February 1996

Not Fit For Print

Tony Leisner

Consultancy in Strategic Marketing

Follow this and additional works at: <https://docs.lib.purdue.edu/atg>

Part of the [Library and Information Science Commons](#)

Recommended Citation

Leisner, Tony (1996) "Not Fit For Print," *Against the Grain*: Vol. 8: Iss. 1, Article 32.

DOI: <https://doi.org/10.7771/2380-176X.1886>

This document has been made available through Purdue e-Pubs, a service of the Purdue University Libraries. Please contact epubs@purdue.edu for additional information.

Not Fit For Print

A Billion Here and A Billion There — The 1995 Charleston Conference CEO Panels

by Tony Leisner (Consultancy
in Strategic Marketing)
(71023.3440@compuserve.com)

A Billion Here and A Billion There All Starts to Add Up!

If anyone wanted to see where more than a billion dollars a year of library budgets goes they only had to attend the CEO's session at the Charleston Conference. Following the spate of mergers, buyouts and acquisitions by companies in the library marketplace Katina, Fran Wilkinson and I determined that we would like to explore this phenomenon and see what the CEO's of the big firms had to say about this as well as to get their views of the future. Our plan was pretty simple. We would invite a small number of CEO's from large companies which had been in the news for acquisition-related activity. Immediately we ran into a challenge because there were not a small number. Most of the companies you do business with have been party to some form of ownership restructuring. Nonetheless we clearly wanted the head of Dawson (Bryan Ingleby) because of the highly visible Faxon sale. Dawson by itself is a \$1+ billion a year operation and still growing. In the US Dawson is better known by the companies it has acquired, Faxon, McGregor Subscription which is now Dawson Subscription Service, Quality Books and a stake in DataTrek as well as a handful of European companies. Dawson is a public company and sales numbers are published but the rest of our chosen firms are for the most part in private hands so sales numbers would be speculative. Baker and Taylor also seemed appropriate since they have been through one buyout and within a few short years another was announced but then was not completed. Baker and Taylor had also bought some companies and we invited both the former CEO (Gerald Garbacz) and the current President (Jim Ulsamer). CARL (Ward Shaw) and UnCover became an obvious for any "A" list when Knight Ridder offered them doubtless a bucket of money and a strategy for expansion. NOTIS started with Northwestern University and was sold to Ameritech. The then CEO (Jane Burke) went on to form a start up company (Endeavor) and so we wanted to hear from her too. The interest in the CEO panel concept seemed strong enough that we ended up breaking into two panels and two sessions.

The second session was represented by Blackwell North America (Fred Philipp), who just purchased Ballen, Jim Ulsamer of Baker and Taylor, Michael Markwith of Swets, and Frans von Eysinga of Wolters Kluwer (which has just purchased CCH). The panelists were asked some prepared in advance questions as well as some from the floor. Interestingly, the prepared questions dealt more with the finances or strategies of acquisitions and the librarians in attendance tended to focus on issues of information control and freedom.

What They Said

One of the most important considerations in any acquisition, whether from the standpoint of buyer or seller, is the people factor. We have all read a lot about the downsizing of American business but there was no lack of concern for the people from these panelists. It is tough to conduct the financial investigations and due diligence required in a sale in total secret. Rumors abound, clients hear them and get nervous and the employees always feel they are in the dark. Competitors move in and sometimes spread the rumors, hopefully to their gain, even when they might know the rumors are unfounded. Our CEOs emphasized the need to keep the people in the acquired company and to promote blending of common culture between the two entities. What they don't want is to buy a shell of a company whose best people and customers have jumped ship during the process. While it wasn't said directly by any of our panelists, it would seem that one thing they all recognized was the value of the personal relationships between all of us in the library industry. Having said that, we also heard very clearly that not everyone keeps their job in a buyout. Librarians aren't willing to pay high prices to cover inefficiency on the part of their suppliers. Duplicate positions need to be eliminated and if the acquirer brings needed expertise and skill to the transaction then some people will become, as the British say, redundant.

Also of great interest to many was the topic of where are we going to be in 15 years. Clearly, in public at least, our panel had some differing views about what librarians

will be doing down the road. Librarians also wondered, as evidenced by some of their questions, what might happen if corporate America takes over the information industry. As electronic sources and delivery was discussed it became obvious that the trend to home and office delivery of information via online services poses both an opportunity and a threat to the status quo. A few CEO's clung to the notion that librarianship has a great future. Others posed doubts about the wisdom of choosing it as a long term career. Not all the panelists were very confident that they would start a business in this field today and a questioner from the audience wanted to know how to quietly let it be known when a company would like to be bought out. All in all this was a candid and open discussion by the CEO's and the librarians seemed quite willing to pose some tough and thoughtful questions. In some ways it seemed as though underneath our titles and jobs we all know that change is part of our lives and that we really are all in this together. It is like a renowned financial expert once said when asked if the stock market was going to go up? He said, "yes, but isn't your real question, when will it go up?" We still hunger for a better handle on when the changes will occur that we all know are coming and how they will effect our futures. This panel helped with that concern.

Will We Do This Again?

Judging from the reactions of panelists and audience the answer must be, yes. This panel was constructed to address a specific subject, the buyout craze, but we are not limited by big picture issues. Even though our CEO's were clearly leaders with a broad focus on the future, they were also very conversant on basic everyday issues. They expressed an interest in being able to mix with the opinion leaders in libraries and confirm their needs and direction. If you were at the Charleston Conference and have suggestions then we want to hear them. If you liked the panels or didn't, if you have topics or ideas for next year, share them with us at <71023.3440@compuserve.com>. We welcome the input.