

## STRENGTH IN NUMBERS : LIBRARY CONSORTIA IN THE ELECTRONIC AGE

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Author's Note: This page originally appeared in the online acts of the IDT conference in Paris where the paper was delivered in 2000. In late 2003, that link had gone bad, so this copy was recovered from the 'Wayback Machine' of the Internet Archive (<http://www.archive.org>), an indication that at least one strategy for digital preservation is rescuing material that might otherwise be lost.

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The world of libraries resembles the world of monasteries more than the world of business. Like monasteries, libraries are hives of activity that give the appearance of peace and tranquility. But also like monasteries, libraries spread all over the world pursuing similar tasks in diverse places, for the good of society, with remarkably little sense of competition or rivalry.

Instead, librarians have long since learned to work together as allies and colleagues the world over. I'm delighted to have this opportunity to share with French colleagues some of what we are doing in the States these days in such a collaborative spirit -- and it is that collaborative spirit and the power it gives librarians -- and thereby our readers -- of which I wish to speak.

Library consortia have existed for decades and have fulfilled multiple tasks. One of the most long-lived, effective cooperative groups in the United States has been the Triangle Research Libraries Network (TRLN) that unifies the three universities around the capital of the State of North Carolina. These institutions are Duke University, North Carolina State University, and the University of North Carolina. Taking advantage of their physical proximity, they have, since the 1930s, worked to compare their acquisition plans in order to reduce duplication, so that about 70% of the collections in each library are unique. They have saved hundreds of thousands of dollars, perhaps millions by now, and in so doing built a three-library collection far richer and stronger than could have been the case if the three had worked alone. But, it is more accurate to say that this energetic form of resource-sharing has not saved money; rather, it has enabled funds to be used to create far more varied and deep collections for their readers than would have been possible if each library had worked independently of the others.

At a very different level, the National Library of Canada, recognizing that it will never be a collection of last resort in all areas (the way perhaps the Bibliotheque National or the British Library or the Library of Congress might be), has concentrated on two contemporary tasks: building cooperation among libraries across Canada to create, in effect, a distributed national collection, and at the same time to make its resources particularly available to those citizens of Canada who live in the remote north, far from physical libraries.

Neither North Carolina's cooperative collections development activities over the last 60-70 years nor the National Library of Canada's union catalog approach is regularly spoken of as a consortium, but each is a true consortial collaboration for resource sharing that hastens the delivery of information to library readers. Perhaps the best known contemporary cooperative information sharing activity began with the founding, in the late 1960s, of OCLC.

Initially, this effort comprised a group of libraries in the state of Ohio, which agreed to share their cataloging records through the most rapid means available to them (at that time the "O" in OCLC stood for "Ohio"). As the project expanded and proved its worth, by making it easy for libraries effectively to share each other's technical services staff, cataloging books far more quickly, and thus bringing them to readers more rapidly than ever

before, OCLC changed forever the face of cataloging within libraries. No doubt French and European libraries have their own similarly impressive stories about cooperation among libraries.

But it is only since the mid-1990s that such cooperative activity has moved into the world of electronic information acquisition and provision. Several factors combine to make this new activity both possible and desirable.

- First, there has been the sudden onslaught of new materials and electronic versions of old materials, straining the budgets and technical capacities of libraries. This flood shows no signs of abating. On the contrary, electronic technologies yearly capture more and more of human and scholarly knowledge. For example, within just the last year, full-text electronic scholarly and popular books are becoming available in online form, and we are expecting a deluge of such materials and providers over the next few years.
- Second, library users want to have access to that material as quickly as possible, and many of them -- the entering students and the scientific researchers in particular -- want information at their computer screens, wherever they may happen to find themselves.
- Third, U.S. state governments, as well as those of the national governments in the U.K. and now Canada, have been willing and eager provide additional funding to support broad-based consortia designed to improve access to serious electronic information for the benefit of the public citizenry. The State of Ohio, for example, supports databases and information resources for over 70 of Ohio's colleges and universities. The same is true in Virginia, California, and others. In some states, the public funding has been earmarked not only for the higher education population but also for the entire population of the state. Some examples of such funding, to so-called "multiple-type" consortia include the states of Georgia, Indiana, and Minnesota.
- Fourth – the crucial additional element – there has been a remarkable willingness on the part of information producers to negotiate with multiple institutions rather than to insist on individual contracts with individual libraries. By so negotiating, the information providers can save themselves a great deal of negotiating time, while picking up a lot of new business at once. In return, many are very willing to pass on some of these savings in the form of discounted prices and better terms of usage. At least, that has been our experience in the United States.

