/30/2018 | n/a |  |  |  |
| Sanderson, Brandon | *Legion: The many lives of Stephen Leeds* | 9/18/2018 | n/a |  |  |  |
| Sanderson, Brandon | *Skyward* | 11/6/2018 | 11/6/2018 | 6 | 0 | 134 |

These are the forthcoming titles we know about:

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Author** | **Title** | **Projected print pub date** | **Estimated eB street date** | **Available in MarketPlace** | **Preordered** |
| Box, C.J. | *Long Range* | 3/3/2020 |  |  |  |
| Evanovich, Janet | *Twisted twenty-six* | 11/12/2019 | 11/12/2019 | y | pending |
| Feeney, Alice | *His & hers* | 7/28/2020 |  |  |  |
| Hendricks, Greer | *You are not alone* | 3/3/2020 |  |  |  |
| Meyer, Marissa | *Supernova* | 11/5/2019 | 11/5/2019 | y | no |
| Roberts, Nora | *Hideaway* | 5/26/2020 |  |  |  |
| Roberts, Nora | *The rise of magicks* | 11/26/2019 | 11/26/2019 | y | yes |
| Robb, J.D. | *Golden in death* | 2/4/2020 |  |  |  |
| Sanderson, Brandon | *Starsight* |  | 11/26/2019 | y | no |

**Patron feedback on Blackstone boycott**

To our knowledge, WDLC has not received any negative feedback on the Blackstone boycott. However, some libraries have been proactively working to manage expectations. Some WDLC libraries use a boilerplate message about the boycott rationale for patrons who request Blackstone eAudiobooks, reaching out to patrons with unusually long hold times on books where we are not buying added copies. Since Blackstone circulation approximates Macmillan’s, we should expect the patron impact to be approximately the same, assuming we continue to be proactive and positive in our patron interactions.

# What a Macmillan boycott would mean for selectors

In Marketplace, we will need to avoid the purchase of items with the following imprints:

* Celadon Books
* Entangled Publishing
* Entangled Publishing, LLC
* Farrar, Straus and Giroux
* Farrar, Straus and Giroux (BYR)
* Feiwel & Friends
* First Second
* Flatiron Books
* Graywolf Press
* Henry Holt and Co.
* Henry Holt and Co. (BYR)
* Imprint
* Macmillan Audio (depending on whether we vote to boycott eAudio as well as eBooks)
* Papercutz
* Picador
* Roaring Brook Press
* Square Fish
* St. Martin's Press
* St. Martin's Publishing Group
* Tom Doherty Associates

We have yet to see how Marketplace might flag Macmillan titles, but it may be that there will be ways to sort and filter carts to remove Macmillan titles more easily. If so, we will update this information.

For patron communication on Macmillan items with very long holds queues, libraries can adapt the [email template](https://www.wcls.org/wp-content/uploads/2019/09/LetterToPatronsWithBoycottedHolds.pdf) we created as part of the [Blackstone toolkit](https://www.wcls.org/library-boycott-of-blackstone-audio/).

# APPENDIX

## Further context on why to boycott

**Reversing the pattern**

All of the Big Five publishers have made changes to their eLending terms over the past year. [According to ALA](http://www.ala.org/news/press-releases/2019/07/ala-denounces-new-macmillan-library-lending-model-urges-library-customers):

Since last fall, Hachette Book Group (HBG) and Penguin Random House (PRH) have eliminated “perpetual access” for libraries and replaced it with a two-year access model. Simon & Schuster changed from a one-year to two-year access model…HarperCollins continues with its 26-loan model.

Macmillan also uses metered access, and it raised its base price on eBooks in 2018 from $40 to $60, although it is the first of the Big Five to use the embargo tactic. Macmillan CEO John Sargent attempts to justify it using a precedent. He stated in the Wall Street Journal,

“…publishers have long delayed the paperback editions of new titles in favor of generating more sales of higher-priced hardcovers. Movies follow a similar distribution pattern, from the initial opening in theaters to DVD and video-on-demand, to pay-TV services like AT&T Inc.'s HBO or subscription services such as Netflix Inc.”

