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ATG Interviews NV Sathyanarayana, Chairman and Managing Director, Informatics (India) Limited

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Chairman and Managing Director, Informatics (India) Limited

by **Tom Gilson** (Associate Editor, *Against the Grain*) <gilsont@cofc.edu>

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ATG: Sathya, you started your career as a librarian for a number of institutions and agencies and then went on to found Informatics. What inspired you to leave a relatively secure profession and take the risk of starting your own company?

NVS: The best time to take risks is when you have little to lose. It is hard for me to figure out just one factor that drove me to this decision. I was still young then, in the seventh year of my professional career and holding my fourth and last job. There was a kind of itching to do and be something different. All the four jobs I went through before starting **Informatics**, two in academic and two in corporate, gave me a good exposure with lot of learning about the market and end-user perceptions. I was lucky to be heading the libraries in three of the four institutions except that the second and the third jobs were single person libraries. The exposure I had in my third job at **Smith Kline & French**, India (now **Glaxo Smith-Kline**) to the information intensive research and corporate environment, and the value and cost perception of information products and services by the user community excited me about the potential opportunities to create such products and services. It was a feeling then that I could do something better and different in the information space by looking beyond the library for my growth. Also, I must say that I didn't leave my profession as you asked. It was in a way a continuation of my professional learning in the industry side of the profession.

ATG: Did the skills that you developed as a librarian help in making this transition? If so, which ones? What additional skills did you have to develop to be successful?

NVS: Yes, very much. The whole business idea was information-search centric, but based on the library resources. What I did for my early customers will give you an idea. One of my very early customers was an R&D manager of a small pharmaceutical company who was looking for some help in finding literature that could solve some quality related issues he was facing. The fact that I had worked in a pharmaceutical company gave him confidence that I could help him. I compiled a bibliography using *Chemical Abstracts*. He found a few articles that could help him and asked me to get them, which resulted in the document delivery business. I took the help of local libraries, one of them where I worked, and the **British Library**, UK to deliver them. The service further led me to arrange translation for a German article leading to have a translation division supported by a panel of translators. I took a membership in a large academic library, where I had worked for over a year, which helped in my early days of mediated search and fulfillment. A little later, he wanted me to review and prepare a report

on all available processes for increasing the yield of one of his products (Vitamin C). This is something that needed domain knowledge beyond my basic familiarity with the industry. I hired a researcher as a freelancer and we did this work together. It was a new learning experience, throughout, with changing technologies and market needs.

ATG: In 1984 Informatics pioneered the introduction of International online database access via telex and four years later you introduced CD-ROM technology to India. Can you tell us about those early days?

NVS: Very exciting! As I told you earlier, I started my business as an Information broker, going to libraries and searching printed A&I products manually. It was also the time when **Dialog**, **SDC** and **BRS** had just started. There was an exciting experiment in India in the late 1970s at one of the international library conferences organized by an Institute in atomic energy research where online search was demonstrated connecting to a European database search System (ESA-IRS) using an expensive dedicated line that was rented just for three days. A connection of that kind in those days would cost about U.S. $125,000 a year! The excitement of instant access from a remote terminal and interactive searching triggered interest in me to find ways to go online for our search business. That was the time when Indian telephone systems did not even have direct dial facilities to make an international call, which was so until mid 1980s. A friend of mine (**Dr. Subrahmanyam**) who was teaching in the library school at **Drexel University** connected me with **Charles Bourne** in **Dialog** to explore the options for using online. I visited **Dialog** in Palo Alto in1984, and attended their basic training program in online searching. In those days even the U.S. was using telephone lines

connected to tele-typewriter terminals using acoustic couplers (acting as modem). It was still a pre-microcomputer period. I discovered then that the local telephone lines used for online searching in U.S. were going through one of the three data networks, which also supported login through telex lines. Telex was a direct data network, which did not require a phone line and a modem. That is how we started using and promoting online searching through telex. It was expensive, costing U.S. $2 per minute in those days. But, with thorough planning of what databases to search and how to search them we could complete a good search in 3-5 minutes using nested logic for presenting search queries. We would store the query offline and submit it online. Results would of course follow offline by airmail in seven days, as it was prohibitively expensive to print it online. I can tell you, a bit sadly, that the art of doing a quality search and getting precise results is simply missing due to googalization of search. People spend more time today getting nowhere! Live interaction with a mainframe computer some 15,000 miles from India to instantly get responses was the most thrilling experience not only for me but also for our users.

