

CONSORTIAL PURCHASING: THE U.S. EXPERIENCE WITH ELECTRONIC PRODUCTS

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Rising costs and decreased purchasing power have forced libraries to share resources to meet the informational needs of their students and faculty. The incorporation of new technologies has allowed for the creation of consortia across large geographic areas; these technical advances provide a robust basis for greatly expanded access by users to library materials. This paper focuses on the U.S. experience, specifically with OhioLINK, the state-wide academic consortium of fifty-six libraries.

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Introduction

In Ohio, back in the 1960s, a group of radical librarians attended numerous meetings in Columbus to work on a plan to revolutionize the world. These librarians were not anti-war protestors or environmentalists trying to save the great white whales; they wanted to transform the library arena by finding a way to share cataloging records and library materials within the state of Ohio. The final product these radicals developed was named the Ohio College Library Center. While this name may not sound familiar, its initials are immediately recognizable. Today it is known as OCLC, a bibliographic utility that many librarians use.

For all of OCLC's success, however, it may be surprising to know that it never fulfilled one of the original purposes for which it was designed - a shared circulation system within the state, whereby Ohio libraries could freely lend and borrow materials from each other using a shared electronic database as a resource. So let us fast-forward through time from the 1960s to the 1980s to see what has happened in Ohio.

What is OhioLINK?

Ohio has created an Internet-based, electronic-library, information system that supports the mission of higher education within the state, called OhioLINK (short for *Ohio Library and Information Network*). This pioneering effort is a computer network of libraries and electronic information resources that offers access to nearly seventy research databases, to shared electronic journals, and to a combined central catalog for most Ohio universities, colleges, community colleges, and the State Library. In addition, users have access to patron-initiated borrowing, which means that users of the central catalog can initiate their own interlibrary loan requests.

OhioLINK is a state-wide consortium whose goal is to provide easy access to information and rapid delivery of library materials

throughout the state, offering a full complement of electronic services. For further information about OhioLINK, consult the web site at <http://www.ohiolink.edu>.

Why was it formed and how does it work?

In the mid-1980s, there was an explosion of newly published information and a proliferation of new information formats. Users had trouble keeping up with all the technological changes, and it was difficult to secure rapid access to information across the state. The Ohio Board of Regents, the state-wide governing body for education, received requests from various colleges and universities for a total of forty two more miles of shelving, for new library buildings, and for twelve million dollars worth of new and upgraded automated library systems. There was also no state-wide circulation system to share materials, as had originally been envisioned when OCLC was developed.

Rather than deal with these problems individually, the Ohio Board of Regents made the following decisions for all the state's academic institutions:

- There would be no new library buildings.
- There would be a state-wide automated system with a single vendor and a shared central catalog.
- There would be five regional depositories for the housing of less-used materials off-site.
- There would be a fast delivery service within the state.
- All state universities and two-year colleges would be required to participate. (Eventually, private colleges elected to become members as well.)

In 1988, the OhioLINK co-operative venture was authorized, using funding from the state higher education budget. It currently consists of a membership of fifty-six institutions (with seventeen more scheduled to join in 1998), access for 4,500 simultaneous users, and 104 individual locations. It serves over 500,000 faculty, staff and students across the state.

Supporting the network is a central office under the direction of Tom Sanville, and several committees and task forces that keep it functioning. The standing committees and their functions are:

- Library Advisory Council (LAC), which handles overall decision making;
- Co-operative Information Resources Management Committee (CIRM), which oversees selection of materials;
- Inter-campus Services Committee (ICS), which manages delivery of materials;
- Database Management and Standards Committee (DMS), which sees to the accuracy and standards of the OhioLINK database; and
- User Services Committee (USC), which provides services to users.

What are some of OhioLINK's accomplishments?

First, OhioLINK's central database was built, consisting of listings for fifty-six member institutions (with seventeen more to join in 1998, as previously noted). The database contains 6.4 million unique catalog records, 3.6 million of which are held in only one library. 2.5 million searches were made on the database in 1997 (a ten percent increase over the total number of searches for the previous year).

The central catalog is widely used, primarily for patron on-line borrowing. The system began in 1994 with only eight institutions' holdings listed in the database, but had received 4,619 requests for materials by the first month. By 1997, those requests had increased to 534,000 requests for materials. Requests are still increasing yearly, by an average of twenty-one percent; eighty-five percent of the requests received are filled within two days.

Finally, OhioLINK has achieved state-wide access to electronic information. In 1992, only two databases were available for public searching on the system. By 1998, sixty five databases (including Academic Press and Elsevier titles) were available; in 1997, 9,300,000 searches were performed on these databases.

Building a core of electronic journals is one of OhioLINK's strategic priorities. This includes the creation of a two-step program that would first build a critical mass of electronic journals accessible state-wide, and then measure their use and negotiate costs. The focus for the program is on commercial publishers, non-commercial publishers, and society publications.

