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Ken Dzugan-Chairman & Founder, 21 North Main

Katina Strauch

Against the Grain, strauchk@cofc.edu

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ATG Interviews Ken Dzugan

Chairman & Founder 21 North Main <kdzugan@21northmain.com>

by **Katina Strauch** (Editor, *Against the Grain*) <strauchk@earthlink.net>

ATG: Tell us about 21 North Main. How long have you been around?

KD: We began commercial operation on March 29, 2000.

ATG: Why did you start 21 North Main?

KD: It all started because of a book and here's how it happened. I have been a voracious reader all my life. My first bike was a passport from the library in my elementary school to a real library, in this case a branch library in Cleveland. Suddenly my world expanded. But just as quickly limits were introduced. They had all these wonderful books, but I could only take out four at a time. Worse yet I was only allowed access to the children's room. Guess who removed these artificial constraints? Who else, a librarian. Within weeks I was allowed to take what I could safely carry on my bike. I became interested in astronomy. I quickly outgrew the few books in the children's room. I knew they had many wonderful books in the science section, but that was in the adult room. Again a librarian came to the rescue and arranged to get me an adult library card.

Sometime later I graduated from a bike to public transportation and was introduced to the central public library in Cleveland and then to university libraries. Years after, and early in my professional career, I had the opportunity to visit Washington D.C. with some degree of regularity. In my greatest library access achievement, I was able to regularly get a stack pass at the **Library of Congress**. Throughout every step I have been helped and guided by knowledgeable and compassionate librarians.

In 1990 I heard of a book called "*How to Read a Book*" by **Mortimer Adler**. With all the reading I had done, I didn't think I needed to know anything more about reading. But I was intrigued by the title so I bought the book and read it. Then I read it again and again and several more times. Putting into practice what Adler taught me dramatically changed what I read, how I read, and why I read. I used to read to be entertained and now I read to learn. Also putting into practice what **Adler** taught me, I now get an order of magnitude more out of books than I did in the past.

I decided I wanted to learn more from books. I decided I would assemble my own personal collection of the 1,200 greatest works in the western tradition. My list was assembled from knowledgeable readers like **Mortimer Adler** and **Clifton Fadiman** and public and college and university libraries.

In assembling the books, I decided to focus on used books, because many I was seeking were out of print, and because a used copy was less expensive than a new. I got to know the better book dealers in my area. These dealers and local librarians frequently directed me as to what translations or editions I should seek.

Local dealers could not supply everything I was seeking. I began to fax my list to dealers around the country. When the Internet developed, hundreds of dealers began putting up sites that would list books they had for sale. I would read through these sites and occasionally find a book I wanted. When I contacted the dealer I would most often find that the desired book was no longer available, having been sold one to two months ago.

I began to talk to some of the dealers about whether it would be possible to automate the entire process. Although I am not a programmer, I know quite a bit about what computers are capable of doing. I spent time designing a method which would allow the entire process to be automated.

I had no idea what the used book market was like. Research at an excellent local business reference library, **J. J. Hill**, showed that the market was billions of dollars in size, far beyond what I would have guessed. Calls to a number of college and university libraries demonstrated that they were having just as hard a time finding OP materials as I was.

I put together a business plan and it demonstrated that this could be a viable business. I showed it to my wife and she thought it was the best idea that either of us had ever had. We decided that we would take the equity out of our home and use it to develop a prototype of the system. My wife and I have been told that this is not exactly typical behavior for couples in their mid-fifties. The prototype worked, we attracted other people and other money and the business started. And yes, the house is still at risk.

ATG: Where does the name come from?

KD: Part of what we wanted to do was to portray our concern and support for independent used book sellers, the kind you might find on Main Street in a small town. We decided to use a name that sounded like an address. My wife is a specialist in Internet marketing. She knew that many search engines produce results in alphabetical order and those that do bring up numbers before letters, giving us good search engine placement. The reason for 21 is that it is a lucky number, a mature number, an easy to remember number, and 21 is the number of the century we have just entered.

ATG: How many employees do you have?

KD: We have 25 employees.

