



# The CHARLESTON REPORT

*Business Insights into the Library Market*

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## Short Takes

Barnes&Noble.com Inc. announced that it is ending the sale of eBooks effective immediately. The news surprised many in the industry since the company had adopted a leading position in popularizing the new format. B&N stated its belief that readers have not embraced eBooks. An executive is quoted as saying "The product isn't user friendly or price friendly." Other eBook publishers were quick to come to the defense of the format. *Wall Street Journal*, September 10, 2003.

The U.S. National Digital Information Infrastructure and Preservation Program (NDIIPP) has issued an announcement seeking applications for projects that will advance the nationwide program to collect and preserve digital materials. The Library of Congress is leading this cooperative effort at the request of the U.S. Congress, which passed legislation in 2000 asking the Library to work with a range of stakeholders to ensure that materials produced in digital formats today are available to future generations. Project applications must be postmarked by Nov. 12, 2003, to receive consideration. The program announcement is available at [www.digitalpreservation.gov/program/announcement](http://www.digitalpreservation.gov/program/announcement).

NFAIS has released a set of Guiding Principles to encourage linking of bibliographic and full text databases. The ultimate objective is to support the flow of scholarly communication and research through an acceleration of the information discovery process that is facilitated by the seamless navigation from indexes and pointers to the complete documents. The Reference Linking Guidelines were developed by the NFAIS Information Linking Committee that includes both NFAIS members and non-members. For more information, logon to: [www.nfaeis.org/2003\\_Guiding\\_Princ\\_Ref\\_Linking.htm](http://www.nfaeis.org/2003_Guiding_Princ_Ref_Linking.htm).

The Company of Biologists has announced that, beginning January 2004, its journals (*Development*, *Journal of Cell Science*, and *The Journal of Experimental Biology*) will be offering authors the choice to have their work published free of charge (in the usual way) or as an author-funded open access paper. Open access will allow all Internet users completely free access to the material. Authors choosing to take advantage of the open access alternative will be charged a publication fee, which, as an introductory offer, will be heavily subsidized by the publisher. The Company of Biologists will offer this author-funded publication model for a trial period of one year. The traditional subscription model will operate in parallel as part of a hybrid publishing experiment. Authors will be asked to make the decision as to whether to take advantage of the open access offer when their papers are accepted. For further information visit [www.biologists.com/web/openaccess.html](http://www.biologists.com/web/openaccess.html).

## Libraries on the Move

The Institute of Museum and Library Services, the primary source of federal funds for the nation's museums and libraries, today announced grants in five categories that advance leadership and innovation. Over \$13 million was awarded to 49 museums and libraries throughout the nation. Recipients are required to match the awards. Among the winners were the University of Southern Mississippi which received a \$463,000 grant to create a digital repository of civil rights era primary sources and the University of Utah with a \$459,514 grant to expand a digitized historical newspaper database. For a complete listing of winning projects visit [www.imls.gov/whatsnew/stategrants/0903nlg.htm](http://www.imls.gov/whatsnew/stategrants/0903nlg.htm).

The National Library of Singapore received a grant of roughly \$33 million USD toward the costs of its new library, now under construction and expected to open in 2005. The funds came from the Lee Foundation, which is run by the sons of the philanthropist whose donation of \$375,000 SGD helped build the original National Library in 1953. *Library Journal*, October 15, 2003.

The School of Information and Library Science (SILS) at the University of North Carolina-Chapel Hill has begun offering a dual Master of Science and Master of Art for students combining information and library science with art history. The combined masters prepares students specifically for growing opportunities in museums and other institutions where digital image repositories and databases are prominent. *SILS Press Release*, September 17, 2003.

The Association of Southeastern Research Libraries (ASERL) is launching its first cooperative virtual reference service, using OCLC's QuestionPoint software. Ten ASERL member libraries are participating, including the College of William & Mary, Florida State University, the University of Alabama, the University of Central Florida, the University of Kentucky, the University of North Carolina at Charlotte, Virginia Commonwealth University and Wake Forest University. *Library Hotline*, August 4, 2003.

