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Through a "Content Looking Glass" -- Another Way of Looking at Library Licensing of Electronic Content

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are struggling with an unprecedented squeeze on resources from the rising cost of electronic subscriptions. More choices, more decisions. Publishers, too, are facing similar issues and wondering how to respond to the opportunities posed by the new technologies without giving away the store, so to speak. And relationships between the two groups during this period of tidal change has not been without its own set of shoals, as we all know.

Challenges? You bet! But what an exhilarating time to be a librarian, enthuses **Ann Okerson** of the **Yale University Library**.

We've assembled these four thoughtful pieces offering insightful analysis and practical suggestions for surviving — even thriving! — in this new information era. In **Okerson's** delightful personal reflections, she reminds librarians to focus on the needs of the users, present and future, when struggling to sort out conflicting priorities. Despite the array of digital-era options, librarians should remember that their main job — preserving and growing collections of present and future value — is the same as it has always been. And this is a job for which librarians are well equipped, she says.

Then **Corilee Christou** and **Gail Dykstra** offer some benchmarks to help you make wise choices in licensing electronic content and assessing new pricing formulas. Their guiding principles are: know what you have, know your users and keep your goal in sight. They suggest enlisting vendors to help map your collections; some libraries should think about outsourcing course pack assembly, they add. In an overview of licensing initiatives, they discuss disparate examples ranging from a national licensing and access project in Canada to a North Carolina public library which offers portable access for a modest annual fee.

Next, **John Cox** of **John Cox Associates** reflects on how digital rights management is ushering in an unstoppable publishing revolution. With end-to-end systems now available for the small- and medium-size publisher, a broad range of publishers can customize access privileges for different users and different prices, opening up a wealth of new opportunities. For example, an online car repair manual is offered by the chapter or rented by the hour. The downside: a 2001 survey found that only a small percentage of readers use the library for Internet access or online journals, potentially diminishing the library's historic role as an information clearinghouse, he warned.

And, finally, **Karen Hunter** of **Elsevier** takes an historic look at the key milestones in digital content (**Adonis**, **MOSAIC**, **TULIP** and **CrossRef**, etc.) from the perspective of the global publishing colossus which has been a major player throughout. In a wide-ranging Q&A with guest interviewer **James Mouw** of the **University of Chicago Library**, **Hunter** says publishers have gained tremendous visibility from electronic media at a time when print subscriptions are in decline. **Hunter** acknowledges a growing move to usage based pricing but worries that it could potentially reduce — instead of encourage — users. What else is ahead? The potential for handheld and wireless devices is really exciting, she says; lots of great new electronic-based products will debut in the next five years, but the future for e-books is less clear. To date, we've only harvested the low-hanging fruit in electronic publishing, she says.

So sit back and enjoy! We think you'll find this collection a very good read. It's chock full of ideas to brainstorm with your colleagues. We hope you find it encouraging, informative and helpful as you strive to prioritize and focus in this new digital environment. As **Okerson** reminds herself, the top priority is not the technology; "It's the users, stupid!" 🌳

Through a "Content Looking Glass" — Another Way of Looking at Library Licensing of Electronic Content

by **Corilee Christou** (VP, Corporate, Library and Education, Reed Business Information) <cchristou@cahners.com>
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Licensing electronic content should not be an **Alice in Wonderland** experience. Setting out to negotiate electronic content is no longer akin to falling through a hole in the earth, having your world turned upside down, and reading licenses written in language only the Jabberwocky could understand.

Today, the story is changed to offer new licensing options, a cooperative attitude, and a willingness to experiment on the part of both libraries and vendors. While licensing isn't a tea party, it certainly isn't a nonsense rhyme causing the anxiety of a confrontation with the Red Queen.

The licensing process used to look backwards in an effort to determine user needs and in its assumptions on vendor-customer relationships. Now, libraries and vendors look forwards (not backwards) to find new business models, to be able to respond (quickly) to shifting user requirements, and to meet the evolution of copyright and opportunities in digital rights management.

This article offers some ways to take advantage of this new flexibility and the emerging library-vendor partnerships to get what your users need from the licensing process.

Know What You Have

Start by really knowing what you have. Most decentralized corporations and large institutions have an imprecise knowledge of what they are currently buying. Knowledge audits of corporate and institutional electronic resources frequently turn up inadvertently duplicated or overlapping licenses for the same content. Vendors have a vested interest in keeping their customers happy. Ask for detailed invoicing audits to connect current content purchases and departmental budgets. Many content vendors have embraced a positive **Customer Relationship Management (CRM)** policy, resulting in their placing a premium on looking for "opportunities to create trust by sharing information" with their customers.

Duplication of resources not only depletes

budgets, it also confuses users. Having to look in several places frustrates users. Users want to go to one source, identify key data, and be assured the content is relevant, complete, and current. Users expect "what they want now, and they want it fast." Users have a limited time (and limited patience) for the process of "searching"; their goal is "finding."

