

Measuring the Impact of the Edmonton Public Library

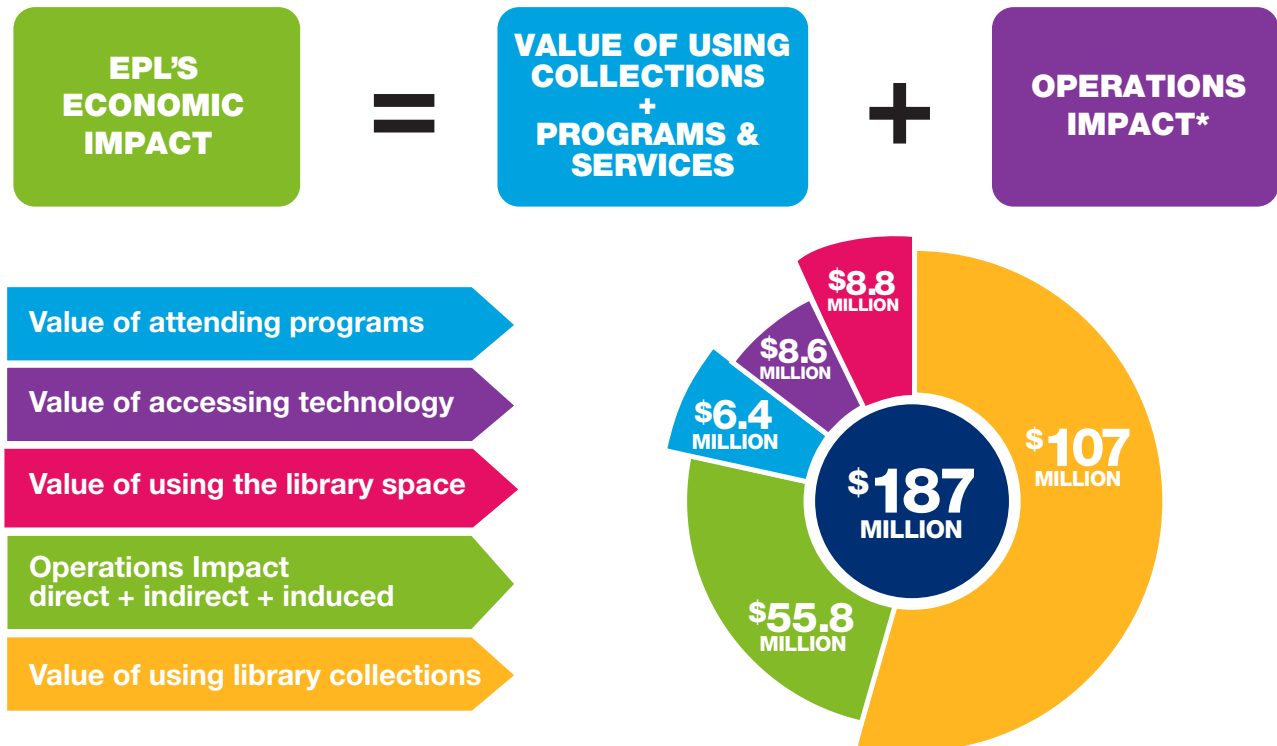
EPL's mission is to share and our vision is to be a gathering place for people and ideas, enabling a lifetime of learning, engagement and possibility for every Edmontonian. Our strategic plan creates a framework for bringing this mission and vision to life and our business plan operationalizes these goals, ensuring accountability to our stakeholders – Edmonton residents. EPL is proud of how our strategic plan embodies our vision and mission and how our business plan has helped EPL continue to deliver innovative new services for all Edmontonians.

The great services EPL provides are only one part of the story. EPL continues to provide tremendous economic impact on Edmonton and Edmontonians through the valued derived by using the library and the services and resources we make available.

In order to understand the economic value that EPL provides to Edmonton, EPL commissioned Nordicity - a company specializing in economic analysis - to conduct an economic impact study of EPL. Nordicity calculated both the total economic impact EPL has on Edmonton and also the value that customers accrue by using the library (use value).

EPL's Total Economic Impact

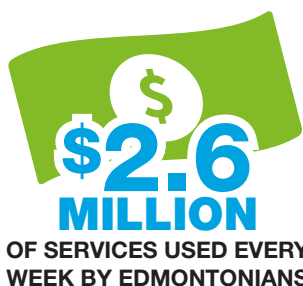
Nordicity values EPL's total economic impact at \$187 million dollars annually.



¹¹Operations impact = direct impact + indirect & induced impact. Direct impact: the impact generated in the economy as a result of the library's direct spending related to its activities. Indirect impact: the impact generated in the economy as a result of the increase in economic activity that occurs at businesses that supply goods and services to EPL. Induced impact: impact generated as a result of the re-spending of labour income earned by Edmonton households from both direct and indirect employment generated by the library and supplier industries. As the library is publicly funded, operational impact is a value that would be transferred to any other publicly funded organizations, if funding were to be shifted to them from the library.

