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Dan Halloran-President and CEO-Blackwell's Book Services, Inc.

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ATG Interviews Dan Halloran

President and CEO — Blackwell's Book Services

by **Katina Strauch** (Editor, Against the Grain)

I talked to Dan Halloran three weeks after the announcement of his new job. He's having a good time! He said that Blackwell's has a long and rich tradition and great people.—KS

ATG: The last time ATG talked to you (February, 1996, pp.37-41,46), Academic Book Center had just signed an agreement with OCLC to be one of the first booksellers to work with PromptCat. Now, three years later, we've just learned of the acquisition of Academic Book Center by Blackwell's Book Services. How did this come about?

DH: It happened quickly and a bit surprisingly. In early December of last year, **Celia Wagner** and I were having our weekly one-to-one meeting. Usually I put my phone on do not disturb for these meetings but the receptionist called to say there was an important call from England. It was **David Lakey**, HR Director for Blackwell's in Oxford calling to see if I would be interested in discussing taking over as president and CEO of Blackwell's Book Services and replace **Fred Philipp** who was retiring.

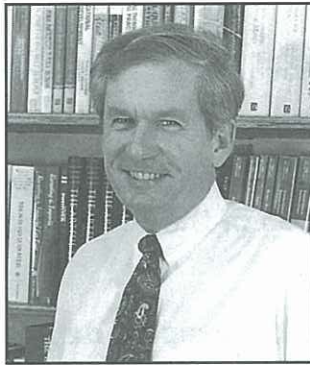
After an initial period of shock, I realized this was the chance of a lifetime. How many of us have the opportunity to lead a real "institution" and Blackwell's is a true institution in the library and book worlds. After thinking about it for several days I returned David's call. This began a series of phone calls and meetings in Portland, New York, Oxford, and Philadelphia.

ATG: Is this a merger or a buyout? What's the difference from a customer service or from an operational point of view?

DH: Blackwell's has purchased **Academic Book Center**. We are now in the process of planning for the merger of the two operations. Our goal is to take advantage of the best from both companies — people, services, and features.

What does this mean for customers? For customers of both companies very little will change until we have completed a thorough analysis of how to merge intelligently. Importantly, this will include extensive consultation with librarians as we plan and as we implement. My instructions are to communicate, communicate, communicate. Let everyone involved know what we are doing and solicit their input and advice.

Current Blackwell's customers should expect to see a sharpening of attention to their needs. In the longer term we will be merging the best features of both companies into a single offering. This will mean Blackwell's



customers will have expanded options in approvals, firm orders, and standing orders.

Current AcBC customers will not be moved to Blackwell's until I am convinced they will receive the same or better service than they are currently receiving. And, as with the Blackwell's customers, AcBC customers will be offered new and enhanced features from Blackwell's. In the end we will offer more features and better service than either company, or any other company, is able to offer. We are able to do this because our resources, outstanding people and great ideas are unparalleled in the industry.

ATG: I know that you have spent years building up Academic. Blackwell's Book Service is nearly seven times the size of Academic and was a big competitor. A small company is being absorbed by a larger company. Won't the marketplace lose something?

DH: I'd be worried about this if the purchase had been driven by a desire to cut costs. But my clear instructions are to take the best of both companies and create something better. The reason Blackwell's was interested in **Dan Halloran** and **Academic Book Center** was that we had a reputation for service, innovation, and customer focus. This will become clear over the next several months as we complete our merger plan and begin to roll out the new company.

ATG: Like?

DH: I don't want to tip my hand too much but you will see improvements in speed of delivery, access to different data, new ways of delivering data and a few others I will leave for a surprise. In general, we will be addressing librarians' needs to get the right information to their users, quickly and efficiently.

ATG: It's very unusual for the president of a smaller company to be taking over as president of a larger company. Did Blackwell's buy Academic because they wanted you as President and CEO?

