



The CHARLESTON REPORT

Business Insights into the Library Market

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Libraries on the Move

Universities, research libraries, medical schools and nursing colleges are among the 300 institutions within the Russian Federation who have reached agreement with Blackwell Publishing to provide online access to all 600 of its journals. The 2-year project includes plans to extend access to up to 500 Russian institutions in the future, as well as sites in Belarus and the Ukraine. Online access to the science and medical journals will be provided through the *Blackwell Synergy* service; humanities and social science titles will be accessible via EBSCO Online. *Blackwell Publishing Press Release*, July 25, 2001.

The Queens Library (New York City) has announced the addition of e-books to its collections through the purchase of nearly 500 titles from netLibrary on topics including computers, business, resume and careers, study guides and exams, travel, personal finance, "Complete Idiots" guides, and even Cliffs Notes. The Library advises patrons that they are allowed to browse e-books in 15-minute intervals and can "check-out" titles for 72 hours, after which books will "time out." To learn more, logon to www.queenslibrary.org/books/ebooks_faq.asp.

The University of Virginia and New York University are two of 16 universities who have agreed to partner with Thomson Corporation in creating a for-profit online university, named Universitas 21 Global. The new university will target Asia and Latin America, and will award master's degrees in business and information technology. The venture will be owned 50/50, with Thomson investing \$25 million and its university partners jointly investing another \$25 million. *Wall Street Journal*, August 20, 2001.

Sixty-four Canadian universities have joined together to spend nearly \$30-million (U.S.) on nationwide site licenses for online scholarly journals. The National Site Licensing Project will provide 650 journals as well as citation indexes to its members. The 3-year licensing agreement is expected to create a more level playing field between big and small universities. The project was financed with almost \$13-million from the Canada Foundation for Innovation, a federal agency. Among the publishers participating are Academic Press, the American Chemical Society, the American Mathematical Society, the Institute for Scientific Information, the Institute of Physics Publishing, the Royal Society of Chemistry, and Springer-Verlag. *Chronicle of Higher Education*, <http://chronicle.com/free/2001/09/2001091401t.htm>.

In Sadness

The Charleston Report extends its deepest sympathies to all our colleagues and friends who were impacted by the events of September 11, 2001.

21st Annual Charleston Conference Offers Strong Line-Up

The 21st Annual Charleston Conference, which serves as a mini-ALA for acquisitions, collection development, and serials librarians, begins Thursday, November 1, at 8:30 a.m. at the Lightsey Conference Center on the beautiful College of Charleston campus.

Thursday and Friday keynote speakers are Tom Sanville, Executive Director of OhioLINK and Mary Reichel, University Librarian, Appalachian State University. Both will address the conference theme, "The Trends They Are A-Changing."

In addition to over 37 concurrent sessions and 18 lively lunches, attendees will also hear from:

- Ivy Anderson (Harvard), Craig Van Dyck (Wiley) and Victoria Reich (Stanford) — "Electronic Archiving: The Mellon Grants"
- Lynn Connaway (netLibrary), Rush Miller (U. of Pittsburgh) and Rolf Janke (SageReference) — "Publishers and Librarians View of eBook Growth and Adoption: Today and Tomorrow"
- Michael Mabe (Elsevier) — "Revolution or Evolution: Digital Myths and Real User Behavior"
- Chuck Hamaker (U. of North Carolina, Charlotte), Margaret Landesman (U. of Utah) and Sam Brooks (EBSCO) — "Full Text Databases and Their Impact on Print Subscriptions"
- Susan Kesner (Infotrieve), Deborah Rivera-Weinhold (Science), Jenny Walker (Ex Libris), Jay Schafer (Umass-Amherst) and Tom Ryan (Infotrieve) — "The Article Economy"

And there will be time for debate and discussion. A point counterpoint on "Aggregators versus Selection" will feature Ken Frazier (U. of Wisconsin) and David Kohl (U. of Cincinnati). John McDonald (California Institute of Technology) will ask, "Is the Monograph Dead?" John Smith will debate "The Treason of the Clerks." John Riley (Eastern Book), Bob Schatz (Everetts), Arlene Sievers (Case Western Reserve U.), Pam Goude (EBSCO), Adam Chesler (Kluwer), and others will convene a panel of publishers, librarians, and vendors to answer audience questions. Barbara Winters (Marshall University) will emcee Group Therapy Live. As well, participants will be charmed by a speech on Thursday by Nicholas Basbanes of *A Gentle Madness* fame as well as the recently-published *Patience & Fortitude*.

And this isn't all! For further details, visit the Charleston Conference Website at www.cofc.edu/library/conference or call Katina Strauch or Mike Litchfield at 843-953-8020, <libconf@cofc.edu>, <strauchk@cofc.edu>. See you there!

