

OREGON STATE LIBRARY
 Statewide Database Licensing Advisory Committee (SDLAC),
 a committee of the LSTA Advisory Council

Procurement Update & Recommendation
October 2013

During September 2013, the SDLAC completed its evaluation of proposals submitted in response to RFP 107-2201-13 for Statewide Library Database Packages. This report outlines activities taken to reach the recommendation and offers the Committee’s Recommendation to the LSTA Advisory Council, the State Library and the State Library Board.

Procurement Update

For this procurement, a key structural change from previous RFPs was made by allowing vendors to submit proposals to one or more categories and the State to offer the contract to one or more vendors. No more than one award could be made per category, though one vendor could be awarded more than one category.

SDLAC evaluated proposals over two rounds. Round 1 consisted of two parts: a pass/fail review by the State Procurement Office and a scored evaluation of the written proposals by the SDLAC members. There was a natural break in the first round scores, reducing the number of eligible vendors for the second round. Round 2 consisted of vendor demonstrations and user review of the top five proposals that received the highest scores in the first round. SDLAC members or their delegates were eligible to participate in Round 2. This was followed by points awarded based on cost proposals and points earned for offers made in multiple categories.

Points Distribution	Possible Points	Percent of Total Points
SDLAC Round 1: Written Proposals	215	31%
SDLAC Round 2: Vendor Demos & User Review	300	43%
Cost	135	19%
Multiple Category Offer	50	7%
Total	700	100%

Cost was evaluated based on the following formula (it was not graded by the evaluation committee). The proposal with the lowest cost proposed received full points available for cost. All other proposals received a score based on this formula:

$$\frac{\text{Lowest proposed cost}}{\text{Cost proposal being scored}} \times \text{Possible Cost Points}$$

Because administering multiple contracts with different vendors requires greater resources than administering a single contract and because end users prefer to work with a single interface, points were awarded to proposals responding to multiple categories. Up to 50 possible points were added to the score depending on the number of categories proposed. (One category=0 points; two=10 points, etc.) A proposer's final score was determined by the aggregate of round one, round two, cost and points earned from the multiple category offering.

After proposers were ranked based on their final scores, the Committee, State Library representatives and State Procurement staff discussed the value of conducting another evaluation round and decided to move forward with the Best and Final Offer round. This required vendors to submit another cost proposal offer based on resources offered in all categories. One reason cited for conducting this round was to offer vendors another opportunity to come back with more competitive pricing. The resultant rankings are displayed in Appendix 1: Rankings, along with rankings after the previous rounds.

SDLAC Recommendation

The State Library and Department of Administrative Services (DAS) Procurement Office ran the third evaluation round using the Best and Final Offer option. As a result, The Gale Group Inc. reduced their price by 23%, ProQuest LLC by 7% and EBSCO Industries, Inc. by 4% which makes The Gale Group Inc. the apparent successful proposer of this RFP. Final rankings are listed in Appendix 1: Rankings.

In considering next steps the State Library and the Procurement Office discussed the option of conducting another evaluation round. To pursue this option requires substantial effort to justify the need for additional evaluation, such as demonstrating that it could garner additional significant savings for the state. This was viewed as unlikely to produce a different outcome and could jeopardize the integrity of the overall procurement process. This thinking, combined with a finding from a March 2013 survey in which responding libraries indicated they preferred "Less expensive database(s) that would be available to all libraries for free" at 60.9% rather than "More expensive database(s) in which your library may need to share in the cost" at 39.1%, informed SDLAC's recommendation.¹

The SDLAC decided to proceed with the following recommendation:

*The Committee recommends that the State Library move forward with negotiating a contract with The Gale Group Inc. for the Statewide Database Licensing Program. This course meets basic information needs in Oregon, in particular for the K-12 community.*²

¹ See [Annual Report 2012- 2013 March 2013 Summarized Results, p. 4](#)

² See [Annual Report 2012- 2013 B Outputs Summary: SDLP Annual Database Usage by Library Type.](#)

Issues Identified & Additional Recommendations

Moreover, during proposal evaluations, the SDLAC identified issues that need to be addressed moving forward, particularly if contract negotiations result in significant cost savings. The SDLAC proposes the following recommendations as well.

1. SDLAC anticipates ongoing unhappiness in the academic library community with the content provided by The Gale Group Inc. resources which could impact their participation in the SDLP.