As a result of these factors, the consortial license has become an efficient and cost-effective way to manage access to large bodies of electronic content.

In the last three years, the consortium movement has exploded in libraries and has gotten a lot of attention from the information producing community.

The group that is today called the International Coalition of Library Consortia (ICOLC) was founded rather spontaneously in 1997, following on some informal discussions by, perhaps, a dozen or so consortial coordinators and directors when they attended the American Library Association conferences. Initially the group called itself the Consortium of Consortia, and our first formal meeting in February of 1997, in Missouri, was attended by representatives of about 30 U.S. consortial groups. It was a huge success. We invited a number of large electronic journal publishers to present to us their methods for dealing with consortia and learned so much that we decided to meet again in six more months. The group kept growing, and soon representatives of consortia all around the world were attending – so the group re-named itself to include the word "International.

Two times per year, for 3 ½ years now, the members of ICOLC have been gathering for 2-3 days to discuss common issues and to invite information producers to address them on issues of common concern. At these meetings, we achieve an exceptional level of information-exchange, interaction, and understandings both of

specific resources and of the needs of producers and customers. The European members of ICOLC decided last winter that it was time to hold an E-ICOLC meeting and they did so in December of 1999 in the UK, with about 50 participants. E-ICOLC will meet for the second time in December of 2000 in Berlin.

At this time, the economic and intellectual arrangements for the provision of information are being transformed by these consortia. Every day, we negotiate licenses that deliver more and more electronic content to our users, through arrangements that are favorable both to libraries and publishers. The consortial world is indeed one where willing buyers meet willing sellers. The loud arguments over copyright and serials prices tend to subside during these negotiations. The marketplace turns out to be a place where the advantage of all can be served, if we do our jobs well.

I do not mean to minimize the difficulties and challenges of consortial dealings. Ideally, groups of libraries acting together to make contracts for electronic resources can negotiate powerfully for usage terms and prices with producers. In practice, both licensors and licensees are learning rapidly how to work in this scaled up environment. Some of the particularly difficult issues in consortial licensing include:

- Not all producers are willing to negotiate with all consortia; some are not able to negotiate with consortia at all. This issue, it must be said, is fading in importance as some of the largest publishers show the way with their venturesome dealings with consortia.
- A condition for success is that a consortium must comprise members who trust each other and know each other well enough to take advantage of cooperation. In the early days of working together to make consortial agreements, the libraries may not achieve any efficiencies because all of them (and their institutional lawyers) may feel the need or desire to participate in the negotiating process and the review of the contract.

If, as in our consortium, there are 18 large university library members, this kind of participation and review can lengthen the time to license and can complicate the transaction enormously. Again, this is an anxiety that passes with time.

Today, we have seen many examples where a single individual representing multiple institutions negotiates successfully with the lawyers and businessmen of powerful multinational publishers.