TCR TRENDS:

What's Happening in Public Libraries

A summary of the issues and opportunities now available, with thanks to Linda Crismond for these insights.

- How will libraries buy MP3 downloaded music and videos? Will a vendor provide this service? If so, what fees can libraries expect?
- Public library budgets for materials are flat or slightly up. Electronic resources, primarily electronic books, are taking a larger percentage, exceeding 10%.
- For public libraries, the hot areas are materials for children and for teens, and anything in the Spanish language.
- More public libraries are looking at standing orders to acquire popular material and are returning to centralized selection and ordering.
- Outsourced services, such as cataloging and processing, continue to grow.
- Public libraries are moving toward full data and computer-to-computer connections between their own acquisitions and accounting departments, their integrated library systems, and their materials suppliers and vendors. These connections seem to take at least one year longer than originally planned.
- The U.S. Census has documented a greater diversity of cultures in our communities. Libraries are responding by purchasing materials in all languages. Language learning packages combining books and cassettes or CDs plus materials on video and CD-ROM are being sought for both adults and children. Libraries want materials for English speakers who wish to learn other languages, as well as those for whom English is a second language.

Correction

The July/August 2001 issue of *The Charleston Report* incorrectly listed the Web citation for Clifford Lynch's article on the future of the book in the digital world. The correct citation is www.firstmonday.org/issues/issue6_6/lynch/index.html.

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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.

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Don't Miss These!

Anthony Watkinson's "Electronic Solutions to the Problems of Monograph Publishing" is now available in fulltext on the site of the UK Publishers Association www.publishers.org.uk.

Presentations from the IFLA Preconference on Library Consortia, held August 16-17, 2001, at the Boston Public Library, are now available at www.nelinet.net/conf/ifla/ifla.htm. The Preconference was coordinated by NELINET, Inc., a network of New England libraries, and was co-sponsored by both NELINET and the International Coalition of Library Consortia. Over 150 people from 25 countries attended; roughly 60% of attendees were full-time employees of library consortia or were practitioners in libraries, and 40% were from the publisher/vendor community.

By the Numbers

31%... of JSTOR subscribing libraries have already discarded journal titles or plan to discard them in the future. JSTOR Website, www.jstor.org/about/bvs.html.

5.8 million... is the number of "hits" received by Jane's Information Group and its Website in the first 21 days of September. Jane's, with a wide readership in military and intelligence circles, is the publisher of magazines, reports and other online information about defense, aerospace and transportation. Normal usage runs 3.3 million hits in a full month. *New York Times*, September 27, 2001.

22.5%... of current American households listen to audiobooks, up from 21% in 1999. Of note, the average audiobook listener earns 25% more than non-listeners, has a higher level of education, and is more likely to hold a professional or managerial position than a non-listener. *Publishers Weekly*, July 2, 2001.

60... authors and book illustrators participated in the first U.S. National Book Festival, held Saturday, September 8, outside the Library of Congress on the Capitol's east lawn. The event was intended to serve as a kick-off for White House efforts to highlight the importance of reading and was inspired by similar events held in Texas under the sponsorship of Laura Bush, as first lady of that state. *St. Petersburg Times*, September 9, 2001.

\$83.57... was the average price of a monograph in the field of Science, Technology and Medicine (STM), according to a recent Blackwell's analysis of titles handled on its approval program through June 2001. This average price is the same as the previous year. *Against the Grain*, September 2001.

87%... of teens say reading is relaxing and 41% say they have read more than 15 books over the past year, at least half for their own pleasure, according to a recent poll by the National Education Association (NEA) on the topic "Reading Habits of Adolescents." Teens surveyed were 12 to 18 years old. Most popular were books about teenagers, sports, and athletes. *American Demographics*, July 2001.

\$300... is the expected charge to authors for peer review, editorial oversight, and publication of an article by the Public Library of Science, a non-profit organization of "scientists committed to making the world's scientific and medical literature freely accessible to scientists and to the public around the world, for the benefit of scientific progress, education and the public good." Learn more about their proposal at www.publiclibraryofscience.org/plosjournals.htm.

OhioLINK Working to “Flip” Journal Payment Structure

OhioLINK is well known in the library community for its innovative, often groundbreaking, business practices. In the past year, the group has put forward a proposal to move from print-plus-electronic pricing to electronic-plus-print pricing for those journals now licensed through large, consortial arrangements. But, what exactly does this “flip” mean to the library, the publisher, and the serials vendor? The following Q&A and summary are excerpted by TCR from The Charleston Advisor, which published a background paper by Tom Sanville, Executive Director of OhioLINK, about this topic in its July 2001 issue (v.3, no.1) and an interview with Tom in its October 2001 issue (v.3, no.2).

