The Diversity of Companies in the Library Automation Industry

By Marshall Breeding

While the largest companies tend to garner the most headlines, it’s important to remember that the library automation industry consists of a very diverse group of organizations. Players in this industry range from tiny firms of with a handful of employees to the larger international companies with hundreds of personnel that do business around the world. I’m glad to see this kind of diversity and I believe there is room in the industry for the success of many different companies and organizations.

These companies differ in size, but they also represent many different types of organizations, ownership arrangements and niches within the market. This mix of companies helps ensure that there will be technology for all types of libraries at a broad range of price points.

The largest of the companies develop products that appeal to a broad class of libraries, usually within a given set of library types. While some of the systems find use in many different types of libraries, these large companies do not necessarily want to channel resources into developing versions of their products for any given product niche, nor are they likely to find it worthwhile to offer products at price points within the reach of small libraries with very limited budgets. Fortunately, other companies are able to step in and address the smaller niches and the needs of small libraries. In general, I observe that larger companies focus their marketing energy on larger libraries and consortia, though it is true that some of the consortia they serve include some very small libraries.

Perhaps unsurprisingly, it’s the smaller companies that find themselves in a better position to find the business of small libraries worthwhile. Biblionix, for example, has built a strong business by placing its Apollo ILS in small public libraries across the country. In this month’s feature, we’ll look at Auto-Graphics as another example of a company able to find an growing set of business opportunities by providing its ILS to mostly small libraries, and, as we’ll see in the article, at very affordable pricing. Other companies exploit niches that larger companies don’t find worthwhile. Keystone Systems comes to mind as an example, having designed its KLAS automation system primarily for libraries that serve persons with visual and other disabilities.

As open source automation systems entered the picture over a decade ago, a variety of companies have emerged that base their business model on providing services for this type of software. Because these companies are not able to charge license fees, they generate revenue from services, including hosting, sponsored development, conversion or installation, and ongoing support. These companies represent a growing segment of the industry, both in terms of their business and the number of libraries that they serve.
The industry also includes companies with a mix of business configurations. Most are privately held for-profit corporations. OCLC stands out as the one non-profit, even though it competes head-to-head with the for-profits in the library automation industry. Auto-Graphics, as we’ll see below, holds the unique status as the only public company (that I am able to identify) which participates in the library software industry. All of these different types of companies share a great deal in common in the way that they develop and market their products.

From my perspective as a person who follows the industry closely, the most important difference between these companies lies in how they make information available regarding the details of their business practices. Specifically, non-profits such as OCLC and publicly traded companies such as Auto-Graphics are required to file and make available detailed financial reports. OCLC, for example, just released its 2011 annual report, which includes interesting financial details. We can learn, for example, the specific amount that it paid to acquire the German company BOND last year. Even more information is available through the organizations 990 federal tax form, which non-profit companies are required to file and make available to the public.

Private companies, on the other hand, have no such obligation to share financial data or other information that they may deem proprietary. Fortunately, most of the companies in the library software industry are reasonably generous with the information that they choose to share. Since these companies do business with a large proportion of public institutions, some additional information can be inferred regarding the extent of their operations and revenue. Companies in Europe are also subject to required reporting, even if they are privately held. In most cases, financial information can be obtained from official registries of companies maintained by each country. This combination of reporting scenarios makes the process of tracking and analyzing the library automation industry very interesting.

This month, we look at a new statewide consortial automation project in Tennessee. This gives us the opportunity to take a closer look at another example of the growing national trend toward shared library automation systems at a statewide level, with a few interesting twists, and also to highlight a company for which we have not previously provided in-depth coverage. We also note the passing of the company’s founder and one of the pioneers of the industry, Robert S. Pope.

Auto-Graphics has been landing an increasing number of consortial contracts for its AGent VERSO ILS, demonstrating its standing as one of the stronger mid-level library automation vendors in the library automation industry. Their newest clients include a large statewide consortium in Tennessee. This project stands as a significant win for Auto-Graphics and also marks the first time that Tennessee has sponsored a statewide library automation initiative. In a phase of library automation where open source automation projects gain considerable attention, it demonstrates that proprietary systems continue to be regarded as viable alternatives.