- More puzzlingly, many of our libraries belong to several consortia. Consortia overlap greatly, particularly with existing bodies such as cataloging and lending "utilities" who may offer consortial deals to their members. Some consortia are regional, while others may be focused on a particular topic, such as science or theology materials. It seems that every U.S. library is in several consortia these days, and some of us are experiencing a "competition" for our business from several different consortia at once for a single product's license. It is then difficult for an individual library to know how and where best to get a good deal for a particular resource. Think of how this confusing this seems to the publishers or vendors!
- At the outset, no one is sure precisely what a consortial "good deal" comprises. That is, it is hard to define and measure success. The bases for comparison between individual institutional and multiple institutional prices are thin, and the stated savings can often feel like a sales pitch. Again, experience helps us to gain confidence and persuade our fund-givers and directors that there is value in working cooperatively.
- In the United States, small or specialized libraries are more likely to be unaffiliated with large or powerful institutions and left out of seemingly "good deals" secured by the consortia. Surprisingly enough, private schools like my university can be at a disadvantage since they are generally not part

of state-established and funded consortial groups. Outside of the U.S., this will be less of an issue, I believe, as there are fewer accredited private institutions of higher education in most countries.

- Price is always the most problematic issue. The electronic resources, such as databases, journals, and now collections of current e-books, are very expensive, even with a consortial discount. Consortia probably spend more of their time discussing price with suppliers than any other item. Price is bound up with other issues, such as how widely the resource will be available, to how many users at a time. I like to say that "there is no licensing problem that more money cannot solve," yet – few of us have "more money" to solve these problems.
- Finally, managing a consortium is no small thing. I founded and coordinate NERL (the NorthEast Research Libraries consortium) from my base of operations at Yale, and spent the first three years managing all the work myself, in addition to my regular Yale Associate Library Director position. But this was the right way for us to start, because over three years we developed a number of good deals, and each of our 18 members soon became willing to make a modest contribution to hire a part-time librarian to take on much of the support work. This librarian has created a wonderful series of web pages for us. She has developed sections for every resource we are thinking about, negotiating, or have completed. She keeps calendars of decision deadlines, follows up with both members and libraries to keep negotiations on track and on time, and she does the billing for any resources that are invoiced to NERL centrally rather than to the individual library members. This leaves me with the work of negotiating the contracts with potential information suppliers and getting our libraries to come to consensus. Many in our group are very helpful throughout this cooperative process.

Can we summarize some of the characteristics of contemporary library consortia?

- First, they are growing in number and size. ICOLC membership has increased by four times since it was formed in 1997, and regularly we correct the public web site to add new consortia or to show that individual consortia have added members or hired additional staff to do more business.
- Second, they are increasingly complex, a number of them now embracing multiple types of libraries in the same consortium (such as college, university, technical schools, possibly public libraries). At the same time, this enables the consortia to negotiate licenses for dozens or hundreds of libraries at one time – very efficient indeed!
- Third, they usually negotiate with largest providers (large indexing and abstracting services and major journal publishers) only – that is where the most reward for effort is concentrated. The choice has to be to negotiate for the most widely desired resources only, for obvious reasons.
- Fourth, consortia are proving to be efficient and cost-effective. The movement would not be growing if we did not show savings. For example, with one of our very large NERL databases, we are able to save about 25% per year on a \$100,000 per-library basic annual subscription price. In another case, currently under negotiation, we are able to reduce the addition price we would pay for electronic access (in addition to print price) by about \$30,000 or 1/3, when the single institutional price would have been around \$90,000. Those are significant savings, as they cumulate year after year – not just in the first year.

In short, library consortia are proving to have a powerful bargaining capability that comes as no surprise to economists. In the end, when buyers band together, the power of the group is greater than that of the individuals – this is true in many walks of life. In this way the playing field between publisher and customer is increasingly evened out, with the accompanying rise in good feeling and trust between parties, who have sometimes looked suspiciously on one another in the past. And the market for those electronic resources that our users want, is

more rapidly established.

Let me add a few words about ICOLC. As I said earlier, the group was founded in 1997. It grew rapidly into an international movement and we developed its public web site at my library:

<http://web.archive.org/web/20010624000308/http://www.library.yale.edu/consortia>. On that site, you will find full details in standard form about the 124 consortia from around the world who are now affiliated with the group. The names of the organizations, the contact information for the leaders, the nature of the groups and their chief services are all linked on the site. In addition, ICOLC has produced several agreed documents of great importance which may be found there.