To help mitigate this situation, the Committee recommends that it work to identify other resources that the SDLP may be able to provide in the coming year that could particularly benefit the academic community and that any cost savings resulting from the next contract be used to support this purchase. The Committee also recommends that OSL explore opportunities to partner with the Orbis Cascade Alliance to provide a resource focused on academic library content needs.

2. The SDLAC recommends that the State Library not pursue a subsidy model for this procurement. It will be difficult to justify a subsidy model since the cost proposed for this RFP is less than previous years and libraries have access to content without paying a subsidy. Libraries are likely to be unwilling to support a subsidy model given the apparent savings for similar content that currently is completely covered by LSTA funds.

The SDLAC recommends that the State Library not pursue a subsidy model for this procurement.

3. The SDLAC also learned through the evaluation of Category 3 proposals that there is a strong desire in the K-12 library community to have the SDLP pursue a general encyclopedia product such as *World Book* or *Encyclopedia Britannica*. Committee members shared that even though a few school districts have been able to secure funding for this type of resource, typically smaller districts are not able to support an encyclopedia product. The Oregon State Library's online reference system, home-schooled students and public library patrons are additional audiences for a general encyclopedia product.

SDLAC supports a separate procurement for a general encyclopedia product. OSL staff indicate a possibility of pursuing the Oregon Department of Education for funding. The SDLAC further recommends that it work with OSL to explore this and other funding options to procure a general encyclopedia product for the K-12 library community.

4. It is clear that the SDLP has reached a cross-roads while trying to accommodate several constraining factors:

- Oregon libraries have distinct content needs (Academic, Public, School) resulting in some needs being met while others are not.
- The current proprietary information environment is ill suited to meeting such distinct needs because the information that would meet all needs sits with multiple vendors.
- Given the resources currently allocated to the SDLP, the Program has few options outside of taking advantage of vendors' "can't miss" deals which do meet the SDLP budget and some content needs.

While the current RFP effort attempted to break out of the single-vendor mold, the constraining factors resulted in an approach that only partially addresses the true scope of Oregonians' information needs.

SDLAC recommends that the SDLP find ways to expand its budget or consider redefining its scope.

Report respectfully submitted by,

Statewide Database Licensing Advisory Committee
November 1, 2013

Appendix 1: Rankings

SDLAC Round 1	SDLAC Round 2	Round 2: Cost & Multiple Category	Best and Final Offer Rankings
<i>Category 1 "General Periodicals"</i>	<i>Category 1 "General Periodicals"</i>	<i>Category 1 "General Periodicals"</i>	<i>All Categories</i>
EBSCO Industries, Inc.	EBSCO Industries, Inc.	The Gale Group Inc.	The Gale Group Inc.
The Gale Group Inc.	The Gale Group Inc.	EBSCO Industries, Inc.	EBSCO Industries, Inc.
ProQuest LLC	ProQuest LLC	ProQuest LLC	ProQuest LLC
<i>Category 2 "Academic Journals"</i>	<i>Category 2 "Academic Journals"</i>	<i>Category 2 "Academic Journals"</i>	
EBSCO Industries, Inc.	EBSCO Industries, Inc.	The Gale Group Inc.	
ProQuest LLC	ProQuest LLC	ProQuest LLC	
The Gale Group Inc.	The Gale Group Inc.	EBSCO Industries, Inc.	
<i>Category 3 "General Reference"</i>	<i>Category 3 "General Reference"</i>	<i>Category 3 "General Reference"</i>	
ProQuest LLC	World Book	EBSCO Industries, Inc.	
EBSCO Industries, Inc.	Encyclopedia Britannica, Inc.	The Gale Group Inc.	
The Gale Group Inc.	EBSCO Industries, Inc.	ProQuest LLC	
World Book	The Gale Group Inc.		
Encyclopedia Britannica, Inc.	ProQuest LLC		
<i>Category 4 "Current Awareness"</i>	<i>Category 4 "Current Awareness"</i>	<i>Category 4 "Current Awareness"</i>	
The Gale Group Inc.	EBSCO Industries, Inc.	EBSCO Industries, Inc.	
EBSCO Industries, Inc.	The Gale Group Inc.	The Gale Group Inc.	
ProQuest LLC	ProQuest LLC	ProQuest LLC	