ATG: Do you have offices in other countries?

KD: Our offices are wherever our client dealers are. 21 North Main represents 3,500 dealers across the US, the UK, and Canada. The number and the geography continue to expand every week.

ATG: Is your market largely libraries or individuals? What is your core market?

KD: 21 North Main's exclusive marketing focus is to the university and college library market. Our inordinate fondness for **Mr. Garrison Keillor** led us to become the national sponsor for his "Writer's Almanac." We have been gratified that this sponsorship has brought us individual consumers. We also are getting increasing consumer traffic from search engines. Although their numbers are small, they seem to be avid book collectors.

ATG: Who are your competitors? I recently saw the comparative review in *The Charleston Advisor*. Do you have any comments on this review?

KD: I think that that comparative review was made much earlier in our history when we had only a few million volumes on our database. Even so, I thought we came out reasonably well, against some much older and established companies. As you may know, 21 North Main just past the 15 million volume mark. We have some hope that *The Advisor* makes the comparison an annual event. We feel that we will come out well if they do.

At 15 million books, we have the largest e-commerce book database in the world. Because we never handle the books, our overhead is lower than our competition's which makes our prices lower. Because we have no warehouse and the books are shipped directly to the library, books arrive more quickly without additional postage. Bigger. Cheaper. Faster. It's not the end of the story, but it's a pretty good beginning.

ATG: Tell us about your ad campaign and your postcards and signs. How did you come up with that idea and can you tell if it has been successful? How frequently do you send out new material?

KD: The signs are just another marketing trick to make potential customers like us. We wanted to convey the idea that we were creative, thoughtful, and a little different. We are told that there are a number

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<<http://www.against-the-grain.com>>

of libraries that have one or more up on their walls. So I guess that they have been reasonably successful. On the other hand, we have had just a few libraries that have called to say that they were happy to continue ordering from us but could we not send any more signs. Of course, we took them off of the marketing mailing list.

ATG: Tell us about yourself and what your training and background is? Do you have family? Hobbies? What do you like to read for fun and pleasure? Other interests?

KD: I have a bachelor's degree in Physics from MIT. I did graduate work in Physics at the University of Minnesota, and left with an ABD, (all but dissertation). I later went back to the University of Minnesota and got my MBA. I've worked in both government and the private sector. I was involved in the planning and development of St. Paul Energy Park, a \$250,000,000 commercial, residential and industrial energy-efficient development. I've been the Chief Financial Officer of a real estate development firm and did financial systems consulting.

My wife and I have taken a number of unusual vacations, in which we have volunteered to help with various research programs. We have been on archaeological digs in Italy, Peru, and Wales. We have been involved in a dolphin language project in Hawaii and a wild dolphin monitoring program in Florida.

Naturally I love to read. I believe that reading is any person's most important skill, and that learning from books is the

world's most important form of learning. For that reason I have also supported literacy programs. Currently my serious reading is **Thucydides'** *"The History of the Peloponnesian War,"* and my lighter reading is **Holbrook Jackson's** *"The Anatomy of Bibliomania,"* **Italo Calvino's** *"If on a winter's night a traveler,"* and **Mark Twain's** *"The Diaries of Adam and Eve."*

ATG: If a library has existing relationships with OP dealers can they use 21 North Main?

KD: Yes. This question came up when we were in the testing phase of our development. Several institutions suggested this and we developed our "Preferred Dealer Program." A library can give us a list of their preferred dealers. Then when a library is searching for books we have books held by their preferred dealers show first in the search results. The dealer holding the book is identified in every search result.

ATG: What would you tell libraries who are considering trying 21 North Main?

KD: 21 North Main is an Internet door to used, rare, and out-of-print books. Clearly we recognize that the libraries we seek as customers have been acquiring books for a very long time and have established paths that they follow. 21 North Main, on the other hand is only seven months old. We have no right to ask for all of their book orders. We must earn their confidence and trust. All we really ask of any institution is that they give us an order for five or ten books and see how we perform. If we fail to serve them well, then we don't deserve their business. We

obviously have great confidence in our system and we will serve them very well.