Vendors have responded by delivering their content in formats that can be massaged, integrated, and spun out to intranet/Internet delivery using standardized tools and content management technologies. Competing market and strategy research publishers have made their report series available in a consolidated format so one search delivers results from multiple databases. The **Publishers International Linking Association (PILA)** anticipates expanding the number of participating publishers and promises to deliver links from hundreds of full-text sources, in addition to the citations it already accesses and cross-references.

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These new integrated content delivery arrangements have licensing implications. Along with integrating the content, vendors are starting to offer flexible licensing arrangements. Libraries can choose to mix and match the vendor-integrated content sources with different types of licensing. Some content will have blanket licenses for all users; some content will be password controlled; some sources will be accessed through limited per-seat or per-user licenses, and some content will be paid by transaction.

Keep Your Goal In Sight

What is the library's goal in obtaining the content? Your goal for the content will determine the licensing options that are available. Here are some common content goals and licensing alternatives to the standard annual license agreement. If you are buying content for the reference department, a limited number of password accounts can work well for occasional reference use. If the content goal is to create academic course packs for distance delivery, then check to see if the vendor has the reproduction rights allowing you to create a course pack. It may be cheaper and far more efficient to outsource the creation of course packs to vendors rather than taking on the licensing headaches in-house. For core content which is required reading every day for a marketing or competitive intelligence function, global access or simultaneous user license best meets the 24/7 global needs of many organizations. Consider a blanket license so the full resources of the vendor are delivered into your intranet portal. Access to content can be controlled internally through user-identification and authentication software solutions. For specialized research content required for a limited time for a particular project, transactional licensing and time-limited passwords work very well.

Know Your Users

A thorough users' assessment must be conducted to determine required resources, preferred format and delivery requirements. Technology and electronic data provide many new collection options; numbers of users, access points, image availability and other factors need to be assessed relative to the user community and its needs, before any deals are negotiated. Knowing exactly what you want, for how many users, and for what uses, is absolutely essential before making buying decisions or even starting the negotiation process.

Licensing used to look backwards in an effort to determine user needs and in predicting vendor-customer relationships. Libraries ascertained users' needs by analyzing previous circulation and reference patterns. Decisions were made on the basis of data from needs assessments, surveys, or from interviewing users. Today, libraries use Web-

tracking software to see how users actually behave. This adds a new depth and dimension to the information audits and needs assessments which libraries rely on for insight.

Make your vendor reports a tool for insight into user needs and patterns. For example, **divine inc.** simplifies the task of identifying what resources users are using (and what they aren't using), and, in turn, tracking, and, thus, influencing what they are using. **Factiva** works with libraries to identify user-preferences and patterns and then structures the content to fit the patterns. These are but two ways that vendors help librarians know their customers better. Vendors are actively seeking ways in which they can become partners; it is worth your time to open a dialogue with your prime vendors to create a portrait of user behavior.

Speaking of portraits, paint a picture of typical users. Create scenarios that identify user behavior. Look not only at what you currently know about users; ask yourself what would you like to know about the people who use your content every day and those who never use the content licensed by the library. How do users work with the results of their searches? Discover what you don't know and then start filling in the gaps.

Some of the key points to keep in mind include:

- Who will the users really be — the library staff for reference purposes or students enrolled in electronic course offering. Or are you just filling in the blanks in a specific collection?
- What are the platform and format requirements?
- Is this for an intranet? For how many users? How current does the data need to be — will embargoes on content as delivered be an issue?
- Is this part of a knowledge management solution? What kind of archive should be considered?
- Is this for an extranet? Will data be "free?"
- Are images important? Many feeds are text-only due to image use restrictions by publishers.
- Will email forwarding be an important requirement?

Making Your Choice(s)

Librarians have several options. The key to success in licensing content is in understanding the options and picking the most appropriate rationale. And the most appropriate rationale may differ greatly depending on the immediate, medium-term and long-term requirements of your users. Your goals for licensing content will be joined-at-the-hip with corporate strategy, university research and teaching plans, and the customer-service strategy of your public library, institution, or non-government organization. Content goals

differ greatly from one user group to another. Furthermore, your goals for the use of the content can change dramatically in a short period of time in response to shifts in corporate planning, mergers and acquisitions, or institutional research priorities.

A key point to remember is that electronic content may not be the same as print content. **XML** feeds do not usually include images but are searchable and as such are good reference tools. **PDF** files although including images, are not searchable except for a limited abstract/index header.

Additionally, not all articles originally included in a print journal will appear in the electronic journal. Even before the recent **Supreme Court** decision in *Tasini*, some publishers would only include articles where rights had been granted by the author. The world of content used to be text-based. Even if the original publisher had the reproduction rights for the text, photographic or graphic images were not part of the publisher's reproduction rights. If the library's goal is to substitute electronic content for a print collection, make sure that the loss of articles and images will not impact the collection.

If the collection is going to be used strictly for reference purposes, it may be better to go with an aggregator than the publisher directly. Aggregators will obviously include more than one publisher; they are generally better indexed, and they usually have an excellent search engine available for locating information.

Access and Archives

Prior to the onset of electronic licensing, librarians were accustomed to procuring a full range of use privileges with their subscriptions. Because electronic content is much more easily redistributed or resold, licensing it most always comes with a new set of terms and conditions relative to number of users, types of hosting/posting and types of use e.g., no posting on Intranet/extranet without additional fees. Archives may also be limited so make sure if an archive is necessary that it is addressed up front.