The first most expensive technology investment we made in those days was an electronic telex machine costing a fortune then. International direct phone dialing was introduced in India in the mid-1980s (costing around U.S. $4 per minute). PCs came in around the same time. This eased the situation. But, telephone lines were still not a reliable and affordable channel then. The first international data network was launched in India in 1990. This was the phase of pre-Internet online in India, which ruled until late 1990s. In those days, the Government owned **Indian Telecom Company** which had set up the first packet switched data-network in India encouraged us to set up online search centers in their building on a profit-share model by providing us all the required infrastructure and high-speed dedicated data line free of cost in two cities (Mumbai & Delhi). This generated significant interest in the corporate sector to come and use our online search facility.

Our fun and frustration filled pre-Internet online days helped us in building an early market in India for CD-ROM databases. We sold the first CD-ROM database in India in 2008 (**MEDLINE** for U.S. $5000 annual subscription from Silver Platter) and CD-ROM drives for U.S. $2,500/drive, and several CD-ROM networking systems later. We started our own CD publishing activity in the mid-1990s. We developed and published a few database products, both bibliographic and full-text. To

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people profile

mention a few of them: NeuroMed, a full-text archive of three Indian Neuroscience Journals from Volume 1; Exim-India on CD; and, India Business Insight Database. The last one is still continued but online.

ATG: In your early years, Informatics was the leading distributor of information products to libraries in India for a wide variety of publishers and aggregators like Silver Platter. However, now you are increasingly known for products which you've developed yourselves. What prompted this change?

NVS: It was not a change but part of our early vision and evolution. It is simply that we had to wait for the technology to be available at an affordable level to create products. The distribution business provided sustainability to the business. We earned well from distribution (until three years ago), and spent on creating products. Our CD-ROM publishing could not take off as we were too ahead of the time. We shifted our technology strategy from CD-ROM back to online as the Internet was promising a better and more affordable online experience. Internet and the emerging web, and the experience in the database distribution business helped us to conceive J-Gate, our flagship product.

ATG: As far as your distribution services go, the print journal subscription business still continues to be a main focus. With the continuing shift to digital journals, how long do you expect that to remain viable?

NVS: Not really. We started the distribution part of our business with print subscription products and moved quickly to e-content media beginning with CD-ROM products in the late 1980s and shifted to online products with the Internet taking off in India. By 2012, our e-content distribution was 80% of our total distribution business. The regulatory changes in the country in 2012 concerning tax laws and the refusal to accept these changes by international publishers for orders coming through Agents forced us to re-define our distribution business strategy completely.

ATG: India, of course, is both a vibrant and growing economy but also a developing country. How does the issue of Open Access impact your company and your customers?

NVS: There is no major negative impact on our business, or on the business of the paid content market in India. But, the OA wave has caught on widely at the awareness level including a limited level of lobbying at the national level. A government-funded institution is a lead player with more than 15 journals published by them. The lobbying by OA advocates led to moving their journals to the OA domain a few years ago. Indian libraries are quite active in setting up institutional repositories.

While the Indian economy is doing well, the same may not hold true for India's scholarly information market, which is relatively small, perhaps around 1% of the global market. Even this 1% is almost entirely the market shared by

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N V Sathyanarayana

BORN AND LIVED: In India.

EARLY LIFE: I spent my childhood in my village where I did my schooling. My village got electricity when I was in my 10th Standard. My father was a Teacher in the school which helped me in my academics. We were a large but happy family of 8 (my parents, and six children). I used to be very unconventional and adventurous, always wanting to do what my father restricted me from indulging in. I did my graduation in Science (Physics, Maths and Chemistry) in a town close to my village and my post-graduation in Library & Information Science from the **University of Mysore**, Mysore.

PROFESSIONAL CAREER AND ACTIVITIES: In a span of eight years after my post graduation, I worked as a Librarian in four different institutions before promoting **Informatics** in 1980. My first job as a Librarian was in a large College Library. My second job was in a premier academic and research Institute in Bangalore (**Indian Institute of Science**) where I worked as Information Assistant to a Professor. From there I moved on to a company then called **Smith Kline & French**, Bangalore, as their first Librarian in their Indian operation. My last job was in **Hindustan Machine Tools Ltd.**, Bangalore, as a Documentation Officer.

IN MY SPARE TIME: Got very little spare time until now. But love reading and writing, watching movies and travelling.

FAVORITE BOOKS: My reading interests are wide and varied. Favourite authors include **Bertrand Russell**, **Charles Dickens**, **Ayn Rand** and many Indian Authors like **R. K. Narayan**.