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The Tennessee State Library and Archives has entered into an agreement with Auto-Graphics to provide AGent VERSO ILS to public libraries throughout the state. Though not intended as a comprehensive statewide system, the project will provide the AGent VERSO ILS to as many as 100 public libraries across the state, with 52 committed to adopt the system in the initial year of the four-year contract. The libraries in the initial phase span a wide geographical area across the entire state. The contract supplies these libraries with the AGent VERSO Consortial Edition ILS, including its basic cataloging, reporting, and circulation modules, the CILL module for connecting the ILS with the statewide interlibrary loan system, and the AGent Iluminar® discovery layer. The contract
may provide acquisitions and serials management as needed, as these modules are not necessarily required by the smaller libraries targeted in this project. The contract was bid and evaluated competitively through an RFP-based procurement process.

Integrated with Statewide Resource Sharing

This new consortial ILS builds on existing infrastructure which happens to also be supplied by Auto-Graphics. In 1997, Auto-Graphics created a Web-based union catalog and interlibrary loan system for the 228 public libraries in Tennessee. This union catalog provided a valuable resource by incorporating the holdings of public libraries throughout the state, but did not displace the automation systems used in each library. TSLA implemented the AGent Cataloging and Resource Sharing system in 2000 to enhance its statewide union catalog and interlibrary loan service. In 2004, TSLA renewed its contract for AGent Resource Sharing® and extended it to include ISO ILL and Z39.50 modules. Through its support for these protocols, the statewide resource sharing environment was able to communicate with the many different ILS products in place throughout the public libraries in the state. In 2003, the Tennessee State Library and Archives selected AGent VERSO to manage its own internal collections. This pattern of library automation procurements reflects an ongoing positive partnership between the Tennessee State Library and Archives and Auto-Graphics as a technology provider. Prior to this project, individual libraries in the state had been purchasing automation systems from many different vendors, with no single dominant product.

Financial Details

Funding for the new shared AGent VERSO implementation comes both from the state and from local funds. Tennessee Secretary of State Tre Hargett made funds available through grants available to Tennessee public libraries, making an effort to target those with an annual circulation of less than 100,000 transactions. The grants offered through the state stipulated that the libraries provide matching funds. Most of these libraries will migrate from outdated PC-based systems such as Winnebago Spectrum and Concourse from Book Systems. Some libraries involved will be implementing AGent VERSO as their first-ever automation system. Libraries beyond those receiving grants may also opt into the shared system. Terms of the contract include $200,000 provided through the State of Tennessee in 2012, $30,000 in 2013, plus funds contributed annually by each of the participating libraries. Should participation grow to the maximum of 100 libraries, the full five-year term would total $1.1 million. Costs per library were negotiated at $5,486 for the first year and $1,400 annually for the remaining 4 years, quite a bargain for small libraries to gain access to a modern library automation environment.

This project marks the first time that the State of Tennessee has sponsored a shared library automation system for public libraries. Previously, libraries in Tennessee implemented their automation systems entirely independently, or through cooperative arrangements within the regional libraries. The Tennessee State Library and Archives operates twelve regional centers that provide services to libraries within their respective geographic areas. Services offered by each regional center vary, but they typically include cataloging, training, and resource sharing. Two of the regional centers offer a shared automation system for their members: the Fort Loudoun Regional Library operates a SirsiDynix Symphony ILS for 16 libraries in east Tennessee comprising the IRIS Consortium and the Northeast Tennessee Library Network operates a Millennium ILS for public libraries in the region, along with East Tennessee State University. Libraries participating in these existing shared systems, or any of the larger municipal systems, are not part of the new statewide consortium.

Resource Sharing Opportunities

For the most part, public libraries in Tennessee have not previously had the opportunity to join a cooperative statewide system, despite the fact that this has been a growing national trend. This project offers the chance for the smaller public libraries with limited financial resources to move away from outdated systems, but also offers them a chance to gain advantages associated with a shared consortial environment. The new AGent VERSO system will be implemented in a consortial configuration that allows patrons to search across the holdings of the participating libraries. It will also include the Circulation-Interlibrary Loan Link (CILL) module which provides an easy interface from the AGent VERSO ILS to the statewide resource sharing system based on Auto-Graphics’ AGent Resource Sharing product. CILL makes use of the NISO Circulation Interchange Protocol (NCIP) to manage the communications between the ILS and the interlibrary loan system. This combination of products results in an environment that allows library patrons to easily discover materials held in libraries throughout the state and to place requests for them. Library staff using AGent VERSO will have the ability to manage both reserves or holds and ILL activity within the same workflow.
Implementation Details

Although the system will be implemented in a shared configuration, each participating library will have the ability to make local configuration choices like lending policies, material types, patrons' access, and other features. Not only will each library be able to make cosmetic customizations in the AGent Iluminar public interface, but it will also have the ability to choose whether to scope the default search to the library's own holdings, for its region, or for the entire consortium.

