

Memorandum

To: MPL Board of Trustees
From: Kristin Stoeger, Library Director
Re: Library System and Services Wisconsin marketing campaign
Date: March 23, 2017

LS&S is a private company that contracts with municipalities to operate a public library. Their pitch is that they can do it more efficiently and effectively. Here is their website: <http://www.lsslibraries.com/>. It appears they are making a concerted marketing effort in Wisconsin at this time. It looks like the company sends this email to build their prospect list and then begins a direct marketing campaign from there. The cost they are citing in the email is certainly attention-getting and, in most cases throughout Wisconsin, far above a library's cost per transaction. Please see my attached cost per transaction calculation based on 2016 data. I can also make national comparisons if you are interested in looking at comparisons nationwide. That data is available here: <https://www.imls.gov/research-evaluation/datacollection/public-libraries-survey>.

Only 9% of Wisconsin libraries have a cost per transaction number that exceeds the \$6.43 cited; MPL is far below that. Generally speaking libraries with a high cost per transaction simply don't have the population to generate the circulations to offset fixed costs or have very specific reasons for their higher cost per transaction. LS&S currently doesn't have any library/municipal customers in Wisconsin, to the best of my knowledge. Additionally, there is a sense at DPI that the statute may not allow a library board to contract for administration (as opposed to having its own employees) and still maintain its library system affiliation; though this interpretation has never been tested in court.

Attached you will find an article about this private company which has privatized library services in Texas. You will also find the email from LS&S to local governments. Finally, I have included an Excel document showing our updated cost per patron to offer the services which we are. At this time, I have shared this documentation with the Mayor so he is also aware of this company should they contact him or the City Council.

Thank you for your consideration.