These include:

- Statement of Preferred Practices
- Guidelines for Statistical Measures of Usage
- Guidelines for Technical Issues in RFPs

There are no draft licensing standards for the group as a whole, but practice is converging. In a separate activity, which I have also managed, we have produced at Yale the "LIBLICENSE" project

<http://web.archive.org/web/20010624000308/http://www.library.yale.edu/~llicense>, which both gathers and disseminates information about licensing practice from a wide variety of perspectives. The site also provides freely downloadable software (in English only, unfortunately) to use in constructing a license agreement. Many members of ICOLC and other librarians have found the site and its software invaluable in working their way through the thickets of licensing negotiations and licensing documents. The LIBLICENSE project also sponsors an online discussion list for library licensing, called LIBLICENSE-L. An easy way to subscribe and to search the archives is provided at the LIBLICENSE web site, whose URL is above. An online article in the September 1999 issue of D-Lib magazine describes the project in greater details, at <http://web.archive.org/web/20010624000308/http://www.dlib.org/dlib/september99/okerson/09okerson.html>.

What cautions would I offer to those moving forward with consortial dealings? One must remember that the only general rule is that there is no general rule. There are many kinds of consortia and you need to know what kind of group will work best for your library or institution. These consortia range from the "tight" (those with well defined members and clear funding sources) to the "loose" (flexible in membership and thus in funding), from private organizations to what are virtual government agencies, from very small to immense, from local to national. A publisher will find that they are all different and each must be approached on its own terms. This is why some publishers choose not to deal with them, though increasing familiarity with the concept over time seems to be winning over all but the most intransigent dealers.

It is important to recognize that not every product or every library benefits from consortial management. For example, very specialized resources will not draw a large customer base and a consortium will not find it useful to negotiate for the small number of libraries that would need such a resource. Very inexpensive products are probably not worth a consortial effort. In NERL, we decided not to negotiate for any resource that would cost each individual library under \$3,000 and/or didn't yield a large discount. If the individual members can do almost as well for themselves alone, then don't waste the consortium's time. The consortial members must be careful to match expectations to the probabilities for success – and not to hope for too much too soon.

I know too little of the French library world despite several fascinating visits and conferences, but I suspect that the famed Gallic orderliness of institutions may play to your advantage here! At the same time it will be all the more important to be alert for the possibility of unaffiliated institutions put at a particular disadvantage by the chance of not being associated with some large bargaining group. Find ways to include everyone. The more members, the more work – but the higher the payoff to both librarians and information providers.

What can consortia hope to do for libraries and their users in the years to come? Mainly (I think), to continue the

good work already begun and to build on it.

- First, show publishers that it is desirable and possible to deal with libraries on terms of respect and honest bargaining.
- Second, learn together and build real consensus among libraries who belong to consortia.
- Third, rationalize the world of consortia to eliminate overlap and confusion caused by it.
- Fourth, find better and better ways to measure the success of consortial dealings, in terms of economic advantage (in price) and intellectual advantage (in improved service and access for users of information).
- Fifth, publicize successes.
- Sixth, reduce costs and difficulties for administration by consolidating the negotiation for and administration of important resources.
- Seventh, and probably most important, simply by get a good price for library patrons!

At the beginning of this paper, I compared libraries to monasteries. Perhaps not every reader would appreciate or approve of such a comparison, for monasteries are not always the most exciting or progressive places in the world. But at the very least we must admit that libraries have a similar reputation, whatever the facts may be. But then we can take heart that over the years, a good many monastic communities around the world have found ways to take advantage of their special position and relation with the rest of the world to mutual advantage. Think of the fine wines and cheeses that we all enjoy from monastic cellars! I like to think of the product of library consortia in similar terms. And perhaps, as I visit France and make a particular point of savoring the delicacies of your tradition, I can repay the pleasure in slight part by talking of the way our American libraries are finding a place for ourselves in the frenzied commercial pace of the Internet age.