September 2011

Biz of Acq -- Millions from eBooks!

Michael Zeoli
YBP Library Services, mzeoli@ybp.com

Michelle Flinchbaugh
University of Maryland Baltimore County, flinchba@umbc.edu

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

Part of the Library and Information Science Commons

Recommended Citation

Biz of Acq — Millions from eBooks!

by **Michael Zeoli** (Director, Global Consortia Sales, YBP Library Services, 999 Maple Street, Contoocook, New Hampshire 03229; Phone: 603-748-3529) <mzeoli@ybp.com>

Column Editor: **Michelle Flinchbaugh** (Acquisitions Librarian, Albin O. Kuhn Library & Gallery, University of Maryland Baltimore County, 1000 Hilltop Circle, Baltimore, MD 21250; Phone: 410-455-6754; Fax: 410-455-1598) <flinchba@umbc.edu>

If you know anything about anything, you can start making money on the Internet in just four weeks! You don't need to be a computer expert. You don't need to have a college degree. You don't need thousands of dollars to get started. Practically no overhead with 100% profit.[1]

So what's all the ruckus in the academic world? According to information indexed at the very top of **Google** searches for *eBooks*, our prayers have been answered, and solutions to all our problems are at hand. What will we talk about then at the next **Charleston Conference**?

Nullifidians? In Venice recently, friends needed to get from *Piazza San Marco* to *Fondamenta Nuove* on the other side of the island to catch the last boat to Murano, where they were staying. The web of canal-delimited alleyways at night is as disorienting as it is enchanting. Desperate to get to the ferry stop in time, they continuously asked for directions. The last person they asked looked at them thoughtfully for a minute and said, "It's complicated" (he then walked them to the stop). Metaphorically, we're in Venice and we need directions — and it is *Carnivale*! Providing eBooks is chaotic and disorienting, and shifting roles have, in a sense, put many of us in masks.

In this brief column, we would like to describe several complicated issues that book vendors are facing and share with the other parts of the scholarly *ecosystem* (once commonly referred to as the *supply chain*, but that's complicated too).

In 1539, a writer by the name of **Nicolò Franco** wrote:

> Although the trade of bookseller appears the easiest that one can find, to do it well requires much more than hanging a pretty sign above one's door… One must be skilled in a "million other trades," and be able to use them all at the proper time, in order to earn a good living.[2]

Nicolò Franco's *Dialogue of the Bookseller* is one of the earliest descriptions of the activity of the bookseller in the era of moveable-type printing. Technology had emerged that supercharged the ability to publish and disseminate print content — and ultimately at a greatly reduced cost. The *Dialogue* is worth reading just for **Franco's** humor as his alter ego convinces a learned friend that the only reasonable profession left to a man of letters in decadent times is to become a bookseller — not something we'd recommend to a friend today despite the prospects retrieved in a **Google** search.

In 2001 in *Against the Grain*, **Rick Lugg**, former **YBP** President and currently partner at **R2 Consulting**, wrote an open letter to

Amazon, then a new entrant in the academic library market, explaining how requirements of a successful book vendor had changed:

> As customers requested more enhancements and more new services, and academic vendors responded to those requests, the industry changed radically. Academic booksellers began to compete on new terms. Who offered the best support for the library's workflow?

Lugg goes on to list the "million other trades" that **Amazon** will need to learn in order to truly serve the academic marketplace. A decade has passed since his article appeared. His list would be longer today and serve a longer list of new entrants. The company in which he served as president, **YBP Library Services**, was founded in 1971, the same year as **Project Gutenberg**. eBooks have just now, a generation later, come of age in the academic library market.

By the time of **Franco's** dialogue, the printed book had been around for nearly a century. It had taken more than a generation for the print book to *come of age* and longer still for its form and trade (and content, for that matter) to stabilize. In *The Book in the Renaissance*, published last year by **Yale University Press** in London, **Andrew Pettegree** writes:

> The invention of printing was not the work of scholars. […] It required hard, practical men, often men of little education, to see the potential of a new method of copying that would bring many hundreds of texts simultaneously to the marketplace. […]

