Smarter Libraries through Technology:

The Distinctive Realm of Special Library Automation

By Marshall Breeding

Library automation is far from a one-size-fits-all proposition. The different types of libraries—public, academic, school, and special—each make use of technology in distinct ways. Each sector brings its own technology requirements and automation needs. Several different groups of companies are engaged in creating specialized products and services for their respective niches. Companies like Follett Software Company, Book Systems, and COMPanion offer products adopted primarily by K-12 schools and districts, with an emphasis on age-appropriate materials, support for the small libraries typically associated with each school, managing textbooks and media assets, and an increasing emphasis on efficiencies that can be gained at the district level. Automation products for public libraries must deliver the ability to manage collections of printed books and other physical items in flexible ways that accommodate the constant flow of new popular materials into the libraries, the flow of materials from one branch to another, and the demands of library patrons for limited copies. Right now, academic libraries are dealing with increas-

ing numbers of subscriptions to scholarly content in electronic formats, involvement with the creation of digital collections, and a diminishing emphasis on print materials.

Similiarly, the realm of special libraries is a world unto itself, and is not at all homogeneous. Under this general umbrella are many distinct niches—medical, legal, corporate, museum, and many others—each with their own specific needs for automation support. In broad terms, these organizations increasingly require support more for knowledge management than for traditional library automation, and often need to provide information services to a globally distributed base of users. Special libraries, often taking the form of the information center for an organization, face some of the most complex demands for content and collection management and require sophisticated software applications to support their efforts.

In this month's main feature, we take a look at the interconnected realm of companies and products involved in the special library arena. Consistent with the broader industry, this sector has experienced significant consolidation and business transitions. The acquisition of certain parts of Inmagic, Inc. by SydneyPLUS International is not a simple transaction, as it involves the sale of some parts of the company but not others. It also involves the continuation of a remnant company that will assume a new identity. This story is also relevant to the general history of library automation, as it weaves in and out of pioneering companies like Sydney Development Corporation, Easy Data, and Eloquent Systems as well as companies in the United Kingdom like Soutron Limited. It's been interesting to work through all the twists and turns of this story. Through this process, I've gained a renewed perspective for the distinct approach to technology and automation characteristics of the libraries served by this cadre of companies.

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SydneyPLUS acquires Inmagic Assets: Continued Consolidation in the Special Library and Knowledge Management Solutions Arena

In a move that continues the trend toward consolidation in the broader library automation industry and significantly alters the landscape in the special library sector, SydneyPLUS has acquired key assets from Inmagic.   This transaction does not involve a complete acquisition of the company, but brings the library-oriented core of Inmagic under the ownership of Sydney-PLUS. It involves a division of the assets across two organizations: the **Inmagic Division of SydneyPLUS International** and the former **Inmagic, Inc.**, which will assume a new identity.

In general terms, the Inmagic Division of SydneyPLUS will continue with a focus on its traditional customer base in special libraries while the remaining entity will take the Presto technology into other market sectors and industries.

SydneyPLUS International acquires the following resources:

- DB/TextWorks Library Suite and its underlying and derivative applications such as the DB/TextWorks, DB/Text Web Publisher Pro, and Inmagic Genie.
- The Inmagic trademark and brand
- Personnel involved in the development, support, and marketing of the acquired products and technologies
- Exclusive distribution rights to Presto for Social Libraries

The company formerly known as Inmagic, Inc. retains:

- Presto technology, including Presto KnowledgeNet, Presto AssociatioNet, and Presto IdeaNet
- The development and support team involved with Presto

In recent years, Inmagic, Inc. has focused on the development of technologies surrounding the concept of Social Knowledge Networks. The company feels that these networks will have applications in a wide variety of industries and organizations and that they offer much higher growth opportunities than library-specific work. With the divestment of the library-focused assets, this company will fully exploit its Presto platform, building on its recent successes like IdeaNet and AssociatioNET.

Following this transaction, The Inmagic division of SydneyPLUS International now operates as a wholly owned independent business unit of SydneyPLUS International, a privately held corporation.

SydneyPLUS International and Inmagic, Inc. have also formed a strategic partnership beyond the acquisition that gives SydneyPLUS International the rights to market Inmagic Presto for Social Libraries to the special library market while the remaining organization develops the technology and exploits it in other types of organizations.

The basic arrangement involves SydneyPLUS acquiring the assets related to the traditional market that Inmagic developed in special libraries and collections over is twenty-eight year history. The remaining company will focus on taking the Presto technology forward into other higher-growth market sectors. The Presto technology, for instance, could be helpful to high-tech companies for Request for Enhancement (RFE) and Ideation process management.