The new AGent VERSO system will be hosted by Auto-Graphics out of its facilities in Pomona, California. This Software-as-a-Service option allows the libraries to avoid the need to maintain local servers or to install and manage software. As an entirely Web-based system, there will also be no need to install client software on staff or public computers in the libraries.

According to Auto-Graphics Vice President for Sales Albert Flores, "AGent VERSO relies on a suite of Microsoft technologies, including the Microsoft .NET framework and Microsoft SQL Server. The entire suite of AGent products shares the same architecture and design principles, making it simple for libraries to integrate the ILS and resource sharing products, resulting in a unified workflow that joins circulation with interlibrary loan.”

Other Alternatives Considered

The Tennessee State Library and Archives also considered and evaluated open source alternatives as the basis of this new shared automation system. A number of states have embarked on projects based on one of the two major open source ILS products, Evergreen and Koha. State Librarian and Archivist Charles A. Sherrill indicated that TSLA saw a number of barriers to implementing an open source solution, including both the availability of sufficient personnel with technical expertise and a lack of financial resources. Based on cost analysis, the implementation of an open source product would have been considerably more expensive per library than the proprietary solution ultimately selected from Auto-Graphics. The selected Software-as-a-Service delivery is void of a heavy upfront license fee.

The state also considered OCLC new WorldShare Management System, but felt that it was not cost-effective for their specific needs. The small libraries involved in this project currently do not belong to OCLC. The cost of membership plus the additional subscription fees for WMS would have been prohibitive. Though WMS may involve incremental costs to existing OCLC member libraries, for small libraries with very limited resources, OCLC membership subscriptions may pose a considerable challenge.

Steady Growth for AGent VERSO in the Automation Marketplace

Since its launch in 2005, AGent VERSO has been selected by increasingly large groups of libraries. Initially, the product saw sales mostly to small public libraries, purchasing it individually. The product saw sales mostly to small public libraries, purchasing it individually. In the last few years, Auto-Graphics has enhanced the product with features designed to appeal to midsized libraries and consortia. The company has also created the AGent Iluminar interface, which produces a rich interface that competes well in the arena of new-generation discovery. These efforts seem to have achieved their desired results. The Wind-Spring Library System, based in La Crosse, WI, selected AGent VERSO and CILL in January 2011 for its 35 library facilities; the Southwest Wisconsin Library System licensed AGent VERSO for its 30 libraries in October 2010; 13 public libraries in Northwest and North Central Kansas opted for AGent VERSO in August 2010. A mid-sized company, Auto-Graphics’ AGent VERSO ILS has been implemented in about 300 libraries spanning almost 400 individual facilities. The current niche for AGent VERSO lies in public libraries, either purchasing individually or organized in consortia. It has not broken into ranks of large urban libraries. Through its multiple large state-wide implementations of its union catalog, resource sharing products, and bibliographic services, Auto-Graphics reports around 5,500 total library customers.

Auto-Graphics Corporate Background

Auto-Graphic stands as the company with the greatest longevity in the library automation industry. With a history of almost
62 years, it’s survival has depended on its ability to navigate through many cycles of media and technology, and to continually evolve its product and service offerings accordingly.

Auto-Graphics was originally founded as Cope Typesetting by Ira C. Cope in 1950. It initially was a typesetting and printing company. The company has reinvented itself many times over its corporate history. Following almost 20 years in the printing and typesetting business, the company became involved in the creation of library catalogs in 1970, using computer databases. These catalogs were produced in different media over the years, beginning with computer-output microfilm (COM), to CD-ROM, and eventually to online and Web-based services. (The September 1992 issue of Library Systems Newsletter included a story on the three options of COM catalogs Auto-Graphics produced.)

Auto-Graphics has created products based on technologies it has acquired and through its own development efforts. The company’s products span library management, resource sharing, and bibliographic services. In 1970, it acquired a company called Leaps as the basis for its start in computer-based printed Library Catalogs. Later, the company developed Microform capability including a patented roll-fiche reader. Auto-Graphics acquired the Liberator Library Management System in 1990 from Denver-based Liberator Information Systems and Services, which became the Impact/SLIMS automation system that the company sold to mostly small libraries through the 1990’s. In February 2001, it acquired Maxcess Library Systems, redeveloping that company’s technology into the A-Gent VERSO ILS. In June 2001, Auto-Graphics purchased the Wings Request Management System from Pigasus Software, Inc. to take advantage of its ISO ILL technology. This deal eventually unraveled due to dissatisfaction with the quality of the software.