DH: In looking for a successor to **Fred Philipp**, Blackwell's wanted a leader who had a demonstrated knowledge of libraries and a record of delivering quality service to them. I had that reputation. But my reputation was really created by a staff of intelligent and knowledgeable people. Blackwell's understood that they would gain a valuable asset, great people, in addition to a new President and CEO.

ATG: Blackwell's is a long-standing family business. You worked there many years ago and didn't stay very long. Will you really be able to take charge of Blackwell's?

DH: Absolutely. There are significant changes going on. I was hired by **Anthony Thompson** who became Managing Director of Blackwell's about ten months ago. He is not a family member but has a clear mandate to make Blackwell's the company of choice for the academic community. There is a seriousness of purpose about the company and its future, a real professionalism that makes this challenging and fun. I have seen nothing but support from the family for the direction we are taking.

ATG: What does worry you?

DH: The pace and scope of change taking place in the delivery of information. It is a cliché, but our world is changing rapidly and the outline of the future is more indistinct than ever. It will be a challenge to pick and choose correctly from the many directions and choices available. It also makes this immensely fun.

ATG: How long a transition period will we have? What's going to happen in the meantime? Will both companies operate as separate entities?

DH: We are now in the process of putting together a transition planning team. People from both BBS and Academic will participate. I will know in about a month when this will be complete. And, before the merger begins to affect librarians we will be in contact to explain what, when, and how this will happen. No one will be surprised in the process.

ATG: Ironically enough, in the last ATG, there was an article by **Kenneth Kirkland** about how DePaul, was switching their approval plan business from Blackwell's to Academic! What's going to happen now that Academic has been bought by Blackwell's?

DH: We're going to create an approval plan to take the best features from both companies. Ken and DePaul will stay with the Academic approval plan and he will get ex-

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actly what he purchased. Before we change anything, we'll talk to Ken and others about the best way to proceed. When the merger begins we will inform him in advance of exactly what will take place. We want librarians to be pleased with the service and product and that means being informed so appropriate preparations can be made.

It also goes without saying that service, i.e. speed of delivery, adherence to library instructions, attentive sales and customer service must all be at their highest levels. These are also being addressed.

ATG: *How many approval plan accounts does Academic have and how many does BBS have? How many are there out there in the marketplace?*

DH: Of course, there are different levels of approval plans. There are many smaller, subject-specific approval plans. But of the comprehensive plans, Academic has approximately 75 accounts. And BBS has between 300 and 500 around the world depending on how they are counted.

ATG: *What do you consider the best features of Academic's and BBS's approval plans?*

DH: Blackwell's is good for interdisciplinary subjects. **Collection Manager** has extraordinarily sophisticated collection development and management features. Plus Blackwell's has a rich database with a 25-year history. The Academic plan has strong prepublication announcements and hands-on approval service. The return rates are low and the speed of delivery is good and getting better. Both plans are a combination of features and people.

ATG: *We did a survey on ACQNET of what people thought about the merger of Academic and BBS? There was some concern about bibliographic records. For approval plans, will they be supplied by Blackwell's database or by Academic?*

DH: Academic's records are taken from LC data and Blackwell's created from prepublication catalogs. The goal is to make BBS the best bookseller in the world and as this interview goes to press, we are addressing the bibliographic record issue. I guarantee we won't lose the positive aspects of either system.

ATG: *There is still a lot of concern in the marketplace about the narrowing of choices of book vendors. You have to admit that this is true. Is there any consolation? Will we really get better support? Better discounts? Better service?*

DH: Libraries are demanding more technology, more rapid access to greater amounts of information, faster delivery of books, multiple ways to have information delivered, and by the way, higher discounts. These expectations demand that companies have the re-

sources and economies of scale to provide all of this. Smaller companies are not going to be able to deliver.

The trade off libraries make for receiving these features that help them get the right books on the shelf faster is a reduction in the number of vendors.

