OVERVIEW

The market for integrated library systems (ILS) has become increasingly saturated over the last few years. Statistics show a decline in sales for vendors of PC and Macintosh customers and vendors of multifunctional systems. Dwindling funds and the downturn in the economy also have contributed to the decline in new-name sales.

See the vendor statistics in the March and April 2003 issues of *Smart Libraries Newsletter*, published by the ALA TechSource, a unit of the publishing division.

Vendors seem to be missing a key market—the small library, defined as a type of special library. These small libraries are characterized by:

- Existing within the context of a larger institution
- Sharing resources, space, and staff with a museum and archives
- Collections varying in size
- Collections varying in type of materials
- Seeking outside funding for technology

Small libraries existing within the context of a larger institution are competing with a museum or a related program for institutional funds. They are often inadequately staffed for the amount of the materials they hold. Typically one or two professionals are on staff, either an archivist and a librarian or both. Frequently, volunteers are relied on to perform functions of support staff.

Some better-funded state institutions may have larger staff, but their numbers are still often inadequate to handle the large collecting focus assigned the institution. For example, state archives are mandated to collect and preserve a state's records. In addition, they typically operate libraries and reading rooms occupied by genealogists. Their libraries are important documentary collections of state and local history and sizeable in number of volumes and types of materials.

The collections of small libraries can be characterized as containing three or more of the following types of materials:

- Books
- Manuscripts
- Visual materials
- Maps
- Audiovisual materials
- Ephemera
- Three-dimensional materials
- Rare books
- Special formats—microfilm, fiche

Because the size of collections is large, cataloging priorities must be determined to control the volume of materials.

Integrated technology is not always an option for these small libraries. Those institutions that can afford integrated systems may not be able to purchase all the necessary modules to make their collections available online. Lack of funding reduces their options. Others that are online are usually facing serious backlogs of materials in the cataloging queue. Many of these institutions maintain multiple software systems for cataloging museum, archives, and library collections. In addition, they may have software programs exclusively for membership and accounting.

An appropriate ILS alleviates a number of problems for small libraries. Yet the lack of funding, small staffs, and variety of formats in the collection makes selecting the most effective system a challenge. Vendors often cater to collections that are book-oriented, forgetting these small libraries with their responsibility for collections in a variety of formats. For example, visuals and manuscripts require different types of access from three-dimensional museum objects. Money is usually another consideration.

These small libraries often are competing for software among their peers within the institution. The development office, the membership office, and the museum all require different software programs for their needs. Few if any instances exist where a museum and a library can use the same cataloging program, given the special needs of each to process their materials. Unfortunately, these same institutions are least likely to have the funding for two separate systems.

Obtaining and implementing an ILS is a major process. Funding is often only one small problem within a larger context of obstacles. This report addresses the needs and concerns of the small libraries in acquiring an ILS. Specifically it addresses:

- What is an ILS?
- How do I find the right system for my small library?
- The hidden costs of an ILS
- Living with my selection

The mission of this report is to help make the selection process an expeditious and positive event. Knowing what other institutions have experienced is one of the major foundations for a smooth process. To provide real-life working models and to ascertain the use of integrated library systems in the small library community, many institutions were selected to answer a survey. The survey responses have been used to create profiles of these institutions. Through the profiles, additional information is provided that assists in the selection process. Small libraries in the following institutions were profiled:

- Museums
- Historical societies
- State archives

The profiles of many small library vendors have been included in Chapter 3. Appendix II lists the vendors that offer many products that may prove helpful in the selection process. Several profiled institutions in the profiles use these vendors.

Scope of this report

This report focuses on the process for acquiring an ILS for a small library. It is not a marketing tool for any vendor or a guide to selecting the right vendor. It is a study of current practice, a planning tool, and a guide for developing and implementing a selection process in finding the right ILS for a particular library—specifically the small library in the special library setting. In addition, it briefly describes many vendors and their products. The information found in this report serves as a reference point for implementing a thorough process to select an ILS.

Judging from the survey responses, nontraditional library institutions have a large learning curve in regard to the benefits of an ILS. The institutions surveyed indicated that an ILS was often viewed as benefiting one department or unit only. The benefits of an ILS were not often understood as a means of linking common functions. This learning curve is often predicated on the fact that no existing system can handle the cataloging needs of their combined collecting areas.

