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Supplying Books to Libraries The State of the Industry in 1999

by **Daniel P Halloran** (President and CEO, Blackwell's Book Services)

This has been a year of change for me personally, as well as for our bookselling industry as a whole. Two large mergers in 1999 spawned a new competitive environment for book vendors, and these have resulted in a new set of choices and opportunities for library managers. A technology that only glimmered in 1998, e-books, has emerged as an exciting reality in 1999. An "old" technology, the Internet, is no longer a toddler, and it is speaking to us in fully formed sentences that dominate our personal and professional lives. We have become so used to rapid change that I sense something new in the way we booksellers and librarians embrace, rather than fear, the next new thing. I see librarians initiating new ways of working and providing service, and certainly among my colleagues here at **Blackwell's** the changing environment is viewed as a world of opportunities. I can't imagine a better time to be working in this field.

In the first half of 1999 two major booksellers were acquired. My company, that Barry Fast and I built over the past quarter century, was acquired by **Blackwell's**. I'm pleased that this acquisition of **Academic Book Center** has resulted in the continuing operation of the company as a division of **Blackwell's**, providing all the services that we created, and doing that with the same high quality Academic's customers have come to expect. Barry and I, along with some other key managers, have joined with many of the Blackwell managers to build on this company's 120-year-old traditions of leadership in the academic bookselling community.

Soon after our merger, **Baker & Taylor** bought **Yankee Book Peddler**. **John Secor** and the outstanding team of YBP managers continue to operate YBP as a separate division, providing excellent service to academic libraries. For librarians, an understanding of why these mergers happened, and how they reflect the new ways businesses are operating today, is very important. In each case, the purchasing company used the acquisition as a method of solving problems and moving quickly toward new opportunities. When **Blackwell's** recognized its need for a new CEO, with new strategies and focus, they concluded that I was their choice to lead the company into the next century. Of course I felt honored, and I was immediately energized by the exciting possibilities awaiting me. I knew that I had a great team at both **Academic** and **Blackwell's** to help me, and we

moved swiftly towards a successful sale of **Academic**. In the case of **YBP, Baker & Taylor** recognized YBP's strength in the academic segment of the library market, and the acquisition of YBP immediately positioned B&T as a major vendor to the academic library community.

Each of these mergers was motivated by the needs of the acquiring company to move rapidly toward goals it had identified as important. In each case the acquired companies are strengthened, able to build on past success and continue to meet the ever increasing technological and traditional needs of their customers. For the customers, the mergers will ultimately offer more choices, a wider array of high quality services, and a stronger sense of security and long term commitment from their vendors. I want to emphasize that these mergers were not about cutting costs or dominating markets. They reflect the merger activity that is occurring in all parts of the high technology industry, where agility and innovation are the driving forces. That is why we have a new economy in this country, why productivity continues to rise along with wages, and customers have more opportunities than ever before.

I believe that we will look back at 1999 as the year when the e-book became real. Digitizing text and mounting it on the Internet have been happening almost from the beginning of the Net, but until now the technology had lots of problems. While journal publishers embraced the electronic medium, solving their rights problems with print/electronic subscriptions controlled by passwords and guarded by libraries and consortia, book publishers have largely avoided this technology. In the journal world, immediacy is part of the value, and nothing is more immediate than the Web. So it was a natural transition for journal publishers to move from print to digitized text, and once the controls were experimented with and protocols agreed to, e-journals flourished. But for book publishers the benefits of digitized versions seemed to pale in comparison to the problems. Simply scanning the text into a computer produced sloppy works, author contracts often ignored electronic rights or kept them with the author, copyright controls seemed worrisome where every other 16-year-old is an amateur hacker, and falling scholarly monograph sales added weight to the fears that e-books would cannibalize print book sales.

netLibrary has solved most of these problems, and is close to solving the rest. Book publishers are increasingly comfortable with **netLibrary's** copyright protection system. **netLibrary** has thousands of books online, from over a hundred publishers, and well over a thousand libraries have access to a rapidly growing list of electronic titles that never go out of stock or out of print. This year **Blackwell's** became the exclusive distributor of **netLibrary's** e-books to academic libraries, and we are cooperating with them by identifying books that should be in their database. This **netLibrary/Blackwell** strategic partnership will spur other booksellers to find e-book partners, resulting in a variety of electronic texts for the library community. Most significantly, we can now clearly see that the e-book is here to stay, that it will supplement and, in appropriate ways, supplant printed books. Will you ever read an e-novel on the beach? Maybe, probably, definitely? I'll pick one of these in a year or so, but I'll tell you now that "never" is the not among these choices.

Amidst all this good news for the library community I have to report once again, as I did a year ago, that only **III**, among the ILS vendors, enables booksellers and librarians to transmit orders over the Internet without re-keying. As the Internet has taken a central role in nearly all we do, I find it disappointing that the ILS community has not made this crucial link available to many of its customers. I know that **Endeavor** is working on this, and perhaps others, but why has it taken so long? I doubt there are other enhancements to ILS that will have such an immediate positive effect on efficiency.