ATG: Does 21 North Main take purchase orders?

KD: Yes, we do!!

ATG: Are any libraries using your services in ways you didn't expect?

KD: Yes, a number of libraries have discovered the rich variety of material we have that is still available new. These libraries have found that they can frequently buy used books at a significant cost saving compared to new. We have some institutions that come to 21 North Main first to search without regard as to whether the material is still available new.

ATG: Booksellers generally have open shops. How often do they sell the books in the shop and then not have the book to fulfill an online order?

KD: Our dealers are able to supply 90% of the requested volumes. In those case where the individual copy selected is not available, we generally have additional copies available to select from. Our customer service staff watches orders and when a selected volume is not available we can notify the customer of other available copies.

There are times when the desired book is not available. In these instances the library can leave the book as a want. We then match the wants against new books entered into the system each day and automatically notify the library when a match is made.

ATG: What are the advantages of using 21 North Main?

KD: If you're a librarian building a col-

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ATG Interviews Rolf Janke

President, Sage Reference

by **Katina Strauch** (Editor, *Against the Grain*) <strauchk@earthlink.net>

ATG: Tell us about the new Sage Reference imprint. How many titles will you publish? In what areas?

RJ: Sage Reference has been created in response to Sage Publication's focus on building a wider marketplace for their books program. Sage has published academic books for over 35 years but has never focused on publishing reference titles specifically designed for library markets. Sage Reference will be a dedicated publishing effort which will continue Sage's brand in the academic library but create a new one in the public library market as well. Sage Reference will publish encyclopedias, dictionaries and handbooks in the social sciences including sociology, psychology, social history, criminal justice and of course research methods, Sage's flagship list. The official product launch year

will be 2002 with 3 to 5 major works, 10 in 2003 and expect 20 to 25 titles a year from there.

ATG: Why didn't you do this as part of Sage? Why roll out a new imprint?

RJ: I started building and integrating the reference program when I was VP and Editorial Director for Sage Publication's book program. However, it became obvious that in order to make it successful, there needed to be a dedicated and focused effort behind it. The idea of a new imprint would enhance and enforce this dedication as well as create a stronger brand in the library market.

ATG: Where do you see the imprint 5 years from now?

RJ: First, I see Sage Reference as a significant revenue center for Sage. Secondly, I am sure the demand for digital products will be very high so we will probably have a

greater percentage of sales revenue from the digital line. The real challenge is to predict how the digital world will affect both librarians and publishers 5 years from now. Thirdly, I expect Sage Reference to be a global brand having successfully integrated our program into our London and New Delhi offices. Demand for English language reference is very high right now, especially since e books make delivery much easier. With Sage's strong global reach, I expect the Sage Reference line to reach all corners of the globe.

ATG: More and more electronic reference titles are being published. Will you publish in print and in electronic formats? How will you decide which format is appropriate?

RJ: Sage Reference will publish print and

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lection or a selector, you will increase your fill

rate because of large dealer network.

If you are charged with actually ordering the books, you will save time because of the ability to consolidate ordering.

If you are watching the purse strings, you will save money. According to a study of companies and institutions, the process of creating a purchase order, processing an invoice, and cutting and sending a check for payment, typically costs from \$125 to \$175. Our own informal survey has produced estimates from a low of \$60 - \$70 per order to a high of over \$200 per order. Libraries ordering OP books from multiple sources frequently pay more for creating and processing the order than for the books themselves. Using **21 North Main** minimizes these processing costs by consolidating ordering and being a single source of invoices.

Contact Information: 21 North Main, 1230 Eagan Industrial Road, Suite 115, Eagan, MN 55121; Ph: 651-681-9999; Fax: 651-452-1171; www.21northmain.com.

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electronic formats. Librarians are faced with challenging decisions as to which products they can afford and in what format will make the most sense and will gain the widest use. Our goal is to provide complete flexibility, helping the librarian make informed decisions as to which format will provide them with affordable and attractive content.

ATG: At your launch in Washington, DC, you mentioned M.E. Sharpe as a competitor. What other established publishing companies will you be competing with with the Sage Reference imprint?