Clearly, Macmillan is hoping to position the embargo as a tactic that has a precedent in publishing. Delaying eBooks for library patrons is theoretically equivalent to delaying paperbacks until higher-value hardbacks have run their course. Of course, the hardback to paperback tactic is a pattern of distribution that treats all customers equally. Everyone, including libraries, have a chance to buy the hardback and paperback on the day of release. The embargo, alternately, discriminates against a customer base, refusing to sell a “high value” format to a “low value” customer: library readers.

The rationale, unfortunately, is one that is likely to appeal to the Big Five. They were profitable in 2018, but they fear for their ability to remain so given that Amazon is both their primary distributor and a [growing competitor](https://www.theatlantic.com/technology/archive/2019/08/amazons-plan-take-over-world-publishing/595630/). [Author income is plummeting](https://www.authorsguild.org/industry-advocacy/six-takeaways-from-the-authors-guild-2018-authors-income-survey/). eAudiobooks are growing, but [eBook sales have been falling every year for the past three years](https://newsroom.publishers.org/aap-statshot-trade-book-publisher-revenue-increased-by-46-in-2018/), and publishers are motivated to shore up that category.

The new lead of OverDrive’s Panorama Project, Guy LeCharles Gonzalez, who has experience in publishing, also suggests that more than one publisher thinks like Macmillan. He states:

“There’s a broad spectrum of opinions amongst publishers about the role public libraries play—ranging from recognizing them as a critical resource for discovery and engagement (and, ultimately, sales) to Sargent’s view that they unequivocally cannibalize sales. Across the industry, some are certainly closer to him and will be watching Macmillan’s embargo very closely, while many others value libraries as unparalleled influencers and remain committed to offering fair and reasonable access to their full lists.”

While some of the publishing companies view libraries favorably, they all will continue over time to increase restrictions and raise prices because they are for-profit companies who have a mandate to make as much money as they can. They already make a [significant profit on eBooks, compared to print](http://www.hughhowey.com/two-important-publishing-facts-everyone-gets-wrong/), but there is no point at which any of the publishers will conclude that it is enough. They know we hesitate to take a step like a boycott thanks to our commitment to access. So, what keeps them from eroding the service levels they currently offer? Will we pay a full individual price for every loan? If our mandate is to put books in people’s hands, at what point will we stop them, if not now?

**An embargo is a good place to start**

We should draw the line on embargoes specifically, for several reasons.

They are especially bad for libraries. They, of course, make it more challenging for us to fulfill our mission to enable equitable access. But they are worse than metered access or higher prices, which we are able to address by allocating more money to the eBook collection budget. We cannot mitigate the lack of access due to an embargo. We cannot do anything about wait times that are eight weeks longer than they should be. And we cannot avoid the costly and painful staff time required to talk with frustrated patrons who will perceive the embargo as a drop in the library’s quality of service.

Embargoes on libraries are also bad for the whole publishing ecosystem, which matters to us as key advocates for a healthy culture of reading in our communities. Analysis shows that if library eBooks are unavailable on release, the total [number of people who will read any given eBook will drop by 25-40%.](https://www.wcls.org/how-the-macmillan-embargo-impacts-authors/)  Book sales are driven by recommendations. Fewer readers will generate fewer recommendations, which will generate fewer sales. If the culture of reading in our communities is an organic, living thing, then embargoes are like a chronic illness. A boycott is painful too, but would function in this case like an inoculation.

We will go further than drawing the line on embargoes to ensure that eBook pricing and limitations are fair and reasonable, and a new ALA Digital Content Working Group will pursue that, but for now, it’s important to stop Macmillan and the precedent it wants to set.