PET PEEVES: Nothing.

PHILOSOPHY: Live and Let Live.

MOST MEMORABLE CAREER ACHIEVEMENT: Launching my dream product, J-Gate.

GOAL I HOPE TO ACHIEVE FIVE YEARS FROM NOW: Diversify and expand **Informatics** into non-library centric information business and build a strong global presence.

a few major global journal publishers through big deals of a few library consortia. India's scholarly journal market for the locally published journals is insignificant. I can estimate it to be around U.S. $10m a year.

We launched Open J-Gate, a subset of J-Gate to ride on the OA wave, in 2004. The launch was inaugurated by **Prof. Jean-Claude Guedon**, **University of Montreal**, Canada, a leading OA advocate. It was the largest database for OA literature then. It was used extensively consuming more than 90% of our hosting infrastructure! We had to find a way to monetize this product as the J-Gate, the mother database in subscription model, was still not earning enough. We had to withdraw Open J-Gate for sheer reasons of our not being able to move to a Google kind of advertisement and sponsorship based revenue model. We find the OA opportunity more promising now, an opportunity to come out with a new kind of product as a significant and wider expansion out of J-Gate. We are working on developing some new interesting models.

ATG: Informatics also serves publishers by providing editorial and compilation services including content review and editing, indexing and abstracting, not to mention Web

research and analysis. Can you tell us a bit about that part of your business?

NVS: It is a smaller pie in our total revenue, but is slowly developing well. The trigger for this activity came from our thinking in early days of our startup to find global markets for Indian content. Encouraged by a small contract in the early 1990s from **Predicast**, a business database company in the U.S., we started abstracting and indexing Indian business sources for an international database, but retaining the copyright for the work we did which forced us to get a smaller price per record than we could have got otherwise. This contract helped us in expanding in two directions. It led to the India Business Insight Database, as a product. We developed a separate services division for doing contracted services which became our services division. A huge contract we got from **Reuters** in 1995, indexing close to a million news stories a year with turn-around time of less than 12 hours, taught us to manage large contracts. We did this by developing a team of home-based workers and connecting them to be online with our server through local telephone network. **Reuters** would upload the feed to our server, we would distribute this to

our home-based workers who would index and upload back to us. We would quality check and upload back to the **Reuters** server. This was a great learning experience in technology set up and management of large-scale data projects. We developed our home-based workers on this experience. It is a pity that we didn't build and expand our services division on this strength of early days. Perhaps, we got lost in the glory of the top-line that our distribution business started commanding beginning in early 2000.

ATG: Being based in Bangalore must be both challenging and enabling. There are probably hundreds of Bangalore companies that do information and processing services for the world's information businesses. What makes Informatics stand out in that crowd? What competencies does Informatics have that the others do not?

NVS: We do stand out in our library-centric business vertical. The reason perhaps is the market perception that we are a technology company in the library space promoted and managed by a librarian. However, we don't stand out so much in non-library centric business verticals although we have a small business database called IBI (India Business Insight). We got stuck in our library-centric niche market which is a good but too small a market for an information company. This is a lesson which is now driving us to re-define our vision to expand out to a larger space of information market. As you know, Bangalore is popular as the Silicon city of India. Global players keep looking for companies here for high quality software professionals in many industry verticals. We have ready access to such talents here. Within **Informatics** we have the domain expertise for publishing, librarianship and information management related verticals. As a company guided by librarianship we have a good understanding of content organization and management, metadata standards, building ontologies, etc. We have a proven track record in product development capabilities with in-house talent in this area.

ATG: Getting back to your own products, many are sold only in India, but a few like J-Gate, an e-journal portal, are now being sold internationally. How has this market expansion affecting Informatics and its operations? What major adjustments has the company had to make to appeal to a global audience?

NVS: J-Gate today is the world's largest database for journal literature by sheer journal count. We handle 45,000+ online available English language journals. Starting development in 2000, perhaps it was the first e-journal portal initiative in the world on the scale we planned. It is a very successful product in the Indian market. The level of customization we support in J-Gate by tailoring to the needs of individual or group of libraries is a key strength which should have enabled us to make this a great global product. The prime challenge is

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AFFILIATED COMPANIES: Informatics Publishing Limited (a wholly subsidiary of Informatics (India) Limited)

OFFICERS: Mr. N V Sathyanarayana, Chairman and Managing Director, Informatics India Ltd.; **Mr. Sanjay Grover**, Chief Executive Officer; **Mr. Soma Sundaresh**, Technical Head, Product Development; **Mr. Parbodh Kalsotra**, National Sales Manager; **Mr. Jagannath, M.**, Senior Manager, Content Development & Publishing; **Ms. Jyothi, S.**, Product Manager, J-Gate & IBI; **Mr. S Sathyaprakash**, General Manager, Operations; and **Mr. Devendra Thakur**, Head of Finance & Administration.