Put simply, OhioLINK is proposing to pay its 2002 e-journal licenses (and corresponding print journal subscription fees) on behalf of its consortial members directly to four large journal publishers (Elsevier Science, Kluwer, Springer-Verlag, and Wiley). OhioLINK already pays Academic Press directly and has done so for several years. This sounds straightforward, so why the need for discussion? The issue at heart is the publisher discount to the agent and the change to the current pattern. Under the current scenario, the library pays its journal subscription fee to the subscription agent first for these same journals; the agent then pays the publisher a smaller amount, retaining their discount on the funds, in essence, “on the way by.” As the money flow shifts away from the agent, i.e., when OhioLINK pays the publisher directly, the proposal then becomes that the publisher rebates a discount of some sort (either % or \$) to the agent, thus leaving the current system “whole.”

When asked by The Charleston Advisor, “what do you see as the benefits of ‘flip’ pricing to institutions, to publishers, to serials agents, and to OhioLINK?” Tom replied:

“At a conceptual level ‘flip’ pricing is based on the trend in the market place wherein electronic access is the primary means of access by libraries and the primary means of production by publishers, with print a secondary and less used medium. In the long run, flip pricing should more accurately mirror the dominant transaction that will be in place in the marketplace. Currently, libraries, as individual buyers, will find flip pricing compatible at variable levels depending on the degree to which the electronic-plus-print approach has replaced the print-plus-electronic on their campus.

The compelling benefit to libraries comes when they are involved in consortium-based, aggregate title, electronic journal licenses (AKA Big Deals). Many of those deals are based on the consortium members’ collective print expenditures, and thus the annual accounting requires an annual inventory of print renewals at each of the consortium’s libraries. As such, across multiple publishers and many titles, the annual administrative process is laborious, subject to error and inconsistencies, requires additional transfers of funds to complete the annual reconciliation, and, as mentioned above, is not consistent with the transaction that is really taking place. To make a long story short, the benefit to the libraries and the publisher is a much-simplified accounting procedure that will remain so over the years of the deal. And a pricing structure that more closely mirrors the transaction taking place. Take note that, in practice, to deliver the benefits, flipped pricing must include the structural adjustments noted in the OhioLINK paper on this subject recently published by *The Charleston Advisor*. (Available fulltext at www.charlestonco.com/features.cfm?id=70&type=np)

There is no immediate built-in benefit to serial agents, and in fact, this approach is most likely to be seen as a threat. That was a major reason for the OhioLINK paper. If approached properly, flipped pricing is neutral towards serial agents and their role in fulfilling print subscriptions.

Both flipped and un-flipped pricing can appropriately provide for the serial agent’s role in print subscriptions. A far more important and separate strategic issue for serial agents and libraries, regardless of pricing structure, is the trend towards fewer print subscriptions by libraries. And the impact on the serials agent-library relationship. But, clearly, at this time OhioLINK libraries remain very heavily invested in the print medium and we see both journal delivery and journal pricing as a continuum and very evolutionary. The role and value of serial agents to OhioLINK institutions remains very important.”

Tom Sanville is the opening Keynote Speaker for the Charleston Conference on November 1, 2001, and will be addressing the conference theme: “The Trends They Are A-Changing.” Be sure to join us to learn more about OhioLINK, Tom’s views on “flip” payments and other topics at that session.

Did You Know?

An average person at 150 pounds burns 18 calories in 15 minutes by reading (19 if the reader changes hands frequently). In contrast, running hard in shallow water burns 306 calories in that same 15 minute period. *St. Petersburg Times*, August 3, 2001.

Mark Your Calendars

The Charleston Advisor’s 3rd Annual Vendor Showcase is set for October 31, 2001, from noon until 6:00 p.m. Join us in Room 228 of The Lightsey Conference Center at the College of Charleston (160 Calhoun Street) to learn more about the latest exciting offerings and products from nearly 40 companies serving the library and information marketplace. And thanks in advance to all our exhibitors who make this event possible.

TCR Mini Profiles: OCLC

OCLC views WorldCat just as the name implies—the largest library catalog in the world. As of May 5, 2001, here’s a snapshot of WorldCat.

- 44,751,717 = number of unique bibliographic records in WorldCat
- 796,850,760 = number of holding locations
- 108,000,000 = interlibrary loan requests using WorldCat as base

Add to that the fact that every....

- 5 seconds an OCLC member library fills an interlibrary loan request using WorldCat
- 15 seconds a new record is added to WorldCat
- 2 seconds a library searches WorldCat using the OCLC FirstSearch service

Source: OCLC Abstracts online. To subscribe to OCLC Abstracts (English version), send a “subscribe oclcabstracts <your name>” e-mail message to <listserv@oclc.org> or complete the online OCLC Internet List Subscription Request form at www.oclc.org/oclc/forms/listserv.htm.