Acquiring a system requires research, an effective planning process, and a budget. This report provides a bibliography of resources helpful in making a selection or forming a selection process. Because the availability of vendor demos online is prevalent, this report does not include product illustrations. Instead, the emphasis is on process, descriptions of successful systems, and the structure to create an effective process for acquiring a system.

Planning models have been studied and are included in the bibliography as well as cited throughout the report. Budgets are part of the planning process, and statistics were gathered in the survey to indicate the variety of resources used to create the necessary budget for an ILS.

Often knowing who is using a particular system is a helpful point of reference in planning for acquiring an ILS. Through the survey, information on many special libraries has been accumulated and analyzed for this report. Profiles of two select institutions have been provided in Chapter 4 as well as thumbnail sketches of all institutions participating in the survey in Chapter 3.

Methodology

To gather data for this report, two surveys were conducted via e-mail: a survey sent to archives and museums and the annual vendor survey for smaller libraries conducted by the ALA TechSource for *Smart Libraries Newsletters.*

The first e-mail survey was sent to 71 institutions fitting the definition of small library to obtain an accurate picture reflecting the current climate of these libraries. These institutions were selected at random from the membership list of the American Association for State and Local History. These institutions include museum libraries, archives, historical society libraries, and state archives. An effort was made to include an institution from every state in the United States.

Small libraries is a term used in this respect to describe a library within a multifaceted institution. These libraries are often competing for funding or computer systems with other departments that have completely different criteria for their computer-based operations. In short, these small libraries are part of a hybrid institution.

Queries focused on:

- The type of ILS in use
- The process through which the institutions went to select this system
- The source of funding

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www.techsource.ala.org

- The number of upgrades since purchase
- The amount of the annual maintenance fee
- The ideal system
- Additional software systems in use within the institution

Thirty-five percent of the institutions responded. All were contacted twice. Responders were asked to return the survey before Dec. 15, 2002. The deadline was extended again to allow for more responses. Of the responders only 23% provided enough adequate information to be effectively analyzed. From the responders, two institutions were selected to profile in depth.

The survey of vendors for small libraries used in creation of the *Smart Libraries Newsletter,* April 2003, also was used to construct profiles of vendors for this publication.

Survey queries focused on whether the product was available as turnkey or software system or both; the hardware platform; operating and database management system; the number of new-name systems (central sites) sold in 2002; total number of installations; types of libraries served; geographic distribution of the installations; the available modules; corporate revenues; the number of staff devoted to software maintenance and customer support; new modules in development; and number of new enhancements for 2002. The survey also asked how many employees held an MLS degree**.**

Many vendors indicated system support for UNIX, Linux, and Windows NT/2000 operating systems, more traditionally the territory of the large systems. Vendors also indicated additional modules beyond the choices allocated on the survey. Only two vendors continue to use a hierarchical architecture.

Not all vendors answered every question. The majority of vendors offered systems that support modules including circulation, acquisitions, serials, cataloging, authority control, Gen MARC, GUI-PAC, and reports.

Smart Libraries Newsletter, April 2003, by ALA TechSource, provides information on the vendor survey and includes comparative tables designed to provide quick information on systems available in today's market.

State of the industry

The library automation market is in a state of constant change. Mergers and alliances among vendors, new product development, the global market, and movement away from legacy systems have created competition among vendors resulting in a product base that is more user-responsive. The current downturn in the economy, however, has taken its toll.

> "Dwindling library budgets have many moving cautiously. Most vendors report 2002 was a good year.… However, the millions spent by libraries on software and systems had already been allotted before the bottom dropped out."

Source: "Vendors Holding Steady at ALA Midwinter," Library Journal, Feb. 10, 2003. http://libraryjournal.reviewsnews.com/index.

Company changes are a part of the vendor life cycle. Mergers and alliances over the years that have been of note include the purchase of Data Research Associates (DRA) by Sirsi Corp., the acquisition of Carl Corp. by The Library Corp. (TLC), and the purchase of Endeavor Information Systems by Elsevier Science. The trend continues as smaller companies are bought by the larger players. "A smaller group of larger firms dominate the library automation marketplace. They are basically international, diversified, and privately owned."