This focus on journals has to do with, among other reasons, controlling price increases,

leveraging expenditures among libraries, improving state-wide access to information, providing a better value to libraries and users for money spent, and creating a bridge to the future.

Selecting titles for state-wide use

How, then, are titles selected for state-wide consortial use? How can fifty-six institutions possibly agree on which titles to purchase? In the early days of OhioLINK, the selection of new titles was simple, as most titles in electronic format were unique. To begin, the Co-operative Resources Information and Management Committee (CIRM) worked to identify and select for purchase a 'wish list' of core titles. Thirty titles were then purchased for use across the state.

This 'wish list' method of acquiring titles for the consortium worked well during OhioLINK's early years. But last year, OhioLINK moved into the better-organized mode of creating subject speciality groups for various disciplines. Each subject area group prioritizes the titles that it thinks important to each discipline. CIRM then reviews all the lists that are created by the subject groups, and tries to fill the gaps in the state-wide electronic collection.

Once CIRM selects titles, they are brought to the director of OhioLINK, who begins negotiations with the provider. As negotiations continue, certain items in the contract may have to be discussed at various levels within the consortium. Occasionally, titles are selected because they come in the side door from publishers who offer OhioLINK deals that are too good to pass up. Generally, full-text databases of selected titles are preferred over citation databases.

Not all titles selected for purchase by CIRM are bought, however. In some cases, a certain title is not selected because it is available only in CD-ROM and cannot be networked, or because a publisher does not wish to do business with consortia. Other reasons include high prices, difficulty of use with regard to interfaces, connections, and so forth, or licensing problems.

Previously selected titles are reviewed with regularity by the CIRM committee to assure that titles purchased in past years are still relevant, and that the best products are available for users.

CIRM continually looks for new titles which do the job better for the same money, or for a lower price. Often, the receipt of a new invoice listing a significantly higher price will force the committee to look into other options.

Consortial licensing in OhioLINK

OhioLINK's mission and philosophy is to provide maximum access to information at an affordable, institutionally-funded rate. The problems OhioLINK faces are the same as those faced by libraries in the UK. Serials costs have exceeded the standard inflation rate, and, as a result, library materials budgets are overwhelmed.

Consequently, universities have been forced to cancel subscriptions to keep their budgets under control, and can provide little, if any, monetary support for journals which cover new subject areas or emerging fields of study. Rampant inflation and less capital equal fewer materials for users.

By creating a healthy environment for journals, OhioLINK aims to stabilize the number of journals purchased state-wide, to encourage the use of expensive resources, to attain better value for expenditure, and to take advantage of new technologies for improved access to resources across the state. Consortial purchases allow libraries to do this.

Licensing electronic products

When compared to the licensing of databases for individual libraries, the licensing of databases on a state-wide level has been accomplished at a fraction of the cost. This method of providing access for users is highly cost-effective and beneficial for smaller colleges and universities, or for those libraries with limited budgets. It also creates access to new titles that were not previously available to users, and makes them more accessible by more users.

However, creating group licenses is a monumental task. Some of the current parameters for an OhioLINK group license include:

- Content in the electronic form must mirror the print version, and provide access to all consortium members.
- Access should be provided preferably via the consortium's system, rather than via the

vendor's on-line system. The expectation is that access be quick, and the digital format stable.

- Contracts for multiple years are preferred, to enable ample access time, with three years being the norm.
- Authorized users must be interpreted broadly, as there are 500,000 potential users in the state. Unlimited use, including copying and downloading, should also be expected for authorized users.
- Those libraries having paper subscriptions may freely lend materials, via interlibrary loan.
- Should the agreement be canceled, at least six to twelve months' notice is preferable. This allows libraries time to reinstate their print subscriptions if needed.
- A price differential is expected, if the consortium's system is to be used rather than the vendor's system. There are, of course, many variables to be considered, as cost can differ with the size of the publisher, the number of print journals subscribed to within the consortium, the number of titles available, and so forth. The expectation is that interlibrary loan royalties will be waived, so that there is a consistent policy toward access to both print and the electronic versions for everyone in the consortium. Price increases should be manageable throughout the length of the contract.
- If the electronic product is eventually canceled, OhioLINK expects continued access to the material during the subscription period. To ensure the availability of the information in the future, an escrow account with the data storage vendor is maintained.
- OhioLINK expects that all future titles from the publisher will be offered at an incremental price, and that the consortium deserves the right to accept or reject it.
- Should the publisher withdraw the electronic version, OhioLINK assumes that this withdrawal parallels the withdrawal of the print version as well.

What is going on elsewhere in the U.S.?