At this time, the identity of the organization remaining after the sale of the special library assets to SydneyPLUS remains unsettled. Though still legally designated as Inmagic, Inc., this name cannot be used going forward since the organization has relinquished the brand and trademark. This scenario is similar to what happened when Gaylord Bros. was sold to DEMCO, including the brand and trademark. This move left the remaining division, Gaylord Information Systems, in need of a new identity, resulting in a short term renaming to GIS Information Systems, which would eventually settle into its current identity as Polaris Library Systems.

No details have been released regarding the financial terms of this transaction or any investment firms that may have been involved.

The divestiture of these assets by Inmagic, Inc. bears remarkable resemblance to the recent scenario at Talis, where the company has placed its strategic focus on semantic Web technologies with much broader ambitions than its traditional position in UK libraries. This divergence in directions between the legacy business and the current priorities led to the sale of its library-oriented assets to Capita Group in March 2011.

Leadership

Ron Aspe leads the parent organization, SydneyPLUS International, as its President and Chief Executive Officer.

Phillip Green, President of Inmagic, Inc. from 1990 through 2006 and Chief Technical Officer from 2006 to

the present, will lead the Inmagic division of SydneyPLUS International. Other executives to join the division include Inmagic co-founder Karen Brothers and David Golan, who served as Vice President for Library Solutions and Client Services.

Incumbent Inmagic, Inc. President Ron Matros exits the organization. The new leadership of the former Inmagic, Inc. has not yet been announced. Jeannine Flynn, Director for Finance and Administration, will remain with the organization.

Previous Acquisitions

SydneyPLUS International has made a number of previous acquisitions, resulting in a company with a broad range of technology products that serve special libraries. SydneyPLUS International's own products find use primarily within the corporate and legal sector. The products of its acquired businesses target a broad range of organizations and also address different product niches within this vertical market.

Kenyan Group Inc., a firm specializing in financial services for middle-market companies, assisted SydneyPLUS with the acquisitions of Cuadra Associates, SV Technology, the LookUp Precision division of Advanced Productivity Software, and Inmagic. (see http://www.kenyongroupinc.com/transactions.aspx).

An Independent Division of SydneyPLUS

Although Inmagic is now under the ownership of SydneyPLUS, it will continue to operate as an independent business unit. Its products will continue to be developed, supported, and marketed as before, with the involvement of most of the same personnel.

SydneyPLUS followed this strategy in its July 2008 acquisition of Cuadra Associates. Although all three business units—SydneyPLUS Cuadra, and Inmagic—participate in the special library market, each specializes in a niche that does not significantly overlap with the others. The products of the three companies combined, however, cover a very broad range of this sector of the industry. Preserving the products of each of the business units of SydneyPLUS serves a strong strategic advantage for the company relative to any temptation to consolidate the products.

Phillip Green, President of the Inmagic division of SydneyPLUS, emphasized the commitment to operate the companies independently, explaining that these companies rarely meet in competitive procurements, since each appeals to different types of organizations.

Timeline of Acquisitions

- **2001:** SydneyPLUS acquires Insite Software Solutions, formerly known as InfoNet Software Solutions and before that as OSIWare, a company specializing in messaging and e-mail services (www.iss.ca).
- **August 2007:** SydneyPLUS acquires SV Technology, developer of the LawPort platform, which provides a knowledge management platform for legal organizations based on Microsoft SharePoint.
- **July 2008:** SydneyPLUS acquired Cuadra Associates, a company that develops and supports the STAR family of products for the automation of libraries, museums, and media collections and for knowledge management and records management.
- **March 2010:** SydneyPLUS acquired Questor Systems, a California-based company which had created the ARGUS platform used for the management of collections of physical artifacts, such as those in museums and archives.
- **May 2010:** SydneyPLUS acquired LookUp Precision from Advanced Productivity Software. This product, primarily targeting large law firms, performs use tracking, cost recovery, and password management of online legal resources.

Inmagic Background

The original Inmagic product was developed in the late 1970's and was designed to operate on minicomputers by an antecedent company, Warner-Eddison Associates, which was headed by Alice Sizer Warner. The Inmagic database was one of the earliest to support variable-length records. Inmagic, Inc. was founded in 1983 by Elizabeth Bole Eddison and Karen Brothers as a company to develop, support, and market software for special libraries, based on the Inmagic database. The Inmagic software evolved from the minicomputer era into the age of personal computers. In 1983 the company released the first version of Inmagic for the MS-DOS operating system. The first Windows-based version, named DB/TextWorks came out in 1995.

Inmagic has created a suite of products that leverage the DB/TextWorks textbase technology. WebPublisher Pro allows an organization to publish collections managed in DB/TextWorks though a Web interface. Inmagic Genie provides a full-featured integrated library system based on the DB/TextWorks back-end technology. The complete suite of components comprises the Inmagic DB/Text Library Suite.

Rather than making use of Inmagic's proprietary DB/TextWorks, Inmagic also created another family of products-based on Microsoft SQL Server and the .NET technologies.

