

**RESEARCH AND ASSESSMENT
SERVICES AGREEMENT**

THIS RESEARCH AND ASSESSMENT SERVICES AGREEMENT ("Agreement") is made and entered on this ___th of January, 2011 by and between OrangeBoy, Inc., an Ohio corporation, whose address is 1042 Ridge Street, Columbus, Ohio 43215 ("OrangeBoy") and the City of Madison, Wisconsin, whose address is 201 West Mifflin Street, Madison, Wisconsin 53703 ("Client").

WHEREAS, OrangeBoy researches, assesses and analyzes statistical data in an effort to provide clients with information regarding an existing or potential customer and prospect dataset;

WHEREAS, Client desires to hire OrangeBoy to perform certain services as set forth on the attached Exhibit A (the "Services");

WHEREAS, OrangeBoy and Client desire to memorialize the terms of their agreement pursuant to the terms and conditions set forth herein.

NOW, THEREFORE, in consideration of the mutual covenants by and between the parties hereto and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties, intending to be bound, hereby agree, in writing, as follows:

1. Recitals. The above recitals are true and correct and are incorporated by reference as terms and conditions of this Agreement.
2. OrangeBoy Obligations. OrangeBoy shall provide the Services to Client pursuant to the terms and conditions set forth herein. Client acknowledges the large amount of time, capital and other resources expended by OrangeBoy in fulfilling its obligations hereunder.
3. Client Obligations. Client shall provide the information set forth on the attached Exhibit B. Further, Client shall pay OrangeBoy when due in accordance with the payment schedule attached as Exhibit C.
4. Confidential Information. Client hereby acknowledges and accepts that any and all information, processes, procedures, and any other intellectual property developed by OrangeBoy are wholly owned by OrangeBoy. Notwithstanding the above, OrangeBoy will not disclose to any third party any personally identifiable information provided by Client without the express written consent of Client.
5. Data Responsibility. Client bears all responsibility to provide accurate data for all services requested. OrangeBoy accepts no responsibility for inaccurate data provided by Client.
6. Governing Law. This Agreement and all of its rights and obligations under the Agreement shall be governed by and construed in accordance with the laws of the State of Wisconsin, and venue for any and all disputes shall be in Dane County, Wisconsin.

7. Miscellaneous.

- a. The parties agree that this Agreement is the complete and exclusive statements of the agreement between the parties and supersedes all proposals or prior agreements oral or written and all other communications between the parties related to the subject matter of this Agreement.
- b. In the event any provision is determined to be unenforceable or *void ab initio*, then the remainder of this Agreement shall remain in full force and effect without said provision.
- c. The parties acknowledge that they have read this agreement, understand it and agree to be bound by its terms and conditions.

IN WITNESS WHEREOF, the parties have executed this Agreement by their duly authorized representatives as of the effective date first above written.

Client

OrangeBoy, Inc.

By: _____ By: _____

Printed Name: _____ Printed Name: _____

Title: _____ Title: _____

EXHIBIT A

Scope of Services

The Library offers services to all members of the community for the ongoing good of the community. In this role, the library must take a proactive approach to the needs of its cardholders. The library must continually review the needs and couple those with market trends to determine where it can make the greatest impact for long-term growth. The question then posed is "With the limited resources of the library, how can it have the greatest effect on the community?" To answer this question, the library must proactively study the evolving needs of its various cardholders and apply the derived knowledge across its organizational management structure.

Library Cluster Management System

OrangeBoy provides the Library with a customer-centric approach to organizational management: the Library Cluster Management System. The Library Cluster Management System provides behavioral, attitudinal, demographic, and lifestyle knowledge for library cardholders. Clusters will allow the Library to leverage on-demand customer behavior knowledge in the creation of a new Central Library plan. Further, the cluster system will offer the Library a depth of knowledge on customer behaviors which can be aligned against resource utilizations to identify cost-savings and increased efficiencies. The system also offers the opportunity for the Library to enhance service delivery by using profiles provided to match service delivery on a targeted basis.

OrangeBoy offers the Library Cluster Management System as a snapshot of current behaviors, while retaining the potential to periodically collect and update behavioral profiles of customers for ongoing management needs as needed for the Library.