Auto-Graphics has also created other spin-offs and business ventures. A-G Canada was formed in 1997, bringing in assets mostly related to bibliographic services, including the Library Information Services Division of ISM Information Systems Management Manitoba Corporation. Once a separate subsidiary, its operations are now part of Auto-Graphics, Inc., which still maintains its office in Toronto to serve its Canadian customers. In 2000, the company created two new companies, LibraryCard, Inc. which launched the LibraryCard.com site offering bibliographic and references services to the public, and Dataquad, which developed and marketed the company’s XML and SGML-based content management system.

Auto-Graphics stands as the only public company in the North American library automation industry. The company was taken public in 1979 and is traded under the AUGR symbol. From 1979 through 2004 the company was listed on the OTC Bulletin Board and followed mandatory SEC reporting. In May 2004, Auto-Graphics completed a process to terminate its registration, freeing it from the extreme costs associated with Sarbanes-Oxley filing requirements, an option available to public companies under specified circumstances.

The library automation industry has not proven to be a haven for public companies. Most of the companies are privately owned by founding families or small groups of investors that have been acquired by private equity firms. Auto-Graphics is very small relative to most publicly traded companies. Even the largest companies in the library automation industry like SirsiDynix or Ex Libris would be considered too small to go public in today’s environment. Other public companies in the industry have either gone private or have been acquired by private companies. Data Research Associates, founded by Michael J. Mellinger in the mid-1970s, went public in 1992, and was acquired by Sirsi Corporation in June 2001. DRA no longer exists and its library automation products, including DRA Classic, MultiLIS, and INLEX have gone extinct. BiblioMondo, which was organized as a public company in Canada with library customers throughout the French-speaking Canada and France, became private in 2008 when its President Ronald Brisebois acquired exclusive ownership.

Corporate Reorganization

In 2010, a corporate reorganization formed a new public company named Agent Information Software, Inc., traded under the symbol AIFS. This serves as the top-level holding company for Auto- Graphics and other business ventures. Auto- Graphics is now a wholly owned subsidiary of AIFS. Paul R. Cope (third generation) serves as President of AIFS and Chairman of the Board.

A new company called AgentLegal, Inc. (see: www.agentlegal.com) was formed in 2008 to create and market products related to the electronic
Library Technology News in Brief

Excerpted from Press Releases Posted on Marshall Breeding’s Website (http://www.librarytechnology.org/)

EOS International Releases New Entry-Level ILS Product: EOS.Web Essentials

January 3, 2012 — EOS International announced the introduction of the EOS.Web Essentials product that will add to the line of EOS.Web solutions provided by the leading library automation software and knowledge management solutions company.

EOS.Web Essentials is an entry-level product and the perfect solution for small libraries and solo librarians. It is a fully Web-based system, built on Microsoft .NET technology and the SQL Server relational database. “Our goal with the release of EOS.Web Essentials is to provide a cost-effective, yet robust solution so smaller libraries can gain access to the benefits of using our market-leading technology” said Salvatore Provenza, Vice President of Global Sales & Marketing.

EOS.Web Essentials is a scalable, modular system that can grow with you as your needs change. The software modules include: OPAC Discovery, Cataloging, and one additional foundation module: (Circulation, Serials, Acquisitions, or Z39.50 server) at a price that meets your budget requirements.

Springer launches SpringerLink Mobile App for iPhone

Springer, a leading global scientific publisher, has launched the SpringerLink mobile app for iPhone and iPod Touch. It is free to download from the iTunes App Store providing access to the science platform www.springerlink.com containing articles and chapters from over 2,000 peer-reviewed journals and 49,000 books. In total SpringerLink is offering over 5.4 million documents spanning every area of science, technology and medicine.

The SpringerLink mobile app includes a number of features like personalized notifications, save and share abilities, advanced search, document details with abstracts and full-text views available to institutional subscribers. In addition, the app provides users with a multi-functional home screen, allowing for keyword and advanced searches. Included in the advanced search is a save search feature that allows the user to save any advanced search so that it may be quickly executed from the home screen. The user can be notified from the app’s home screen when any new chapters or articles are published that meet the criteria of his or her saved search, allowing a user to specify his or her areas of interest and quickly check for new, relevant publications.