KEY PRODUCTS & SERVICES:

Content Products

> J-Gate – World's largest bibliographic database and e-journal access gateway for journal literature – *www.jgateplus.com*

> India Business Insight (IBI) – Summarised news and views on Indian business and Industry from leading news papers and magazine – *www.indiabusinessinsight.com*

> i-Scholar – Full text aggregation of Indian Scholarly journals – *www.i-scholar.in*

> Journal Publishing – As Co-Publishers.

Technology Products

> Fedgate – Federated search system.

> Koha – An open source ILS serviced on SaaS model.

> EZproxy – Remote Access product from OCLC.

Services

> Content Management and Editorial Services – To publishing and information industry.

> Distribution Services – To global STM publishers.

NUMBER OF EMPLOYEES: 140+

TOTAL NUMBER OF JOURNALS CURRENTLY PUBLISHED: 17 (9 Subscription Journals; 8 Open Access Journals).

HISTORY AND BRIEF DESCRIPTION OF YOUR COMPANY/PUBLISHING PROGRAM: In-formatics was promoted in 1980 with a vision to be a pioneer and a leader in the business of e-information in India, with scholarly content as primary focus and higher education and research as its primary customer base. The company started with a range of library-centric services, which included information search and delivery support, journal subscriptions, library consultancy, etc. The company introduced online database searching for international databases in 1984 and CD-ROM databases in 1988 in the Indian market. It started developing and publishing databases on CD-ROM for local market during mid-90s and shifted its focus back to online beginning 2000. The company launched its first online database of global content (J-Gate) in 2001 with the technology developed and managed internally for searching and hosting.

In the following years, the company focused significantly on e-content marketing and distribution. The company reached annual sales of U.S. $25 million in 2012. Beginning 2012, the company had to consciously withdraw from the e-content distribution business due to changes in the tax-laws in India on the import of online database products which made the business unviable from both commercial and regulatory compliances angles. Since then the company re-defined its e-content distribution strategy by developing its own content aggregation platform (i-Scholar) and publishing platform for e-journals. In the recent years the company is also focusing on e-journal publishing as co-publishers of a few leading Indian publishers, both through subscription and Open Access model. The company hopes to extend this model for joint publishing initiative with global publishers.

The company has developed internal technology infrastructure and team strength to develop and distribute e-products and solutions for global information market place.

Informatics is a Content + Technology Company in e-content space. 🐾

branding the product to gain acceptance as a global company from India. We also needed bigger investments to add new features and functionalities to become globally competitive. There was lot of resistance too from some of the Ivy-league publishers in supporting us, by misreading us as a potential competitor. Hence, it took too long a time to be where we are! We are happy today that people recognize us to partner with us. This change will be a leap forward for Informatics.

ATG: J-Gate, and its subset Open J-Gate, seem to be your key offerings. Can you talk more about them?

NVS: I will be happy to. We conceived J-Gate in 1999, just when the Web-based e-journal revolution had started. We started working on J-Gate with a vision to develop the single largest e-journal database and portal. Very early on, we realized that our market in India couldn't support a product, indexing thousands of e-journals, for two reasons. One, e-journals were still far from the reach of Indian libraries due to Internet infrastructure limitation which was too slow to happen; two, the number of e-journals subscribed by libraries then was too small, in the range of 100-500. We changed the direction and focused on a customized database, limiting to the journals that libraries subscribed to, which works as a product within the local area network of the institutional campus. In effect, we created a local discovery solution for the libraries and their journal literature holdings. We quickly expanded this concept to a group of libraries and library consortium as a shared discovery and resource-sharing solution. This caught up the imagination of Indian library consortia. The consortia modeled J-Gate solution, popularly called in India as JCCC (J-Gate Custom Content for Consortia), would facilitate online access to e-journals by their defined right-of-access to resources subscribed by libraries, either individually or collectively. By virtue of indexing articles from their print journal holding also, JCCC facilitated inter-library loan when a user found an article in a journal, which might not be subscribed by his library. JCCC was adapted in 2003 by one of the earliest and largest Indian Library Consortium. It is another matter that big publishers didn't like JCCC for this reason. But, they couldn't stop us, as the libraries wanted it. However there is one instance where surprisingly a leading not-for-profit publisher signed with a consortium to make available his content to the consortium for inter-library loan among its members under CONTU guidelines, but threatened them and us, several years after our service was in use, with copyright violation for facilitating ILL. Fortunately, he was the only one, an odd one indeed!

