

2016

Back Talk--A Gooey Petri Dish

Ann Okerson

Center for Research Libraries, aokerson@gmail.com

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Recommended Citation

Okerson, Ann (2016) "Back Talk--A Gooey Petri Dish," *Against the Grain*: Vol. 28: Iss. 5, Article 21.

DOI: <https://doi.org/10.7771/2380-176X.7518>

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Column Editors: **Ann Okerson** (Advisor on Electronic Resources Strategy, Center for Research Libraries) <aokerson@gmail.com>

A few weeks ago, for an upcoming issue of *ATG*, the editors asked a number of folks: “In 500 words or less, please give us your take on the future impact of consolidation (10 years out) on the industry. Concerns like competition, pricing, the growth of start ups, etc. are all grist for the mill.” After some thinking, I didn’t respond — I’m not informed enough on such matters, and the question felt narrowly focused. Why not write 1,000 words for “Back Talk” instead!

I’ve no soothsayer qualifications. Upon reading the press release about an acquisition or merger announcement related to the library or information industries, many of my chums and colleagues say, “Ah, yes, I expected that one!” or, “Sure, it was bound to happen!” Many seem to know that AAA, BBB, and CCC are ripe for the taking. “Yes, DDD has been all along planning vertical integration.” For my part, I usually read such a release with wide-eyed wonder and say, “Gosh, who would have thought?” The only exception for me is when a larger publisher acquires a smaller one, sometimes strengthening their current portfolio or at other times branching into new disciplines.

There are specialists in the M&A space, but most of us are not.

My tribe assumes that the pace of consolidation in library-related space is picking up rapidly, perhaps moreso than in many other fields. Of course, we can list many notable acquisitions or mergers over recent years, but I would welcome some hard and objective data on this topic, before fully agreeing that our industry is experiencing a specially high rate compared to others. And, if it’s true that our field is experiencing ever more consolidation, then isn’t it the case that we’re also experienc-

ing more and more exciting startups with new ventures, delivering new kinds of services, that meet entirely new needs, including some we don’t realize we have until a creative entrepreneur realizes them as a great idea and a business opportunity? For example, consider **Iscience** (which offers, among other services, a way to get a handle on open access works in their many versions), or **RedLink** (allows library and site administrators to manage their IP addresses and authentication tokens), or **PaperHive** (for collaborative reading). I could go on: there are many, many promising startups — regularly reported at the **Charleston Conference**, **ALPSP**, and other venues.

In the face of such a goopy petri dish of creativity in the library and user spaces, it’s hard to subscribe to the notion that libraries are of little interest to businesses (as some of my colleagues have argued in these pages). As **Joe Esposito** frequently says, “revolutions are rare.” To be sure, the idea of what the library is about is evolving; open access ideologies and new business models are blooming; readers’ expectations and needs are driving change. Everyone is constantly adjusting — so I argue that the outcome for 2026 will be diverse and pluralistic, rather than increasingly dominated by a shrinking number of firms. We should expect large and growing corporations, but even more new flowers blooming all along the way.

A question becomes, what will happen to all the new blooms? Will they be gathered into the fold of the information world’s biggest suppliers? Answer: some will (and most librarians won’t like it) and many won’t. We’ve seen journal prices rise as large publishers have acquired small ones and we are hugely concerned — even as we may realize that at least some of the smaller publishers

needed resources that their own means could not provide. As I began writing this column, we read of **Elsevier’s** acquisition of **SSRN** and **ProQuest’s** of **Alexander Street Press** — billed as “joining the **ProQuest** family of companies” — and the resultant grumbling. In general, we librarians don’t like it when the Big Guys embrace smaller firms, and often for good reason.

Now, what about acquisition by private equity firms or venture capitalists? The race does not always go to the Biggest Companies. For example, a press release of major import was issued on 11 July this year. “**Thomson Reuters** today announced that it has entered into a definitive agreement to sell its Intellectual Property & Science business to private equity funds affiliated with **Onex Corporation** (“Onex”) and **Baring Private Equity Asia** (“Baring Asia”) for \$3.55 billion in cash.” We librarians are as skeptical about PE activities as about “consolidation.” The prevailing perception is that PE enters an arena to make a lot of money over a short period of time, slashing and burning along the way. More often than not, this type of acquisition is a way station, not an end state; we can’t possibly know what will become of the **Thomson Reuters** services after divestiture by **Onex**, if that happens. The assets may later be sold to a another company (possibly one we all love to hate); the PE firm may strip off some units for sale; may start acquiring other related companies and decide they like the space; or may sell to another PE (where the future may even become a dying gasp as of, say, Swets). With a PE acquisition, the future is largely unknown.