While the primary focus of this paper is a discussion of OhioLINK, OhioLINK is not the only initiative worthy of note. Keeping track of all the different consortia and electronic initiatives which exist in the U.S. can be similar to eating alphabet soup—the contents are many and varied. Two of the more prominent groups involved in this volatile and ever-changing field include:

- *Committee on Institutional Co-operation (CIC)*. This academic consortium consists of the Big Ten universities, and the University of Chicago. They are actively engaged in several electronic projects, one of which is called Collaborative Access to Shared Electronic Resources. Since 1995, CIC librarians have aggressively collaborated to gain licensing and access to many large information databases at a reduced cost. It is estimated that millions of dollars have been saved through this consortium. The CIC is also working on a licensing principles document. The group can be reached on the World Wide Web at <http://NTX2.cso.uiuc.edu/cic/>.
- *International Coalition of Library Consortia (ICOLC)*. ICOLC consists of about sixty library consortia in the United States, Canada, the UK, the Netherlands, Germany, Israel and Australia. This informal coalition serves higher education institutions in several areas of mutual interest. In March 1998, ICOLC issued a document entitled, "Statement of Current Perspective and Preferred Practices for the Selection and Purchase of Electronic Information." Among other topics, this document lists the preferred practices for licensing electronic products in a library consortium. Its URL is <http://www.library.yale.edu/consortia/icolcpr.htm>.

Librarians in the U.S. are struggling with license agreements and negotiations for access to electronic resources. They now find that the greater part of their days are spent revising licenses, tracking them through their university's required approval processes, and negotiating details with the various publishers and vendors that supply these products. Since most librarians obviously do not possess a law degree, it is useful to have a document to refer to for help in these

matters. One of the key documents recently made available to librarians in the U.S. is "Principles on Licensing Electronic Resources," written and endorsed by five library associations.¹ This document has been invaluable in helping to educate librarians about dealing with licenses. A complete version of the document can be found at <http://arlcni.org/scomm/licensing/principles.html>. The fifteen principles put forth by the document are:

1. A license agreement should state clearly what access rights are being acquired by the licensee - permanent use of the content or access rights only for a defined period of time.
2. A license agreement should recognize and not restrict or abrogate the rights of the licensee or its user community permitted under copyright law. The licensee should make clear to the licensor those uses critical to its particular users including, but not limited to, printing, downloading, and copying.
3. A license agreement should recognize the intellectual property rights of both the licensee and the licensor.
4. A license agreement should not hold the licensee liable for unauthorized uses of the licensed resource by its users, as long as the licensee had implemented reasonable and appropriate methods to notify its user community of use restrictions.
5. The licensee should be willing to undertake reasonable and appropriate methods to enforce the terms of access to a licensed resource.
6. A license agreement should fairly recognize those access enforcement obligations which the licensee is able to implement without unreasonable burden. Enforcement must not violate the privacy and confidentiality for authorized users.
7. The licensee should be responsible for establishing policies that create an environment in which authorized users make appropriate use of licensed resources and for carrying out due process when it appears that a use may violate the agreement.
8. A license agreement should require the licensor to give the licensee notice of any suspected or alleged license violations that come to the attention of the licensor and allow a reasonable time for the licensee to investigate and take corrective action, if appropriate.
9. A license agreement should not require the use of an authentication system that is a barrier to access by authorized users.
10. When permanent use of a resource has been licensed, a license agreement should allow the licensee to copy data for the purposes of preservation and/or the creation of a usable archival copy. If a license agreement does not permit the licensee to make a usable preservation copy, a license agreement should specify who has permanent archival responsibility for the resource and under what conditions the licensee may access or refer users to the archival copy.
11. The terms of a license should be considered fixed at the time the license is signed by both parties. If the terms are subject to change (for example, scope of coverage or method of access), the agreement should require the licensor or licensee to notify the other party in a timely and reasonable fashion of any such changes before they are implemented, and permit either party to terminate the agreement if the changes are not acceptable.
12. A license agreement should require the licensor to defend, indemnify, and hold the licensee harmless from any action based on a claim that use of the resource in accordance with the license infringes any patent, copyright, trade-mark, or trade secret of any third party.
13. The routine collection of use data by either party to a license agreement should be predicated upon disclosure of such collection activities to the other party and must respect laws and institutional policies regarding confidentiality and privacy.
14. A license agreement should not require the licensee to adhere to unspecified terms in a separate agreement between the licensor and a third party unless the terms are fully reiterated in the current license or fully disclosed and agreed to by the licensee.

15. A license agreement should provide termination rights that are appropriate to each party.

Conclusion

In his study on purchasing consortia, Thomas Kendrick noted that consortia "can be a valuable strategic initiative worth serious consideration" in many fields. He said that "a purchasing consortium is a vehicle" which may give considerable advantage to buyers in the purchasing process. Furthermore, he stated that consortia "seem to hold the potential for creating a new dimension of 'partnering' strategic alliances" beyond that which a single buyer can negotiate.²

The consortial purchasing of electronic products among academic libraries in the U.S. continues to expand as more consortia are formed. Consortia have become an accepted means for many libraries to provide more and better resources for

users for the same or lower cost. As an early entrant in the field, OhioLINK has provided the model that many other consortia are following.

Acknowledgement

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References

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