> With the technique in its infancy, work [on the **Gutenberg** *Bible*] progressed slowly. The work required constant injection of new funds. The logistical requirements were beyond anything previously experienced in a book world accustomed to manuscript books emerging from the copyist one at a time. […] **Gutenberg** could not make it pay. He died bankrupt and disappointed, defeated by the complexities of a market not yet adjusted to absorb many hundred copies of identical books. Making the new invention a commercial proposition was the crucial and most critical challenge facing the new book entrepreneurs. It would defeat many who plunged into the new art before the end of the fifteenth century. […]

> While the efficient organisation of marketing and distribution was critical to profitability, this was inevitably a business that favored larger firms with deep pockets and steady access to credit. […] The business of books was a credit and debt economy. […]

And these issues posed real challenges, even for the most flourishing business. Success involved the careful establishment of an intricate network of relationships, often nurtured over many years through personal association, correspondence, and the recommendation of friends.

With little editing, this passage could sound like a description of our time. In the past decade, we have seen the first major eBook aggregators appear (two already devoured by major journal and database vendors and a third by a wholesale book distributor), eBook platforms created by major publishers and more recently by consortia of publishers (these combining journals in many cases too), and eContent platforms built or acquired by academic library consortia which have also begun to compete with vendors for library business. And a thriving service industry has already grown around these new entities and hybrids.

There is an incredible tension between content and service delivery on one side and economics on the other. Never have any of us operated on such thin margins, and never have the costs and demand for new resources been so high. Most academic vendors today would very likely admit that their greatest challenge and competitor lies within. In order to meet growing library demand — *user* demand, in fact — for services, the internal mechanisms of the vendor have become extraordinarily complex and expensive to maintain and develop (think again of **Franco's** "million other trades"). We vendors are forever walking a tightrope between the not-always-consonant interests of our *MBA's* and those of our *book people*.

Our business administrators' responsibility is to ensure our economic viability. The entrepreneurial sense of our *book people*, on the other hand, embraces the need to invest financially and personally in our relationships with publishers, libraries, and other partners to innovate, the by-product of which is competitive advantage and a foothold in surviving (and ideally *thriving*) into the next generation. Much is at stake in these relationships. **Tony Horava**, AUL for Collections at the **University of Ottawa**, wrote: "Most of all, we were able to see firsthand how critical is the human element in determining the degree of success in the library-vendor relationship."[3] As **Pettegree** pointed out, success in the early moveable-type print era depended on a "network of relationships, often nurtured over many years through personal association, correspondence and the recommendation of friends." But in turbulent technological times such as ours, baked in the heat of economic duress, there is a marked tendency to turn inwards: to *do more with less*, to *go-it-alone*.

As arguments rage among content providers hawking their wares to libraries and consortia, I'm reminded of an old Milanese saying "chi vusa pusè, la vaca l'è sua" (*The cow belongs to whomever shouts loudest*). What are some of the highlights among these arguments? Combining books and journals adds significant value otherwise unavailable to users. Or are we just creating bigger silos that create as many new problems as they solve? Do other tools offer a better solution? Should books be treated like journals? And the commonplace that *treating eBooks like print books is a counterproductive paradigm* (admittedly, we are ready for a paradigm shift, but is the answer to move to a form derived from the epistolary exchange of information several hundred years ago?[4]). An argument heard increasingly among press consortia (and some library consortia) is that that by removing the intermediary, i.e., the book vendor or eBook aggregator, significant savings can passed along to libraries. Of course, there are still tremendous digital development agendas to make this so, not to mention a significant learning curve in terms of establishing collection development tools and the "million other trades" for content distribution — including print![5] Where are the savings? Publishers and database aggregators are intent on realizing significant sales of backlist files. It is true that backlist eContent does seem to be getting more use than its print counterpart, probably owing to greater discoverability and ease of access, but what is the proper business model for a clientele already underwater in terms of acquiring new content? Last but not least, wherefore the Big Deal? It was relatively easy to build a platform to deliver a large mass of content and invoice the library or consortium annually. That technology is more than a decade old now, and tools that support greater selectivity and improved access have since appeared. These allow libraries the potential to provide their users with greater access at reduced cost. And this returns us to the argument of combining books with journals. As in all the questions above, there are good arguments on both sides depending on the content and institutional requirements. But an important factor from the library perspective ought to be choice — and this should extend to journals as well as to books. Additionally, when eContent is available from a publisher, it is rarely comprehensive. Titles are commonly and inevitably withheld from digital format owing to rights issues or for fear of losing *course adoption* sales. Currently, 80% of the **YBP** print universe is available *only in print*. According to a study commissioned by **OCLC**,[6] 75% of academic and professional content from the top 1,000 publishers will be available in digital format by 2016. Libraries will continue to need to consider somewhere between 20,000 and 55,000 print-only English language titles in collection development strategy annually for

at least the next five to ten years. How will the library ensure comprehensive coverage of pertinent content and control duplication across formats, vendors, and publishers?