The Virtual Library of Virginia (VIVA) has received the Governor's Technology Gold Award for Government Service in Higher Education for 2003. VIVA is a consortium of the libraries of the 39 public colleges and universities at 52 campuses within the Commonwealth of Virginia. Another 30 independent private, non-profit institutions and the State Library of Virginia also participate in the consortium on a limited basis. Thanks to cooperative purchasing of Web-based scholarly journals and databases, VIVA officials say they have realized a \$5 return in value to Virginia for every dollar spent—roughly \$103 million in savings since its founding in 1994. VIVA received approximately \$8.1 million in state funding for 2002-04. *Library Journal Academic News Wire*, October 07, 2003.

## Don't Miss This!

### 2003 Charleston Advisor Preconference to The Charleston Conference

**"Serving Our Users — the Value of Usability"**  
Wednesday, November 5, 2003 — 1:00 - 5:00 p.m.  
Lightsey Center, College of Charleston

Session organizer: Judy Luther of Informed Strategies.

Usability is one part of a user-centered approach to product design. This program is an opportunity to acquaint acquisitions and collection development librarians with the importance of usability as a component of the vendor's design process. In addition, we will hear what librarians and publishers have learned in their research that provides a "best practice" approach to designing products in our industry.

Speakers include Judy Luther of Informed Strategies, Nancy Newins of Randolph Macon College, Brenda Reeb of the University of Rochester, Chris Farnum of ProQuest, Judy Brady of IEEE, Beth LaPensee of JSTOR, and Richard Gedye of Oxford University Press and Project COUNTER.

Register for the preconference at [www.katina.info/conference/](http://www.katina.info/conference/).

## TCR Quotes

"I propose that ALA Annual and BookExpo America cooperate to develop one large exhibit each year. One publisher suggested that BEA be held at the beginning of a week and ALA follow immediately...[with] one booth set-up and rotating crews depending on the market." Matt Nauman, Director of Marketing and Publisher Relations, Blackwell's Book Services, in *Against the Grain*, "Are Two ALAs Too Much?" September 2003.

## Did You Know?

Cell phone users bought 4.8 million ring tones in 2002 at a cost of \$16.6 million. One research group predicts that 2003 will see about \$50 million in these sales. Music companies can charge \$2.50 for a ring tone snippet vs. \$3.00 for a CD single. *St. Petersburg Times*, September 4, 2003.

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*The Charleston Report* is written for publishers, vendors, product developers, merchandisers, and wholesalers who are interested in expanding their library market. Readers will gain insights in effective marketing to libraries, early alerts to library trends, access to library leaders' future plans, library budget projections, library strategic plans, technology directions, and publications needs.

For comments and contributions, contact Rebecca T. Lenzini, <[rlenzini@charlestonco.com](mailto:rlenzini@charlestonco.com)>, Editorial Offices, 618 South Monroe Way, Denver, CO 80209. 303-282-9706, FAX 303-282-9743, (c) Copyright 2003, The Charleston Co. All rights reserved. ISSN 1091-1863.

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## By the Numbers

**27%...**of Internet users between the ages of 30 and 49 are involved in file sharing, as well as 12% of users over the age of 50, according to a recent Pew study. Of 35 million file-sharing adults surveyed, 23 million did not care about copyright. *New York Times*, September 19, 2003.

**660,991...**eBooks have been sold by retailers in the first half of 2003, a 40% increase over the same period in 2002. Open eBook Forum, [www.openebook.org](http://www.openebook.org).

**\$29.4 to \$34.3 billion...**is the estimated annual sales of smaller, independent publishers, according to the Publishers Marketing Association. Sales for the larger publishing industry are generally estimated at \$32 to \$35 billion. The \$29.4 billion revenue estimate is based on the 73,000 publishers listed by R.R. Bowker that offer between one and 10 active titles; \$34.3 billion if the next tier of publishers is included, those 11,887 entities with 11 to 199 active titles. *Library Journal Academic News Wire*, September 25, 2003.

**11%...**is the increase in patron visits to the libraries of Richland County Public Library (Columbia, South Carolina) over the past year. Circulation is up 6.7% in the same period. Staff attribute increased use of the library in part to the economic downturn in the U.S. *Library Press Release*, September 16, 2003.

**\$32,500...**is the median starting salary for a newly graduated acquisitions professional, with \$27,000 as the lowest salary reported and \$50,000 the highest for the position. *Library Journal Salary Survey*, October 15, 2003.

**\$147,036...**is the average salary of an ARL Director; for an ARL academic librarian the average is \$56,018. *ARL Bimonthly Report*, no.228, June 2003.

