

Ogburn, Joyce. (1998) Vendors and the Acquisition of Electronic Journals: Can They Help Librarians? In *The Balance Point: E-Journals and the Middleperson*, *Serials Review* 24 (1): 104-106, 1998. Version of record available at: [http://dx.doi.org/10.1016/S0098-7913\(99\)80106-3](http://dx.doi.org/10.1016/S0098-7913(99)80106-3) [ISSN: 0098-7913]

## **Vendors and the Acquisition of Electronic Resources: Can They Help Librarians?**

**By: Joyce Ogburn**

For many years, librarians, publishers, and vendors have been talking about living in uncertain times. The rapid growth of electronic products and service providers has complicated the tangle of resources called serials. All of the players involved are attempting to develop a sense of fair pricing and good deals while the market changes with the addition of new players, consortial deals, electronic supplements to print products, licensing agreements, ownership and archiving issues, publisher buy outs, format changes, and evolving technology. This is a time of expensive transition and development, causing uncertainty, fear, and distrust.

However, this is also a time of exciting product development and enhancements, widespread access to electronic resources, and large-scale purchasing deals. Publishers are producing and librarians are buying.

This article will explore questions and possibilities of how and whether vendors could facilitate the process of acquiring electronic resources. <sup>1</sup>

Vendors have traditionally played the role of facilitator, consolidator, and communicator on behalf of libraries. This role could be extended to the supply of electronic resources for at least some services. Vendors have a lot of information gathering means and tools. They are positioned to monitor or track the development of electronic journals and describe the relationship of electronic to print titles, if any exists. They are also poised to assist libraries to which they supply print titles by facilitating the administration of electronic subscriptions. They can act to notify and confirm with a publisher that a library has a print subscription and then manage the communication, bookkeeping, transactions, and billing. One could imagine vendors managing pricing for consortia and different publisher pricing schemes, while ensuring that the right price is charged for resources. It is also conceivable that vendors could work with publishers and clients in customizing packages or even in establishing consortial arrangements for clients that do not belong to formal consortia. In the latter capacity they could act as agent and administrator for the consortium.

If vendors are to play these roles, a fair basis for service charges needs to be determined. At present, most of a vendor's revenue is derived from the sale of print titles and is based on the publisher discount,

which in turn can be based either on individual titles or groups of titles. Publisher discount is primary in the formula for determining revenue. As the purchase of electronic resources increases, revenue from print will decline over time and volume sales may not make up the difference. To stay in business, vendors need either to receive a discount from publishers on electronic titles or to charge clients a larger fee for their services.

Current pricing structures present a complicated spectrum, including concurrent print and electronic subscriptions, individual titles, packages, consortial deals; varying formats; and options of local or remote access. To be viable players in this field, vendors need to monitor pricing and discounts carefully to determine how much they should invest in electronic resources. Service charges should evolve as pricing schemes develop and discounts and services are measured. One hopes most of the cost will be up front in set up, not in follow up activities such as claiming.

Librarians' expectations of vendors have accelerated and they extend to electronic journals, databases and other resources. I suspect, but do not really know, that at this stage librarians are asking for widely varying amounts of support for electronic titles. Librarians need to find information on costs and discounts incurred by vendors to assess fair value and services charges. It is timely to ask whether vendors and librarians should return to the idea of unbundling service charges. Joe Barker, in his article on unbundling of vendor services, suggested revisiting establishing charges based on the intensity of the demand for resources and services.<sup>2</sup>

Librarians probably expect basic services to remain similar to those for print in many ways, possibly anticipating that the format should not make a significant difference. On the whole this could be true for basic services. Vendors should maintain a database of information about titles, including price for print and electronic, order period, cancellation terms, licensing terms, and variations for different formats (CD-ROM, remote access, locally mounted database, etc.) This database may include technical requirements if known and easy to identify. Basic services could include the billing, payments, renewals, and follow up work with publishers. It should not have to include claiming, which advances in technology should enable or eliminate. If librarians continue to need to check the status and availability of titles or issues, an automated means should be developed to check issues (or articles or editions) by URL or unique identifiers.