A column like this is useful to pose questions and, if fortunate, help to inspire forums in which members from across the information supply chain can address these issues and many others. A unique aspect of our information ecosystem is the essential relationship between a not-for-profit enterprise and the vendors and many publishers and others who *must* eke out a profit from the services they supply in support of the scholarly mission. There is wide space for miscommunication and missteps in balancing organizational interests with marketplace requirements. As we listen to the descriptions of new content and product strategies, it would behoove us to look beyond the *bottom line*, as well as beyond our fiefdoms, and consider how an opportunity can be cultivated to serve all parties in a more efficient and productive way, from content creator and provider through information consumer. This will require more social networking (not to mention social *skills*) and activism among all stakeholders.

Ultimately, the invention of moveable type was bad business for **Franco**: whether through miscommunication or missteps, his wit brought him into conflict with the Inquisition which hung him on March 11, 1570. *Let's hope that our story will have a happier ending.* 🐦

Endnotes

1. *http://makemillionssellingebooks.com/*

2. Dialogo del venditore di libri in *Dialogi piacevoli*. Venice, 1539.

3. "A Concurrent pilot project approach to approval plans." Library Collections, Acquisitions, and Technical Services 30 (2006), 69-76.

4. This is an interesting argument. Manuscripts and printed books were commonly bound together by owners. It was library science that unbound and separated print books and manuscripts.

5. Manuscripts continued to thrive for several hundred years after the invention of the press. Print books will continue to be a significant part of most library collections for some years to come.

6. **OCLC** work commissioned from **Michael Cairns**. Based on interviews with a selection of industry experts.

Biz of Acq — Am I Still Selecting?

by **Keith Cochran** (Music Collection Development Librarian & Associate Director, William & Gayle Cook Music Library, Indiana University, 1201 E. 3rd Street, Bloomington, IN 47405-7006; Phone: 812-855-2974; Fax: 812-855-3843) <cochran6@indiana.edu>

Column Editor: **Michelle Flinchbaugh** (Acquisitions Librarian, Albin O. Kuhn Library & Gallery, University of Maryland Baltimore County, 1000 Hilltop Circle, Baltimore, MD 21250; Phone: 410-455-6754; Fax: 410-455-1598) <flinchba@umbc.edu>

Eleven years ago, shortly after I had started my first job as a music librarian at **Ball State University**, a colleague, whose work also included collection development, sent me an article with the provocative title, "Are We Still Selecting?" The article, by **Thomas Nisonger**,[1] was a report on a session that had been part of the program of a recent **ALA** meeting. The panel consisted of two bibliographers and one administrator, who reflected on the changes in duties and priorities of librarians working on collection development. In particular, one of the bibliographers noted that many decisions about selecting materials were taken out of her hands because of factors beyond her control, such as consortial agreements and licensing.

In the years since I read the article, I forgot many of its details, but I always remembered the title, "Are We Still Selecting?" I have always found collection development to be one of the most time-consuming but also rewarding aspects of my work as a librarian. I enjoy shaping a collection to fit the needs of faculty, students, and the music curriculum. For me, maintaining control over selection has been crucial, and in order to do so, I was

willing to spend the time needed to sift through catalogs, reviews in journals, and lists from vendors. Moreover, the longer I worked at it, the more familiar I became with the collection I was building, more aware of the interests of particular faculty and students who especially relied on the library for their work, and through bibliographic instruction and reference, more knowledgeable about the types of resources needed to support the curriculum. Given all these factors, why would I want to start an approval plan and turn over some of the decisions about what to add to the collection to someone else?

In my work at **Ball State University**, this question seldom came up because the only approval plan I had was one for English-language monographs on music, which was part of a library-wide program. My budget was not large enough for an approval plan for scores to be feasible.

When I took over my current position as Music Collection Development Librarian at **Indiana University** in 2007, I was confronted with a new situation. I now had a collections budget that was more than four times larger