Free content in the form of article abstracts, over 127,000 open access research articles, plus book and journal covers and other document details are included in the app. Full-text is available to all users with institutional subscriptions. Users may instantly view materials while connected to a subscriber-based network. In cases where a user is not connected to the network but has a valid username and password, he or she will be presented with a link to log into SpringerLink.com. Upon log-in, the user will be redirected to the full-text PDF of the original request. Users can then share and save documents via email, Facebook and Twitter directly from the SpringerLink mobile app.

“The SpringerLink mobile application represents Springer’s continued focus on providing useful digital tools to researchers, students and professionals,” said Patricia Cleary, eProduct
Management at Springer. “As more and more research is done away from the desk and on the go, it is our responsibility to make sure our customers are equipped to conveniently access Springer’s vast collection of content.”

Springer’s content platform SpringerLink (www.spriingerlink.com) provides electronic access to more than 2,000 scientific and specialist journals, more than 48,000 eBooks, more than 1,500 book series and about 200 reference works. The publications cover topics from 12 subject collections such as mathematics, computer science, medicine, engineering, economics, law, humanities and social sciences. It also makes available 25,000 searchable online protocols in life sciences and biomedicine.

PALS Implements New VuFind Overlay: PALS Partners with Northfield’s Bridge Consortium to Provide User-Friendly Search Experience for College Students

December 28, 2011 — PALS is taking innovative steps to improve the student research experience at Carleton College and St. Olaf College in Northfield, MN with a new overlay for the colleges’ shared library catalog. This fall, PALS signed a contract with the Bridge Consortium to customize, host and support a VUFIND overlay for their library catalog. This new interface makes library collections more visible and attractive to today’s web users while using the consortium’s current underlying Integrated Library System from Innovative Interfaces, Inc. VUFIND provides a clean interface with faceted searching and includes social networking features such as tagging and user comments.

Initial reactions to the new interface are positive. One student wrote: “I love the new Bridge! [It’s] clean and simple. It’s easy to narrow down your search and is more accurate than the old system.” Faculty like it too; a St. Olaf Music professor wrote: “I find the Bridge interface a new resource for information searches. . . . Also the “Narrow Search” summaries that come up with keyword searches —especially the “genre” category have been very helpful in finding additional materials that bear on my opera topics. Before them, I had to rely mostly on bibliographies!”

PALS developed MnPALS Plus, in use by the MnPALS Consortium, based on the VUFIND interface, initially developed by Villanova University. PALS also provides and customizes a version of VUFIND, UFind, in conjunction with ODIN in North Dakota. In keeping with the cooperative spirit of the open source software movement, PALS continues to work with representatives from the Bridge Consortium to refine the design and customize VUFIND for use in their library environment. Carol Eyler, Head of Technical Services at the Carleton library says: “After the frustrations of not being able to change our proprietary systems, it is refreshing to work with PALS staff on an open source tool that is so easy to customize.”

Infor Library and Information Solutions Announces Availability of New Mobile Offering

December 27, 2011 — Infor Library and Information Solutions, an independent business unit of Infor, today announced the availability of a new mobile offering for libraries. The mobile offering, called NOW, is a flexible and affordable mobile solution that provides public, academic and school libraries with a mobile website and mobile app in one.

“NOW is a mobile solution that lets library users know what’s happening now in the library”, says Dave Alexander, sales and operations manager, Infor Library and Information Solutions. “NOW provides users access to the library’s collections but also highlights information that typically gets lost within a library’s online presence such as book reviews, events, recommended items, blog entries, and more. At the same time, NOW is very flexible; the solution is available both as a mobile website and a mobile app—libraries can simply choose what works best for them.”

With NOW, libraries enjoy a flexible and affordable solution to drive usage of collections and services. Libraries can choose to implement a mobile site, a mobile app, or both. Libraries that already have a mobile catalog may choose to implement a mobile site and/or app that links to the library’s existing mobile catalog. The NOW mobile solution also provides users integrated, on-the-go access to a library’s other mobile web offerings such as LibGuides, OverDrive, WordPress, Facebook or Twitter.

NOW features a complete Content Management System (CMS), enabling libraries to update the mobile site and / or app via the CMS, through RSS feeds or even via e-mail. The solution may be custom-branded and is made available separately for each library in the app store.
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