Special services, on the other hand, could include advising clients on licensing terms and interpreting terms, or providing a gateway or access medium or server. The latter may not be the role of the subscription agent per se; it may become a role for the publishing or database provider divisions of the parent companies. Another avenue vendors could pursue is providing technical and resource assistance to small scholarly publishers that want to mount electronic publications. Assistance could include design work, editing, storage, access, bandwidth, software, staff, billing operations, and licensing.

Archiving for libraries or publishers could also be considered a special service. If vendors choose to become an access provider, they could face stiff competition from aggregators and others that provide gateways and/or software for access to online information. At present it is not obvious who should perform this function, and perhaps there is room for many players in this arena.

A potential new role could be to negotiate license agreements for librarians who lack legal and technical expertise. However, this implies that the vendor knows the legal and technical implications of licenses, in addition to knowing local library restrictions, conditions, and policies, local laws, consortia

requirements and terms, and so on. An obstacle to this role could be that the institution would not give authority to an outside agent to negotiate on its behalf. Vendors could, at the very least, serve an educational function, facilitate standards development, participate in setting standards, compile information on licenses and licensing, and conduct research on the effects of licensing on the market. Groups such as ARL, CNI or SISAC should take the lead in making things happen, but vendors could host discussions, forums, and workshops. Librarians should be prepared to support and pay for vendor participation in research and education as part of their services.

It has become obvious in a very short time that there is a great need for communication among parties about the impact of licensing policies and practices on each other. Vendors could play a part in communicating needs of their customers to the publishers, and vice versa. Of course vendors are not the only source of information, advice, or expertise on these issues. Librarians and publishers could pay knowledgeable librarians to help them construct, understand or negotiate agreements or contracts. Other factors that influence decisions for librarians on how to use vendors could be staffing and funding restrictions. Librarians may have more flexibility in drawing funds from the collections budget than from personnel funds to pay vendors for services. Each library will have different budget and funding options.

The main question to ask is whether vendors add value to the process of acquiring electronic publications or whether they just add another layer to an already complicated process. Librarians should not have to sign licenses with the vendors AND the publishers for one title. Librarians also should expect vendors to continue their basic core services, improve these, and not focus on electronic resources at the expense of the print journal. Electronic resources should be folded into the resources that form the core services. Clearly vendors will venture more into the electronic arena as they see their profit base shift away from print. However, if the need for claiming is eliminated and electronic payments and transactions become routine, the question legitimately arises whether librarians really need a middleman for the acquisition of electronic resources.

A major goal of moving to electronic resources should be for all parties to save money in producing, processing, and storing electronic information while improving access, indexing, usage statistics, and delivery. Librarians should have the option to acquire titles that are really wanted, not just packages of all of a publisher's titles (although one could argue that journals are packages with articles that may not be wanted). Information on costs to assess pricing should be gathered. Perhaps even an unbundling of services should occur so libraries can choose the ones they need, just as they might wish to choose the titles or articles to which they have access. It is hard to see how publishers can sustain the demand that librarians retain print subscriptions and electronic and pay more money for the privilege.

The emerging challenges are very familiar. The serials industry has had a recent history of unclear pricing practices, price increases, fluctuating currency values, consolidation of publishers and buyouts, and a lack of a definition of fair pricing. Standards should be developed to promote access to resources and to facilitate transactions. Education remains a continuing challenge, as many librarians may not be prepared to gather and analyze pertinent information about the performance of vendors and providers of electronic resources. To evaluate whether to use a vendor to assist the acquisition process, librarians should undertake a careful examination of the vendor's services, outsourcing techniques and in-house costs. Changes in technology and their impact on publishing and library services are also essential to understand and outline.

For vendors to contribute to and succeed in providing services for electronic resources, they must develop a viable product that can meet these challenges, improve the acquisition process, reduce costs, and provide value. If vendors cannot deliver the goods, librarians and publishers will and should move ahead to forge closer ties and face the future without the middleman.

#### Notes and References:

1. In preparing this article I had an extensive discussion with Adrian Alexander, Head of the Faxon Institute, to explore ideas about the role of vendors in this process. I would like to acknowledge Adrian's contribution to the final product, but I take full responsibility for the contents of the article, which do not necessarily reflect Faxon policy or practices.

2. Joseph W. Barker, "Unbundling Serials Vendors' Service Charges: Are We Ready?" *Serials Review*, 16, no. 2 (Summer 1990): 33-43.