Use Value

Use Value is the value library customers derive from using EPL's programs, services and collections. Nordicity calculates that EPL generates a total of \$131.5 million in value for Edmonton residents. In other words **Edmontonians save at least \$131.5 million per year by using the library**, which is equivalent to:

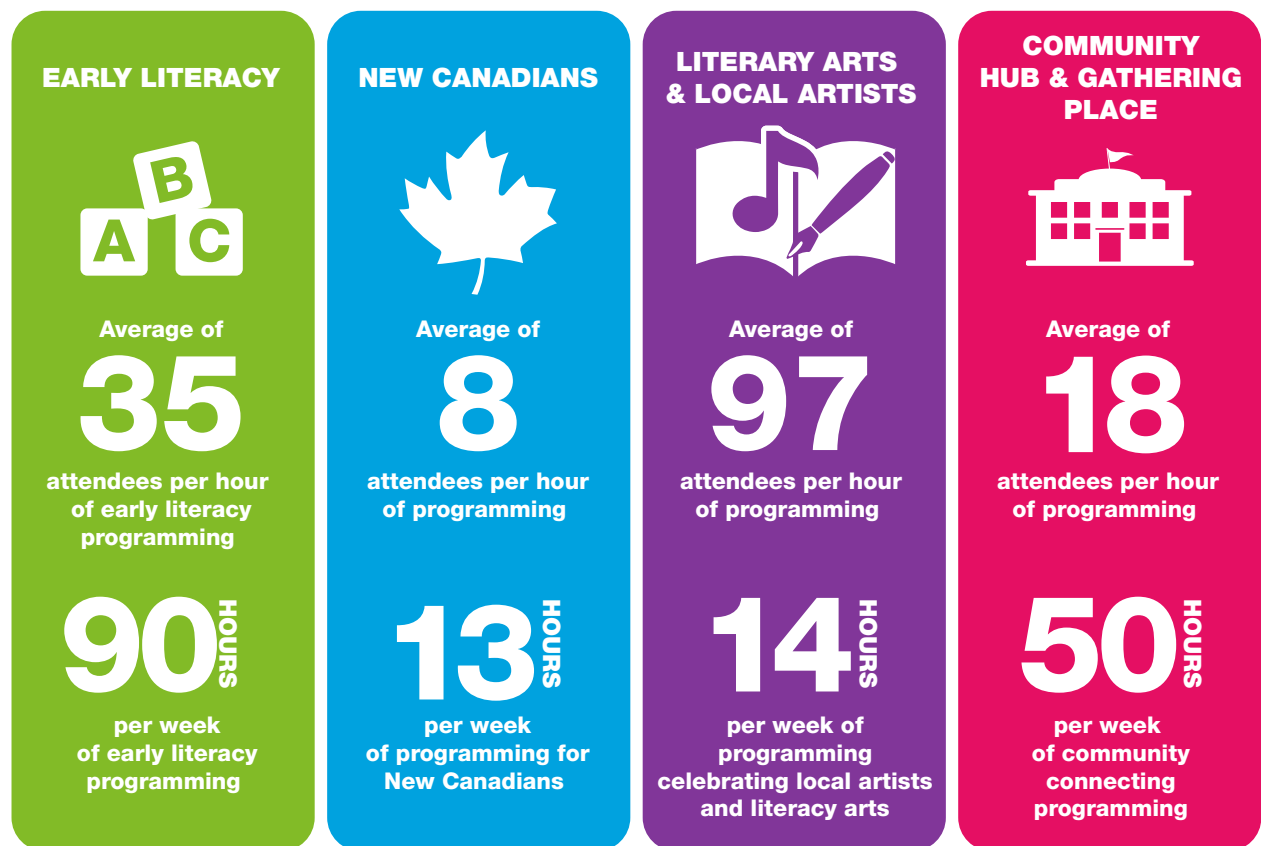


But what does this really mean? What does the library do to produce this value?

At \$107 million, the largest value generated by EPL is for the use of physical and electronic collections.

But the library is so much more, offering unparalleled access to educational, cultural technology, and community programs and services to Edmontonians both inside and outside its walls.

\$6.4 million generated annually through participation in programming inside and outside the library

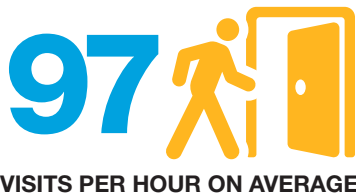


\$8.6 million generated annually from library users accessing technology equipment and services at EPL



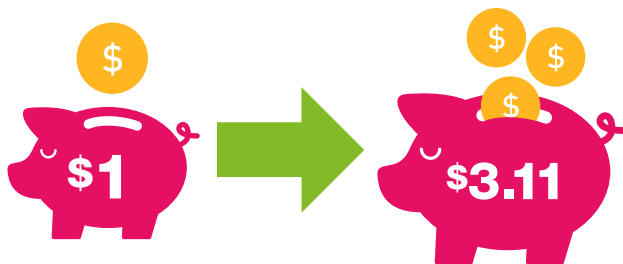
- EPL's computers are used over 1 million times per year
- 20% of customers in low socio-economic neighbourhoods rely on EPL for access to computers

\$8.8 million generated annually from use of library space



Return on investment (ROI)

Not only does EPL provide value to Edmontonians, every dollar invested in EPL is returned more than three times!



Every dollar invested in EPL generates \$3.11 of value.

Or the equivalent of \$212 per resident.

Understanding the Numbers

Libraries across the world have created or commissioned economic impact studies. Methods for calculating the use value of a library's collection vary greatly.

Collections are the largest contributors to library economic value calculations. A key component of valuing collections is to include a discount to account for the difference between borrowing and owning an item (e.g. limited access vs instant, ongoing access). Nordicity calculated the use value for EPL's collections by calculating a discount rate for physical books based on resale value (57%) and for other media based on the difference between renting and owning of media on iTunes (33%). Many library economic impact studies in Canada instead make a low (20% of retail value) and high (100% of retail value) estimate for use of collections and then calculate the midpoint as the most representative of the value for users. As well, Nordicity based all calculations off a three year average, smoothing out year to year fluctuations in spending. Many other libraries used data from only one year.

As a result of different methodologies, library economic impact studies are not directly comparable. We believe Nordicity's approach results in a more accurate and conservative estimation of replacement value calculations.