J-Gate as a customized solution could have been an ideal product for the big global libraries and the consortia to adapt as an effective discovery and resource-sharing platform in the early days of e-journal evolution itself. We marketed global e-journals in India extensively, but we failed to get our unique e-journal discovery solution into the global market. I may say, it is for journalists like you to analyze the reasons for our failure to brand a great Indian product in the global market.

ATG: It's probably not a big revenue opportunity for you, but you are the world-wide distributor for S.R. Ranganathan's journal, SRELS Journal of Information Management. Does that journal have an international following?

NVS: Very little. We took over this 52-year-old journal only two years ago. **Ranganathan** is a great universal brand in the librarianship, like **Melville Dewey**. But the journal started by him is not widely known outside India which is typical of any Indian scholarly journal. Marketing and branding a single journal is an expensive job. Hence, we have created a platform called i-Scholar (*www.i-scholar.in*) to host and market Indian journals with a good e-commerce model. Currently i-Scholar hosts around 200 Indian journals, with archives dating back to first volume. We have started adding global journals also to our i-Scholar platform. We hope to do better with this strategy. Now that we have made SRELS Journal online through our i-Scholar platform, libraries around the world can subscribe to it easily online.

ATG: What about the future? What new products can we expect from Informatics?

NVS: Our future plan is in two distinct directions: (1) to strengthen our library-centric products and services to maintain leadership in this market and go global; (2) expand our market into many non-library domains of the global information market place. Our strategy is to be a "Technology + Content" Company. We realize that in the digital world, information products cannot be conceived or pursued as a quickly scalable market without the internal strength of technology. Pursuing this strategy, three years ago we created a new subsidary company called Informatics Publishing Ltd., which is now focusing on our established library market. We are working towards building technology strength within our parent company. We plan to expand into the new horizons of information market place with this strength. You will see a few new products in the coming years, which may even be spun-off into new subsidiary companies. We are, in some way, back to start-up mode. 🐾

> *"People spend more time today getting nowhere!"*

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restaurants in Myrtle Beach, so I am looking forward to checking them out. I am also looking forward to getting involved with community events. Now that I am a South Carolinian, I am determined to finish the **Anne Rivers Siddons** novels that I have yet to read. I love getting to know local authors, so I will go to author events and buy their books. I don't know if I will be doing anything library related after I leave **UNC-Greensboro**. Everyone says that when you retire, you shouldn't make any commitments for at least six months. It is important to feel the rhythm of retirement and then make any decisions regarding committees, volunteering opportunities, etc. I will definitely be in Charleston now that I do not live too far away but solely as a tourist! 🐾

have guessed! From the time **George** was **four months old**, **Sam** (his dad) has been reading **George** a real **print book** at bedtime and **George** actually listens! **Bruce** and I were reading to him in his dad's absence and **George** paid attention! Impressive!

Speaking of which, I read **Mark Sandler's** essay (this issue, p.26) with great interest. Yes, students prefer not reading books. And Websites may have more visitors than books, but the print book is not going anywhere. Generations have always liked to take the easy way out. But I believe that as a profession we are focusing too much on the fact that there are now more competitors than we have ever had. But we still need to preserve print books. Whew! Got that off my chest!

Speaking of which, have you encountered this book? *The Bad-Ass Librarians of Tim-* *buktu* by **Joshua Hammer**. Just out. The story of a librarian in Mali who arranged to save hundreds of manuscripts from destruction.

Did you see the **Phil Davis** April 1 post about **Sci-Hub**? **Lolly** talks about **Sci-Hub** in her questions and answers column. And I had an intriguing conversation about **Sci-Hub** with **Georgios Papadopoulos**, Founder and CEO of **Atypon**. Wonder if we can get him to Charleston in November? *https://www.crunchbase.com/person/georgios-papadopoulos#/entity*

Oh! This just out from **Jim O'Donnell**, University Librarian, **ASU** — Like WOW — Dear colleagues, I'm delighted to announce additions to the senior leadership team, additions that will energize us for the challenges ahead. Joining us later this summer from **Purdue University** will be **Tomalee Doan**, arriving in the role of Associate University Librarian for Public Services. She will initially be responsible for public and access services in all library locations, for student success