RJ: There are several players that publish in academic and/or public library markets. **Macmillan, OUP, Fitzroy Dearborn, Academic Press, ABC-CLIO** just to name a few.

ATG: What kind of staff will you have in your new imprint?

RJ: As a new venture, I am starting with a limited staff. I will still be able to use resources and staff from Sage's book program but I do envision hiring acquisition and marketing staff in the near future. I should mention that I am working with a very experienced consulting staff working on product acquisition, publicity and market research.

ATG: Tell us about yourself. What do you like to do for fun? Hobbies? Reading?

RJ: I have been in academic book publishing for over 20 years. Before Sage, I was the Vice President and Publisher for **ABC-CLIO**. Outside of work, I enjoy spending time with my family, listening to music and enjoy reading books on American History. Now living in Santa Barbara, CA, I can spend more time during the year out on the golf course but unfortunately more time doesn't equal better play.

From the Reference Desk

by **Tom Gilson** (College of Charleston) <gilsons@cofc.edu>

The much anticipated 5-volume *Encyclopedia of the American Civil War: A Political, Social, and Military History* (2000, 1576070662, \$425) has just been released by ABC-CLIO. In terms of content and scope, this encyclopedia generally lives up to the pre-publication hype. It offers the reader a comprehensive and informed view of the complicated events, issues and people that make the Civil War such a seminal part of American History.

There is a lot of information within the covers of these 5 volumes. Naturally the military side is given full treatment. There are entries on the great armies, the major and minor battles, the weapons and ordinances used to create the carnage, the successful strategies and costly blunders of both sides and the competent and inept generals. The political part is also given thorough coverage. There are individual articles on each presidential election leading to and, during the war, as well as coverage of the leading politicians. In addition, there are articles on the political parties and movements, laws and policies, as well as formative issues like abolition and secession. The *Encyclopedia* also lives up to the "social" part if its subtitle. There are articles on the role of women, peace movements, class conflict within the armies, the influence of religion, and protest riots, both north and south. Specific entries also attest to the influence of popular songs like the *Battle Hymn of the Republic* and *Dixie*, books like *Uncle Tom's Cabin* and newspapers like the *Richmond Examiner* and the *New York Tribune*. In addition, each state, and its unique role, has a separate article. However, there is at least one surprising lack of clarity. Finding information on the issue of States' Rights is more difficult than it needs to be. There is no specific article about

the topic and the index makes no cross-reference to the article on Secession that discussed the concept. But even there, one senses a reluctance to emphasize the term States' Rights.

Production quality is a definite plus. The print is clear and easy to read, and the set is strikingly illustrated with black and white drawings and photos, as well as numerous battle maps. There are also some added features that increase the value of this encyclopedia. Volume V includes 273 pages of original documents arranged by broad category, lists of officers and government officials, maps of battlefield sites by state, a chronology, bibliography and a fairly thorough index. However, the index can be a bit cumbersome. The set is continuously paged throughout the volumes and while the index refers to specific page numbers, it contains no key telling which pages are in each volume.

Despite these criticisms the *Encyclopedia of the American Civil War: A Political, Social, and Military History* is a quality production. It will delight scholars and civil war buffs alike. Comprehensive but accessible, this encyclopedia gives the reader a thorough and inclusive source of information that will answer specific questions, as well as serve as a foundation for further research. With this multi-volume set, the American Civil War has a worthy subject encyclopedia, and that is no small accomplishment. Academic, public and some high school libraries will want it in their collections.

Academic Press has just published another timely and important set. The *Encyclopedia of Biodiversity* (2001, 0122268652, \$695) is evidence of the growing concern for conservation and the enhanced appreciation of ecological diversity. This is one of those areas of study where science has mixed with social science to the betterment of both, and the *Encyclopedia of Biodiversity* reflects, and benefits from the mix.

The articles offer in-depth treatment of the topics covered. Each is introduced by an outline and includes its own glossary of terms and a useful bibliography. Graphics in the form of tables, charts, maps

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