OrangeBoy will embed the Library Cluster Management System in the management and planning functions of the Library using a three phase approach.

1. Data Collection
2. Design and Implementation
3. Cluster Application and Maintenance

Data Collection

Understanding the behaviors of Library customers begins with the collection of cardholder and market data. The Library has begun this process by amassing a database of cardholder records. OrangeBoy supplements the data collection effort with these techniques:

Stakeholder Assessment- OrangeBoy will conduct an online stakeholder assessment with Library leadership and key stakeholders. The assessment will provide an internal perspective of the vision, mission, strengths, weaknesses, opportunities, and threats of the Library and will serve as the basis for strategic cluster discussions.

Database Analysis- OrangeBoy mines the cardholder database to identify trends in age, geographic location, usage patterns and any other relevant data collected by the Library. OrangeBoy supplements this information with up-to-date market statistics at a service area and branch level to further identify trends.

Key Deliverables: PowerPoint Presentation including stakeholder assessment summary, branch and service area market reports, and key findings.

GIS Study- Mapping of a library's cardholders provides decision-makers unique insights about their customers. OrangeBoy sees this as critical to understanding existing usage and geographic patterns.

Ethnographic Observation- Actions speak louder than words. OrangeBoy will conduct observational studies at the 9 library branches to understand how people use their libraries. This understanding allows us to craft survey tools that discern behavior as opposed to solely attitudes.

Key Deliverables: On-site PowerPoint Presentation including up to three GIS maps, ethnographic study schedule, ethnographic study summary report, survey topics and survey administration schedule.

Cardholder Survey- OrangeBoy will develop and administer, through cardholder e-mail addresses, an online cardholder survey on behalf of the Library. The online survey will allow OrangeBoy to statistically capture relevant usage trends, as well as to supplement the file with descriptive data such as family composition, income, interests, and media consumption patterns.

Staff Survey- OrangeBoy will develop and administer an online staff survey to supplement findings from the previous research. The online survey will allow OrangeBoy to statistically capture relevant values, attitudes, and trends from the Library's staff. OrangeBoy will design the survey to mimic and contrast against data collected in the previous steps

OrangeBoy will analyze the data from both surveys and align it with the market and database analysis to identify behavioral patterns among cardholders. OrangeBoy will present the Library with a summation and analysis of findings from the survey, and engage the planning team in a robust discussion of the impact of the findings to close the Data Collection phase.

Key Deliverables: PowerPoint Presentation including cardholder survey analysis, staff survey analysis, cross-tabulation reports, analysis of survey data against previous data, response summary for each survey.

Design and Implementation

The collection phase provides the Library with a wealth of data to be applied in all areas of operation. The data further provides the basis for the design of a Cluster Management System. Individually, data points provide limited insight through which decisions can be made, however, when layered together, behavioral trends and homogeneous behavioral clusters can be identified. OrangeBoy identifies the clusters, opportunities for growth per cluster, and prepares the clusters for use in the management function in this phase.

Cluster Development- OrangeBoy will construct robust cardholder clusters for the Library leveraging survey results and existing research. The clustering phase involves grouping key behaviors identified in the data analysis into cardholder segments. These segments, or clusters, define discernable groups among the cardholders as a whole. OrangeBoy will build each cluster based on library usage, lifestyle variables, and potential opportunity or value to the library. OrangeBoy will build clusters personas to provide each with a personality the Library can easily understand and visualize. Typically, a file contains seven to fifteen clusters.

OrangeBoy will present the clusters in a presentation format to the Library for further discussion and dissection. OrangeBoy will incorporate revisions based upon the cluster discussion to the final clustering system, and present to the Library for final approval. Upon approval, OrangeBoy will provide the Library with cluster materials for ongoing reference.

Key Deliverables: PowerPoint Presentation including clusters personas and cluster demographics, cluster playing cards, cluster posters.

Cluster Coding- OrangeBoy will append cluster codes to all records in the cardholder database for which OrangeBoy has collected sufficient data to identify a cluster. Cluster code appending requires the Library to provide an available field within the ILS. OrangeBoy will also identify gaps in the cluster coding process and provide recommendations to the Library for future data collection to round out the coding process.