**20%...**of college students no longer purchase all their required texts, according to the National Association of College Stores. Some students reported relying on reserve copies at the library in lieu of purchasing a personal copy. *New York Times*, September 16, 2003.

**79,381 ...**of the 174,939 students enrolled at the University of Phoenix are online students. The university claims to be the world's largest private college. Figures are current as of August 31, 2003. [www.phoenix.edu/mediarelations/index.aspx](http://www.phoenix.edu/mediarelations/index.aspx)

**\$4,194.45...**is the cost of 100 randomly sampled books if purchased from a library bookseller, vs. \$4,622.06 and \$4,761.20, respectively, from two Internet suppliers studied by staff at the SUNY Albany Library. Of note, only 16 of the 100 titles were cheaper from either Internet supplier. *Against the Grain*, "The Merry-Go-Round Revisited," September 2003.

**17,671...**is the final attendee count for ALA's Summer Conference in Toronto in June 2003. Of that number, 11,676 were registrants (1,248 Canadian) and 5,995 were exhibitor staff. These figures compare to 20,723 in Atlanta in 2002 and 26,542 in San Francisco in 2001. *Library Journal*, August 2003.

# TCR Special Report

## What Makes a Good License Agreement? A Librarian's Viewpoint

*by Rick Anderson, Director of Resource Acquisition, University of Nevada, Reno Libraries*

At a theoretical level, the question “What makes a good license agreement?” is easy enough to answer: a good license agreement is one that protects the legitimate interests of the copyright holder while serving the legitimate needs of library patrons.

A good license also — and this is a point that we sometimes overlook when discussing licensing issues — provides assurance that both parties to the contract will get a fair return on their contributions to the transaction. For the licensor, this means an assurance that he will promptly be paid a certain amount of money. For the licensee, this means an assurance that he will actually receive the products or services for which he has paid.

Most debates about license terms and negotiations between libraries and vendors tend to focus on access terms, legal exposure, and fair use; the issue of whether a license agreement will actually require the seller to provide the product once it has been paid for is too often overlooked.

Let's not confuse this question with that of whether the product offers good value for money. Any purchase of a product (or up-front payment for a service) is a gamble as far as value is concerned — you can't know for sure whether any deal was really a good one until long after you've paid your money and lived with the deal for a while. For the purposes of this discussion let's assume that, in fact, the library will receive good value for its money if the product in question is provided as advertised.

But there's the rub: unless you are careful, the license itself may actually relieve the seller of any responsibility to provide the product. As you review a license in preparation for negotiation, be sure to read very carefully the “Warranties” (sometimes more accurately called a “Disclaimer of Warranties”) section, which is usually helpfully printed in bold or capital letters. Watch out for language that disclaims “any warranties of any kind,” that absolves the licensor of all responsibility for the product's performance, or that offers no guarantee that the product will ever actually be accessible at any particular point in time.

Should a license agreement bind the seller to ironclad guarantees of uninterrupted access, useful and accurate content, and blissful ease of use? Of course not. But neither should it absolve the seller of the responsibility to provide the product you have paid for in a reasonably reliable manner.

The license should put concrete requirements on the seller in the event of a service interruption; it should provide you with recourse (usually a pro rata refund) in the event that the product fails to live up to its advertised claims; it should not permit the seller to cut off your access without warning in the event of minor misuse. In other words, while no license can guarantee that a product will be worth the price you paid, it can and should guarantee that you will actually get the product, just as it requires that the vendor get your money.

### Charleston Conference Preview

The *23rd Charleston Conference, Issues in Book and Serial Acquisition: The Games People Play* will begin on Thursday, November 6, 2003 and end on Saturday, November 8. Preconferences and *The Charleston Advisor Vendor Showcase* take place on Wednesday, November 5. Over 150 speakers will discuss end users and the types of collections that they require, changing publishing and collecting models, and the future of scholarly publishing. Six plenary sessions will be scattered amid 35 concurrent sessions, 20 lively lunches, and 7 beastly breakfasts. Just some of the speakers include David Levy (University of Washington), Walt Crawford (RLG), Fred Friend (University College, London), Bob Willard (NCLIS), Albert Joy (University of Vermont), Phil Davis (Cornell), Abby Smith (CLIR), Karen Hunter (Elsevier), Julie Gammon (University of Akron), T. Scott Plutchak (University of Alabama, Birmingham), Michael Pelikan (Penn State), Natalie Cheeney (British Library), Chuck Hamaker (UNC-Charlotte), Stephen Abram (Micromedia), and David Goodman (Long Island University).