Legacy systems that are disappearing include Notis. Once a leading ILS among research institutions, Notis is being replaced by many intuitions seeking the next-generation systems. Academic giants including Harvard, Cornell, and MIT have replaced their former systems with more powerful systems that offer flexibility and connectivity to the increasing uses of the Internet.

On the global front, strongholds of world knowledge such as the British Museum also are abandoning outdated systems. In 2002 it selected a Sirsi Corp. software product for the Library of Anthropology to replace the existing Bookshelf system. The University of Stirling in Scotland chose Millennium Library Automation System from Innovative Interfaces, Inc., to replace its Dynix Corp. system. Recent announcements that continue the trend are Duke University's decision to purchase a new system, and Virginia Commonwealth University's purchase of Aleph 500 from Ex Libris (USA), Inc., to replace Notis.

Broadly speaking, vendors can be characterized as privately held, producing products that augment their business acumen within the broader library environment, and participating to some extent in the international market.

In addition, they can be classified into two categories of vendor type: large library and small library. The large vendors focus on the research and academic libraries that require powerful connectivity, multifunctionality, and usually use Linux, UNIX, NT Servers, and Windows 2000 servers for multiuser operating systems. Small library vendors focus on PC- and Mac-based multifunction products using a Windows 95/98/ME/2000 or a Macintosh operating system supporting at least three modules. Their audience is primarily the public, school, and special libraries.

The school library market is strong with many highly active vendors. For example, in 2002, Brodart became a major player in the school library market. With the cultural climate pushing the improvement of public education, the funding for computer systems in the schools is likely to remain stable.

Public libraries also have many vendors from whom to select. These vendors provide the flexibility to work with libraries either as single units or consortia. To cite an example, Laurel County Public Library (Kentucky) replaced its system with Gaylord Information System Polaris. Serving 55,000 residents of the county, the library increased its tax rate in 2000 resulting in the creation a new 25,100-sq.-ft. library and the acquisition of Polaris. Public libraries often have the ability to expand their budget base to allow for such purchases.

Small libraries, as defined in this report, are the stepchildren of the library world. As a hybrid often containing collections that require many formats for cataloging, they do not fit the mold of the public, school, or research library. Funding is generally a problem for these libraries, especially the small libraries or those in museums, archives, and historical societies. Grants are often a major resource for purchasing an online system.

Unlike the research libraries that are more likely to replace than upgrade a new system, special libraries are facing a one-time purchase that must be highly functional for a long term. Although many small library vendors have special library customers, especially in the area of law libraries, no one vendor caters specifically to this audience. These libraries must make do with existing systems to find the one that best serves their special needs or use multiple systems.

Source: "Capturing the Migrating Customer," by Marshall Breeding, *Library Journal*, April 2, 2002, p. 48.

Source: *Library Technology Guides*, Feb. 28, 2003. www.librarytechnology.org.

Source: *Library Journal*, Feb. 10, 2003. http://libraryjournal.reviewsnews.com/index.

Source: *Library Journal*, Feb. 17, 2003, http://libraryjournal.reviewsnews.com/index.

Source: "Laurel County Public Library Selects Polaris," *Biblio Tech Review*, Feb. 28, 2003. www.biblio-tech.com.

Source: Integrated Library System Migration Study Steering Committee Report & Recommendations, Dec. 18, 1997, p. 2, University of Iowa.

"Libraries now require access to an almost unlimited variety of electronic resources including databases of images, full-motion video, sound, and full text. The introduction and widespread acceptance of the World Wide Web and standard browsers have led users to expect the same sophisticated access in online library catalogs." This new expectation and demand is transforming and driving the market.

Summary

The market is busy responding to two major trends: migration away from legacy systems and a growing need among users to have 21st century generation products and capabilities. The economy may cut into the growth of the companies overall as buyouts and mergers continue to increase. The choices and products available are better than ever, and the first-time buyer faces a smorgasbord of selections, especially from the traditionally smaller vendors who previously lacked the options.