ATG: *When will Blackwell's move into the online bookstore market really? Amazon.com is there already. Many of us are buying materials from them using credit cards.*

DH: Blackwell's already has an on-line book shop although it is directed at the UK market at this time. You can expect some sort of development in the future.

The infatuation people have with Amazon.com is interesting to me. Amazon provides few of the personalized services offered by the traditional library bookseller, and tacks on significant shipping charges, something regular booksellers never do. Yet librarians seem willing to put up with this for the "illusion" of faster and cheaper books. In fact, if you were to order all your books from Amazon, you would quickly discover that they are neither faster nor cheaper. They do have a sensational interface, however. I believe we booksellers can learn something from them on that score.

ATG: *Can the library market booksellers take anything from the Amazon.com model?*

DH: Yes, the interface, as I mentioned. And other features as well. These are a part of our plans for the future.

ATG: *I guess we will be hearing about this soon enough? On another subject, what do you think of the ebook or e-monograph? Is there a place for the traditional bookseller in the netLibrary model?*

DH: Some of the e-book and e-monograph companies are adopting business models that will allow us to work with them. You will see this developing in the very near future.

Another interesting development is the **Lightning Print/Ingram model**. They are planning to have 100,000 books available on demand in the next two years. There are a lot of books that will now be made available that have been OP for a long time. Publishers are finding that many back list titles that sold only a small number of copies per year, and thus were uneconomical, are now in greater demand because of the on-line booksellers. Digitizing these titles then printing and binding on demand at an economical price will have significant impact on publishers.

ATG: *Are publishers selling directly to libraries in greater volume?*

DH: No. I think that technology and enhancements which libraries require makes it difficult for publishers to bypass booksellers. I also don't hear any librarians asking to work directly with publishers. In fact, we hear the opposite. Most librarians don't like the distraction.

ATG: *What effect is consortial buying going to have on booksellers? Is this a business model that will hold up?*

DH: It is unclear how consortial buying is going to affect booksellers. So far, it does not appear that the **OhioLink** model is gaining widespread acceptance. However, it needs to be recognized that libraries have increasingly high expectations, and technological innovations are needed to meet these expectations. Granted, some consortia are concerned primarily with standardizing the terms offered to members and sharing purchasing information across the membership. However, when consortial buying power exists solely to drive discounts higher and higher, something has to give. More discounts and more features mean that vendor margins are squeezed further and further. When will it end? Companies continue to consolidate because in the present model there is simply not enough profitability. Eventually there has to be a change in the discount structure. It is not sustainable.

ATG: *Enough! Let's talk about you. Do you still play tennis? And what sort of travel schedule are you going to be on now that you have to go to England all the time. Will we (not to mention your wife) ever see you?*

DH: Yes, to tennis. Plus I have taken up scuba diving all over the world. In the last year I have done dives in Malaysia near the border with Thailand, Hawaii, San Diego, and the Turks and Caicos Islands.

I am on the Board of the parent company (**Blackwell, Ltd.**) and go to England once a month. Jet lag is not an issue since I am getting used to it. My wife is a school teacher, but she travels with me when she can. I am committed to having a life outside of work, to leading a multifaceted life of family, work, and many friends.

ATG: *Which college did your son go to? I believe he was thinking about it the last time we talked to you.*

DH: He is a sophomore at the University of San Diego and he just got a job as a shelver in the library there the same day that I got the job at BBS! He is working in the library full time this summer.

ATG: *So, speaking of the stacks, last question: what are you reading?*

DH: My reading tends to be eclectic and somewhat driven by selections of the people in my book group. We just finished Doris Kearns-Goodwin's *Wait Til Next Year*. I was in LA for Book Expo and ended up in Santa Monica on Saturday night for dinner. We went to a great book shop there and I picked up David Saderis' *Naked*. My professional reading of late has been *Leading Change* and I am very interested in Daniel Goleman's *Emotional Intelligence*. 🌿

Well, wasn't that a great interview! See Dan soon at ALA in New Orleans!—KS

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