For the complete program and to register, visit <http://www.katina.info/conference/>.

### Mark Your Calendars

*First International Conference of Employers and LIS Instructors*

Parma, Italy, November 24-25, 2003

Preparing information professionals for the hybrid digital library and an international labor market. A First International Conference to focus on the needs of employers—heads of libraries, archives, learning resources centers, information centers, corporate knowledge information systems—and of staff and students in the area of education and training for the digital environment.

For conference information, logon to [www.aldus.unipr.it/master/](http://www.aldus.unipr.it/master/).

### Top Five Search Services

Sites with the largest share of Internet searching in July.

Google .....	31.5%
Yahoo .....	25.8%
AOL .....	19.7%
MSN .....	15.6%
Ask Jeeves .....	2.3%

*Wall Street Journal*, September 25, 2003.

# TCR Media Watch

## Searcher's "Warning Signs of a Vendor in Trouble"

The September 2003 issue of *Searcher* (edited by Barbara Quint and published by Information Today) offers the following "warning signs" and advice to librarians who are gun-shy after the divine debacle and worry about the fiscal health of their suppliers and vendors.

### Possible Warning 1: Your account is re-assigned to a new representative.

Questions to ask:

- Is this the first time?
- Did your representative quit?
- Was your representative downsized out of a job?
- Is the new representative capable?
- Are there morale problems when you speak to other vendor employees?
- Are your emails and phone calls ignored?
- Are you being offered incentives for paying cash or paying in advance?

### Possible Warning 2: Your service level is declining/flexibility of service is declining.

- Supplier is holding deliveries for missed or late payments.
- You are only getting partial deliveries or substituted products.
- You are required to pre-pay up front in cash before your order is taken.

### Possible Warning 3: The company is changing.

Questions to ask:

- Has the company changed name or ownership?
- If yes, is the new owner solid? Would you invest in the new owner?
- Has the company lost any major accounts?
- Has the company taken on excessive debt to finance growth or acquisitions?
- Has the company's law firm or accounting firm changed abruptly?
- Has the company fired its CEO or chief financial officer?
- Has the company's stock price declined?

While there may be legitimate answers to all the questions above, vendors, publishers and suppliers should be aware of the increased sensitivity in the library market thanks to the recent trouble of divine, inc. The full article is available online at [www.infotoday.com/searcher/sep03/ebbinghouse.shtml](http://www.infotoday.com/searcher/sep03/ebbinghouse.shtml).

## Strategic Planning Issues for Public Libraries

The following issues were identified by the Public Library of Youngstown & Mahoning County, Ohio, but may be typical of many other libraries in the U.S. presently.

- While circulation is going up, funding is declining.
- Customer expectations are up.
- Demographics are diverse and vary from area to area.
- Library buildings are aging and need repair.
- Cost of doing business is up.
- Libraries and services vary greatly from area to area.
- Collaborations and partnerships have increased.
- Demands on staff are increasing due to changes in funding, technology, and customer expectations.
- Rapidly changing technologies present challenges as the library attempts to attain and sustain technological excellence.

Happenings @ your library, News and Events of the Public Library of Youngstown and Mahoning County, September/October 2003.

## Top 10 Literacy Ranking for U.S. Cities

A comprehensive new study from the University of Wisconsin Whitewater profiled 64 of the largest cities in the U.S. Using census data, newspaper circulation rates, library statistics, and other data, the survey drew on five categories and 13 different measures of literacy to provide a ranking for U.S. cities with a population of 250,000 or more. Here are the results.

1. Minneapolis, MN
2. Seattle, WA
3. Denver, CO
4. Atlanta, GA
5. San Francisco, CA
6. Pittsburgh, PA
7. Washington, DC
8. Louisville, KY
9. Portland, OR
10. Cincinnati, OH

For the full study, logon to [www.uww.edu/cities/index.html](http://www.uww.edu/cities/index.html).

## Coming in Future Issues

- Hot Topics from the Charleston Conference
- Update on eBooks
- MetaSearch Engine Comparison
- Usability: What Does It Mean for Vendors