Cluster Management System Implementation- With cluster codes in place, OrangeBoy will provide the Library a framework through which cluster reports and metrics can be generated. OrangeBoy will provide the appended cardholder file split by cluster through OrangeBoy's secure project management site. The Library will be given one year's access to this site. OrangeBoy will also design sample cluster reports including a branch level cluster distribution for each branch within the system and a circulation by cluster report.

OrangeBoy will present the Cluster Management System at the onset of the visioning workshop, detailed in the next phase.

Key Deliverables: Cluster code appended to each qualified cardholder record, cardholder file split by cluster code in excel format, single user access to project management site through 2011.

Cluster Application and Maintenance

The trends and clusters identified through the previous phases only become of value to the library when integrated into the decision-making process for the Library. OrangeBoy engages the Library through a prioritization and visioning workshop, creates a cluster playbook, and offers ongoing support and system maintenance to assist in the integration process.

Cluster Prioritization and Visioning Workshop- OrangeBoy will facilitate an on-site visioning workshop with key library management to present the Cluster Management System. The workshop will next marry the knowledge gained from the stakeholder assessments and staff survey with the clusters to provide management with a robust understanding of the different audiences served by the library. OrangeBoy will work with the management team to prioritize the clusters according to the Library's goals.

Key Deliverables: On-site visioning workshop, workshop summary PowerPoint Presentation.

Cluster Playbook- OrangeBoy will design a cluster playbook to serve as a ready reference for integration of the Cluster Management System. The playbook will provide highlights of the research, the identified clusters, cluster integration married with the Library's goals, cluster application procedures along with examples, and branch reports including cluster distributions.

Knowledge Transfer Session- OrangeBoy will present the Cluster Playbook at a summary knowledge transfer session to complete the core scope of services outlined in this contract. The knowledge transfer session will serve as a training guide for Library management through which gaps in knowledge regarding application of the clusters will be closed. The session will also serve as a catch-all for any lingering questions regarding the clusters and will position the Library to achieve a strong return on investment through the Cluster Management System. OrangeBoy will also present a Cluster Application and Measurement Requirements Document to the Library. The requirements document will outline additional data collection, resource allocation, and measurement requirements to achieve the goals outlined in the Playbook.

Key Deliverables: Cluster Playbook, Cluster Integration and Measurement Requirements Document, summary PowerPoint Presentation, and on-site knowledge transfer session.

Cluster Application and Measurement- OrangeBoy will outline a Cluster Application and Measurement schedule for the Cluster Management System. This schedule may include recommended periodic data collection, resource allocation and alignment, measurement, and cluster refreshment activities. The schedule will be based upon the findings of the scope of services above. Cost estimates for each activity outlined in the schedule will be offered to the Library for ongoing budgeting and planning.

The Cluster Application and Maintenance phase will position the Library to fully integrate clusters in the management function of the organization. The Cluster Management System will provide ongoing customer-centric guidance for facilities design, resource allocation, service development, strategic planning, and budgeting, allowing the Library to find opportunities for expanded services as well as efficiencies in operation.

EXHIBIT B

Madison Public Library agrees to provide OrangeBoy, Inc. the following:

- a. Provide access to information needed to conduct the study.
- b. Assemble a team (internal and external resources) to participate in planning sessions

EXHIBIT C

OrangeBoy will bill a consulting fee of \$54,000 for the work outlined in this contract. This fee includes the services outlined in Exhibit A up to and including the Knowledge Transfer Session. Travel is included in this fee and will be billed as incurred. Travel expenses are estimated at \$2,500.

OrangeBoy requires a deposit of \$10,000 to begin its work. OrangeBoy will bill the remaining fee in four equal monthly installments of \$11,000. OrangeBoy will provide each invoice electronically to initiate the billing. Any work performed outside the scope of work will be billed at our hourly rate of \$185, as authorized by the Library.

Suggested on-going data collection, resource allocation, and measurement activities listed in the Cluster Integration and Measurement Requirements Document, created in the "Knowledge Transfer Session" section of the scope of services outlined in Exhibit A, are not included in this fee and will be priced in addition as requested by the Library. OrangeBoy offers additional user licenses to the project management site at no charge during the duration of the project, and bills a fee of \$125 per month for a block of three additional licenses. Licenses are renewed on a one year term.