Only a few years ago librarians expressed concern about shelf-ready book services. **OCLC's PromptCat** and vendors' book processing services caused librarians to worry about job losses and quality cataloging. Book vendors took these concerns seriously. We all made sure that our shelf-ready services were directed by qualified librarians and were as customized as possible. As library budgets grew along with a stronger economy, the demand for these services kept pace. In 1999 shelf-ready approval plans, with no returns, are becoming routine. But fine tuning approval plans to reduce returns to near zero is anything but routine. The unanticipated positive effect of the popularity of shelf-ready approval plans is that now all approval plans are much more targeted and tightly managed by

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Concerns Carried Into the Third Millennium

by **Karen A. Hunter** (Senior Vice President Elsevier Science, Inc.) <KABowen@aol.com>

I was disappointed at the end of last year when the introduction of the World Wide Web did not make the Top Ten lists of the most significant events of the Twentieth Century. When I think about the third of that century that I spent in scholarly publishing, the WWW is the hands-down winner in its effects on this industry. **Tim Berners-Lee** — we who are about to die, salute you.

Okay, that's an overstatement. (Not the part about the importance of the Web — the "about to die" stuff.) Nevertheless, there is not a single issue among the seven concerns I've lugged in my bundle over into the new century that has not been either created or significantly affected by the WWW. It is not simply that scholarly information is now irreversibly electronic — we've been headed in that direction for 25 years. It is the way in which that electronic stuff is created and made available and the ubiquity of the Web that has made the difference.

Now, on to my fourth annual listing of the journal-related issues that give me reason to pause and reflect in the passing of the last twelve months. These are in somewhat random order.

Electronic journal archiving. This is a perennial, yet I think we are beginning to see a breakthrough. In 1999, there were two serious U.S. meetings (organized by **CLIR** and **CNI** respectively) that brought together senior library and publishing people to get closer to an understanding of what is desired and what is realistic. Neither meeting was as conclusive

as their organizers would have liked, but there was progress. There is some agreement on the importance of redundancy of archives, without consensus on who the holders of those archives should be — except that the archives are likely to be several and be distributed. A similar meeting will occur in Europe in early 2000. The logical next step will likely be one or more prototype projects, initiated by one of the library-related organizations or by publishers. At **Elsevier** in 1999 we announced — and added to our licenses — a commitment to electronic archiving and to the permanent availability of those archives should we leave the business. Other publishers are gradually making their archival intentions known as well. Publishers understand that this is perhaps the single biggest issue standing in the way of a full transition from paper to electronic.

The "journal literature should be free" movement. At one point this year I couldn't resist suggesting to **Stevan Harnad** that he get a puppy, as clearly he has too much time on his hands. He took it very well. My including this issue on my list of concerns, however, is not particularly reflective of Stevan's (and others') Open Archives initiative. That effort will work for some types of information and it will not be widely supported in other disciplines. However, there was a louder trumpet heard from the **National Institutes of Health (NIH)** in the first part of 1999 on behalf of what came to be called **PubMed Central**.

PubMed Central calls for life science journal publishers to deposit articles on its server for free distribution. The publishers would limit their activity to refereeing and would be paid by the authors.

PubMed Central would also welcome the deposit of other papers or reports from reputable sources, with screening sufficient (as **Dr. Harold Varmus**, then head of

NIH, said) "to keep the wacko stuff out."

One doesn't know where this will go with **Dr. Varmus** now having left **NIH** and there seems to have been some cooling off since mid-year. But **PubMed Central** is

certainly not going to (immediately) disappear. Its cousin, **PubScience**, is a less ambitious, low-keyed effort in the physical sciences, but it too could cause some confusion in the journal ranks. In an ideal world, everything of value would be free — water, food, clothing, and, yes, information. But maybe that means I would have to grow grass to feed the sheep that would provide the wool from which I would have to make my own clothes. I don't think that is the best use of my time. And turning all scientists into publishers is also not the best use of their specialized research energy, to say nothing of the importance of peer review — oh, well, you know the arguments (you do, don't you?).

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vendors. Because librarians demanded new ways of working from us, we ended up improving a traditional service, approval plans, to everyone's benefit.

The Internet makes vendors' online databases possible. In this past year the major library booksellers continued to enhance their Web-based databases, enabling librarians to track orders, order online, and activate forms on their approval plans. We have spent literally hundreds of thousands of dollars printing and mailing paper forms to libraries each year. Online forms not only save money, they save paper, with all the environmental impact that entails. Taken as a whole, the use of the Internet in our daily work must account for thousands of trees still standing, for the reduction of

tons of paper mill air and water pollution.

During my thirty years in the business of supplying books to libraries I've witnessed the role that librarians have taken as innovators within the academic community. Libraries adopted automation before any other campus departments. Libraries were using email and the Internet earlier than their colleagues in other academic environments, except perhaps Engineering or Computer Science faculty. In 1999 we are seeing increasing demand from our librarian customers to enable them to fully utilize the business-to-business capabilities of the Internet. Instead of resisting change, a natural reaction to the new and the different, librarians are driving the process. In the vendor community, we are pouring large amounts of resources into EDI and other commercial development projects that librarians need to make their work more ef-

ficient. The Internet, as a commercial tool for librarians and booksellers, is now as natural a part of our lives as our cars or our telephones.

I shy away from making predictions, but at the end of the 20th century—by far the most bloody and uncivilized hundred years in recorded history, my natural optimism compels me to believe that the next century will be very different. 1999 has been a year of unparalleled economic growth, due in large part to the Internet with all its efficiencies, its communication speed, and its ubiquity. But beyond the commercial aspects, the Internet will help create a better world in the 21st century, a world with more freedom and more accessible knowledge for people everywhere. We will all play our part in this, and it is something to look forward to as this Millenium begins. 🐼