(Interestingly enough, the **Thomson Reuters** purchase involves an Asian company. Who says that purchasers need to be American or Dutch or British or European? This to me sounds like a new type of player in our space, with different ways of thinking, different laws.)

The short form of the answer to *ATG’s* question is: we are in an extended, dynamic, exciting time and space, with a great deal happening all at once:

- Smaller companies are being swept up by bigger companies (consolidation)
- Some established companies are acquired by private equity firms, a very different kind of situation; startups may benefit from venture capitalist funds
- Many new, smaller companies are being born
- Big consolidated companies are spinning off units
- New vendors are dis-intermediating libraries and providing information products directly to consumers, who find information in new ways

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People Section
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Gan (Grace) Ye

Digital Systems Librarian
Pepperdine University Libraries
24255 Pacific Coast Highway, Malibu, CA 90263
Phone: (310) 506-7655 Fax: (310) 506-4117
<gan.ye@pepperdine.edu>
<http://library.pepperdine.edu>

BORN AND LIVED: Born in Shanghai, China. Current Place of Residence is Agoura Hills, CA.

EARLY LIFE: I was born in the city of Shanghai, China

PROFESSIONAL CAREER AND ACTIVITIES: I currently hold the position of a digital systems librarian at the Payson library in Pepperdine University. Some of my research projects include the linked data and tracking our faculty research activities. I also like to work on the different systems' integration.

PET PEEVES: Smoking cigarettes and/or e-cigarettes in libraries or around non-smoking people.

PHILOSOPHY: As long as one does not intrude on others and do not threaten others' wellbeing, one should be free to believe and choose their own creed and religion.

MOST MEMORABLE CAREER ACHIEVEMENT: I designed and developed the CONULEXID system which was the largest bilingual lexicon database system in China. This system was launched in 1997.

GOAL I HOPE TO ACHIEVE FIVE YEARS FROM NOW: To build links between the data in our Pepperdine systems and the data in our library systems. To find or develop some type of tool or system to track our faculty's teaching and research activities. To let our faculty know how much attention their research areas have gotten.

HOW/WHERE DO I SEE THE INDUSTRY IN FIVE YEARS: My research shows me the traditional library services will be undergoing many big changes. Academic libraries worldwide will be paying more attention to the teaching and research areas support to their faculty and students. 🐼

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- Quite apart from all that, people are questing for information and libraries are becoming sexy!

I believe that libraries, by definitions new and old, will thrive and prosper. However, most of us librarians are not skilled enough in the supporting industries to make accurate predictions about how they will look and perform ten years out — a lot the same, some different, but all morphing over time.

The information industry players we most admire are known for their savvy, strategic thinking and planning. In our space, what we library folks must bring is our own version of savvy strategic thinking, to provide the best information future for our readers, at the same time working with and influencing the constantly shifting business environment of which we are part. My rambling end point is that the consolidation issue we're uncomfortable with is only a piece of the action. There are many balls in the air — we have to pay attention to them all. 🐼

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We are excited to have many preconferences this year and all pre-conferences had excellent attendance, more than ever! I want to focus especially on the **Legal Issues in Libraries** preconference which the **multi-faceted Ann Okerson** arranged. But someone who deserves a special shout out is **Will Cross** who is currently on paternity leave. He just welcomed their first child and **Will** is taking a few weeks off. **Will** says he will be very happy to guest edit an issue of **ATG** focusing on the preconference down the road. And he will be in Charleston.

Looking forward to it all! **GULP!** Sooner than I thought...
Travel safe, everyone! Yr. Ed. 🐼

The image shows two pages of financial spreadsheets for 'Against the Grain' journal. The left page is a detailed subscription list with columns for 'Subscriber Name', 'Address', 'City', 'State', 'Zip', 'Phone', 'Fax', 'E-mail', 'Subscription Type', 'Start Date', 'End Date', 'Status', and 'Comments'. The right page is a financial summary with columns for 'Category', 'Quantity', 'Unit Price', 'Total Price', 'Discount', and 'Net Price'. It includes a total for 'Subscriptions' and a 'Grand Total'.