Short Takes

Brill Media Holdings LP has closed its Contentville.com Web site, effective September 28, 2001. According to the founder, “we simply were unable to entice enough people for us to see our way to a viable enterprise.” Contentville was founded in July 2000 as an online seller of book and other media content, including term papers, speeches and dissertations. *Associated Press*, September 30, 2001. <http://news.excite.com/news/ap/010930/16/contentville-closed>

The *Wall Street Journal* has reported that, for the first time since its weekly “Best Selling Books” list began in 1994, the top hardcover nonfiction title has outsold its fiction counterpart, by 3 to 4 times over, every week of the summer. In addition, several times the top three nonfiction books all outsold the top fiction work. Contributing to this phenomenon were *John Adams*, by David McCullough, as well as *Prayer of Jabez*, by Bruce Wilkinson (a popular speaker for the organization Promise Keepers). *Wall Street Journal*, July 18, 2001.

Jupiter Media analysis shows that individuals are spending more time online, but at a smaller number of sites. Half of Internet users now visit fewer than 20 sites in a typical month. The most popular search/navigation site is Google.com, with 15.2 million visitors each month (30.3% of search engine users). *New York Times*, August 26, 2001.

The Laura Bush Foundation for America’s Libraries will “fund nothing but books,” according to its executive director, Benita Somerfield. The foundation was announced during the summer and has been created to enhance school library collections across the U.S. *Library Hotline*, August 13, 2001.

TCR FIELD REPORTS: More on e-Books

The good news: some people really are reading e-books.

The bad news: only if they’re cheap.

In a *New York Times* cover story entitled “Forecasts of an e-Book Era Were, It Seems, Premature,” by David D. Kirkpatrick, one story might catch the interest of *TCR* readers. It’s the case of Janice Goodfellow, a 47-year-old former office manager living in rural Michigan who has already read about 20 e-books at her home desktop computer. Her quote: “I’d buy all my books this way if they were available from major publishers and they weren’t expensive.” She goes on to say that she doesn’t buy e-books at \$15 or more from major publishers, but she does buy them at \$3-6 from a small start-up called Hard Shell Word Factory. At that price, she buys several at once and like paperbacks, throws them away when she’s done. *New York Times*, August 28, 2001.

Academic Libraries Budgets Shift to e-Resources

Percent of Budget Spent	1998	2001	2004 (Projected)
Monographs	38%	35%	31%
Print Serials	43%	39%	35%
Electronic Serials	11%	16%	22%
Other	8%	10%	12%

Median materials budgets for libraries by type: ARL: \$5,914,100; university: \$565,000; four year college: \$174,000; community college: \$68,000.

Source: *LJ Survey, September 1, 2001, of a sample of U.S. libraries at research institutions, universities, four-year colleges, and community colleges.*

TCR MARKETING TIP: Make It Real

“My most satisfying encounters at Moscone [ALA’s summer meeting in San Francisco] were at the smaller booths, with real publishers and the smaller vendors. If only other vendors would abandon the trade show glitz and make time and room for real conversation.” Quoted by Rodger Smith, Collection Development Librarian, Charleston County Public Library, Charleston, S.C.

Smith also notes that his in-depth discussion of a variety of issues with a seasoned professional (*TCR*’s own Linda Crismond at the Follett AV booth) resulted in both parties gaining a greater appreciation of one another’s needs and problems. He feels he now has a better understanding of the vendor’s tools and services, which will be put to use to solve problems at the library. Be sure to read his entire article, “Public Prayers: The Reverent Wishes & Desires of a Public Library Collection Development Librarian,” *Against the Grain*, September 2001, p.42.

TCR Quotes

“People thought the Internet was a business, but it’s not—it’s a technology.” Edward J. Zander, President, SUN Microsystems. *New York Times*, September 30, 2001.

Top States for Small Business and Entrepreneurship

The Small Business Survival Committee (SBSC) has released its sixth annual ranking of the states according to their respective policy climates for small business and entrepreneurship. The Small Business Survival Index 2001 looks at 17 major state government-imposed or government-related costs impacting small businesses and entrepreneurs, including personal income taxes, capital gains taxes, corporate income taxes, property taxes, sales taxes, death taxes, unemployment taxes, health insurance taxes, electricity costs, compensation costs, crime rates, right to work status, tax limitation status, Internet taxes, gas taxes, and state minimum wages.

Friendliest States (by rank)

1) Nevada	6) Texas	11) Colorado
2) South Dakota	7) New Hampshire	12) Michigan
3) Washington	8) Alabama	13) Illinois
4) Wyoming	9) Mississippi	14) Alaska
5) Florida	10) Tennessee	15) Virginia

Coming in Future Issues

- Hot Topics from the Charleston Conference
- Library Administrator’s Priorities for Electronic Collections
- Measuring User Needs: Digital Library Federation Survey Results
- The Outlook for Library Budgets