**Why a boycott?**

We do not take a boycott proposal lightly. It seems counterintuitive to advocate for access by restricting access. It flies in the face of our mission, so elegantly stated by S.R. Ranganathan, here paraphrased:

Every person his, her, or their book.

Moreover, the boycott of a large publisher like Macmillan is certain to be noticed by our patrons. It is painful to consider asking our hard-working customer service staff to deal with patrons who will not have access to the eBooks they want. But the embargo unfortunately forces us into these conversations whether or not we boycott. A boycott at least allows us to control the narrative: rather than simply saying “I’m sorry,” we can say, “We’re advocating for you, and here’s why.”

We also hesitate to close library readership for a year to the new and mid-list authors from Macmillan, many of whom may struggle to find readers and build fan bases if left to Amazon. When reviewing Tor titles to understand the impact of embargo experiment, we noticed a set of diverse authors who are important additions to the fantasy and sci-fi category, and it is hard to consider not buying their books. We argue, however, that if a boycott succeeds in showing the publishers that we will not accept embargoes or the damper they create on a vibrant culture of reading, then we will have ultimately done a service not just for Macmillan authors, but all of the Big Five authors. If we don’t boycott and Macmillan is not stopped, it’s very likely they and other publishers will institute longer, more comprehensive embargoes, and titles by those diverse authors will not be available for us to purchase even if we wanted to.

Indeed, good stewardship is an important reason to think carefully about how best to deal with Macmillan and the precedent it may set for other publishers. At many public libraries, staff are required to create a Request For Proposals (RFP) for any purchase over $25,000. We spend hours carefully reviewing and scoring the proposals to ensure that the vendor we choose will give taxpayers the very best value for their money. WDLC spends over $25,000 on eBooks every month. If we use the same diligence with the eBook vendors that we use with the vendors who supply our mobile services vans and ILS software, then it makes sense to question whether we, as careful stewards of taxpayer money, can continue to do “business-as-usual” with Macmillan, which has undercut its service level *and* raised its prices by 50% in one year.

**Doesn’t a boycott play into Macmillan’s hands in the attempt to get more people to buy books than borrow them?**

The rationale behind the embargo is to both increase retail revenue and retain library revenue and other library benefits. To break it down, when Macmillan was considering their library terms of service, they could have done three things:

1. Left the terms of service as they were
   1. Live with “cannibalized” retail sales
   2. Retain library sales and benefits
2. Stopped eLending entirely
   1. Eliminate cannibalization of retail sales
   2. Lose library sales and benefits
3. Launched the embargo.
   1. Minimize cannibalization of retails
   2. Retain library sales and benefits

They chose #3 because it is the most profitable choice. By [their own admission](https://www.patreon.com/posts/does-library-tor-28075188), the Tor experiment caused retail sales to increase and library sales to decrease somewhat, but their net result was better than leaving the terms of service as they were.

By boycotting, we disallow Macmillan from maximizing their revenue while they add barriers to library service and reading. We remove them from position #3, which is their most profitable scenario, and put them in position #2, where they lose revenue from libraries and all of the benefits to their authors that libraries confer. It may be that their retail sales will increase. However, this is not the outcome they were targeting.

Additionally, data shows that readers discover new authors in two places: Amazon and the library. The library is popular with readers because it allows them to discover new works without financial risk. Many go on to purchase books from authors they discovered using the library. (The publishing companies are aware of this behavior. The restrictions they have been adding do not mean that they don’t value libraries’ contributions to their business. Restrictions mean that they want all of the value we offer, and they want more revenue.) The Big Five publishers, insofar as they compete with each other, need to have a presence in the library so that their works turn up in the results when readers are browsing for new things to read. If libraries boycott Macmillan, removing its new titles from the search results, then readers will simply discover books by Macmillan’s competitors. Macmillan can’t sustain such a model long term, especially given that Amazon as a point of discovery is highly problematic for publishers; it competes with them and actively promotes its own products and services on every book search.