Libraries are redefining themselves: this includes redefining their constituencies. National licenses for electronic content are being negotiated between consortia and vendors. The **Canadian National Site Licensing Project** is an excellent example of libraries and vendors breaking new ground in initiating a core set of research database content required by all Canadian universities and funded through library budgets and government competitiveness initiatives. Another interesting development has been the "take your access with you" option provided by **The Public Library of Charlotte and Mecklenburg County** in North Carolina. For an annual \$25 fee, users can access the online subscription resources of the library wherever they can log on to the Internet.

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Archival rights have been a contentious issue in many licensing negotiations. While the print-based subscription model facilitated archiving old issues of journals, this is not an automatic part of the license for electronic content. In a recent article in *Searcher* (July/August 2002, p.40), Doris Small Hefner commented, "The issue of ongoing and continuing access to digital archives certainly remains a concern, but many have negotiated rights in perpetuity. Of course I remember acquiring my lifetime membership to a local discount store, which has now gone out of business. Clearly it was their lifetime, not mine, that they had in mind. So I still wonder whether or not libraries are truly prepared to mount their own electronic periodical archives."

Pricing Models and Opportunities

Pricing depends on the number of users, sources and provenance of the content, and the organizational structure of the libraries to be included in the deal. Discounting is

common, especially where there is latitude in numbers of users to be included and volume of the content increases.

Subscription pricing with a pre-determined number of simultaneous users (or passwords) is the most common form of license model. Typically one-year long, subscription models are starting to be available for shorter periods to accommodate the shortened budgetary cycles of many organizations and the shifting business strategy and research needs of users. Another common plan is per-seat or per-user pricing that has been traditionally negotiated on the basis of the number of employees/users. Vendors and libraries are experimenting with sliding scales of users (depending on business or research cycles), trying out new content with extended demonstrations, or time-limited tests of the content to ascertain the user-interest.

Transactional pricing is not just a "stop-gap," but rather an alternative that offers benefits to the library and greater ease for the user. The advent of Web-based access gives users the ability to purchase an occasional article or research study. Even "big ticket"

technical, market and financial reports are now offered on a transactional basis. Need to buy only one or two pages of a report? This is possible now without having to pay an additional fee. It isn't only corporate library users who are willing to pay for instant access to the study or research report they want. Academic and special libraries are using transactional pricing as an option for users – even if the library has a subscription to the print publication. Transactional licensing offers access to an increasingly wide range of content. Furthermore, transactional pricing transfers the expenses to departmental budgets without placing added burdens on the library's administrative budget

Understanding and Change

A complete understanding of the user community and its need and use of content is mandatory for creating a successful electronic content selection and licensing policy. Just as publishers have changed their business models, librarians can now change and expand their content buying models to offer a wide range of content, formats and functionality to users.

Digital Rights Management: Old Hat or New Wrinkle? — Ready or Not, DRM is Dramatically Altering Today's Publishing Landscape

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An e-retailer is selling books by the page and renting them by the week. A publisher is offering online access to car repair manuals, chapter by chapter, for purchase or short-term rental. And a university clearinghouse is distributing case studies by single-use PDF instead of photocopies.

The Internet has totally altered the environment in which librarians and publishers strive to disseminate information, creating tensions and uncertainty as people of good faith on all sides wrestle with new questions without clear-cut answers. The only certainty is that we must move forward and work together to preserve intellectual property in this new era. We cannot retreat to the comfort of the familiar printed world; the new era is already upon us.

Digital Rights Management: Key Role in Content Access

As we crossed the threshold into Internet-era publishing, it soon became clear that a new mechanism was needed to buttress ownership to intellectual property. The mechanism that has evolved to meet this need is digital rights management. Regrettably, digi-

tal rights management or DRM typically refers solely to protecting intellectual property and downplays DRM's equally critical role in providing access to content. The two are different sides of the same coin.

DRM is now more important than ever in protecting copyright, which is the most central intellectual property law for publishers and the basis on which they publish and trade with their customers. In the world of online publishing, copyright becomes extremely complex, raising issues of access, performance and pricing. To address this complexity, DRM is evolving from licensing to new, emerging business models, including some with tools "inside the machine," tools that both protect intellectual property but also improve access to content.

The era of Internet publishing has also challenged publishers and librarians to reach

consensus on contentious issues which are yet unresolved. These include: a definition of "users," continuing access after subscription cancellation, permanent archives, course pack licensing, electronic reserves, fair use and inter-library loan.

New Business Models for e-content

The conventional pricing model for printed journals and magazines has been the subscription. It is an inflexible, single-user, "one price fits all" model irrespective of user needs or library size. Although the process of trial and error or acceptance has a long

way to go, new pricing models are emerging that avoid the straitjacket of the individual title price. We are seeing the aggregation of eBook titles into packages that can be "rented." Pay-per-view is becoming commonplace. We are also beginning to see reference products becoming subscription-based services when they are online.

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