In August 2004 Inmagic launched the initial version of Presto, positioned as a research asset management platform. Presto was based on the Microsoft .NET architecture and Microsoft SQL server.

Inmagic launched the Inmagic Content Server in April 2003 as its initial product. The software was based on Microsoft SQL Server rather than DB/TextWorks. This technology was re-engineered and relaunched in August 2004 under the name Presto, and was positioned as a research asset management platform.

In December 2007, Edison Venture Fund, a venture capital firm (http://www.edisonventure.com/), invested around $5 million in Inmagic. This gave the firm significant equity ownership and a strong voice in the strategic direction of the company. This investment primarily supported the development of the Presto platform for managing "social knowledge networks," which was released in January 2009. In July 2009, Edison Venture Fund made a follow-up investment of an undisclosed sum. Edison Venture Fund continues as the principal investor in Inmagic, Inc. following the divestiture of the special library assets to SydneyPLUS International. (*Smart Libaries Newsletter* featured Presto in its February 2009 Issue.) (Note: this investment firm has no connection with Inmagic co-founder Elizabeth Bole Eddison.)

Since the investment of Edison Venture Fund, Inmagic focused much of its resources on technologies surrounding the concept of "Social Knowledge Networks." The company formally announced this focus as its strategic direction in June 2008. Version 3.0 of Presto, launched in November 2008, began to incorporate an increased set of features oriented toward this concept.

The Presto product provides a platform upon which applications can be created to support this socially-oriented knowledge management approach for different types of organizations or industries. Inmagic Presto for Social Libraries, launched in January 2009, is a library-oriented application fully built around the principles of Social Knowledge Network based on the Presto platform. This product combines the new Presto platform with Inmagic's traditional customer market.

A new version of Presto released in August 2010 included new features such as support for discussion forums, a more flexible multi-dimensional approach for establishing relationships among content objects, an extended single sign-on capability, as well as optimizations that support the application in vary large-scale enterprise implementations. These enhancements position Presto to support applications created for a broader range of organizations.

Inmagic has recently developed applications on top of the Presto platform which are designed for markets outside the special library arena. In February 2011, Inmagic launched AssociatioNet, an implementation of Presto developed to support member-based organizations. In August 2011, the company announced that the American Society of Association Executives and the Human Resources Professionals Association had both selected this Presto-based application. In July 2011, Inmagic announced IdeaNet as a business-to-business application within the genre of socially-oriented customer relationship management (CRM) systems. IdeaNet is designed to facilitate collaboration among customers, product managers, and developers in product development and support environments. The platform can facilitate a range of activities from requests for enhancements to managing and refining contributed ideas surrounding a product or technology.

The strategic direction of Inmagic, Inc. was driven through the investments made by Edison Venture Fund to create products based on Social Knowledge Networks for a broad range of industries. They pushed the company in a direction quite different from its original place in the special library arena. The legacy products based on DB/TextWorks, deployed in a large number of libraries worldwide, fell outside this new area of strategic emphasis. This creative tension opened the door for the separation of the library-focused components of the company from those designed to exploit the Presto platform in other markets, and for Inmagic, Inc. divesting these assets to SydneyPLUS. The Inmagic Presto for Social Libraries product spans both sides of this division, leading to the strategic partnership between SydneyPLUS International and Inmagic, Inc., who cooperate in its marketing and support to in the special library market.

Background of SydneyPLUS International

SydneyPLUS traces its roots through Sydney Development Corporation, a large publicly traded Canadian software development firm that founded in 1975 with applications for many different industries. One of the company's major products was software implementing the X.400 messaging protocol that formed the basis of business communications during that era. Tarrnie M. Williams served as the company's President.

Sydney Development Corporation created a Library Systems Division in 1982, following the acquisition of Easy Data. Easy Data was one of the pioneer-

ing library automation companies, founded in 1975 by Merv Richter. Richter served as a director on the board of Sydney Development Corporation and as President of the Easy Data subsidiary. This subsidiary later became the Library Systems Division of Sydney Development Corporation. Around 1984, Richter exited to launch Eloquent Systems, Inc., which also became a competitor in the special library arena. Today, Eloquent specializes in automation products for records management and archives.

The Easy Data Library program served as the starting point of the Sydney Library Automation System. Easy Data was originally developed for the Datapoint series of minicomputers and was adapted to new platforms and architectures. Sydney Library Automation System was initially ported to the then popular VAX/VMS platform for DEC computers in 1983. It was designed for the MS-DOS operating system that ran on IBM Personal Computers, which launched microcomputers into the mainstream business world. By 1989, there were over 400 sites using Sydney Library Automation System, placing it among the ranks of the major library automation systems of that time. (For more information on the Sydney Library System, see: *Library Technology Reports*, March 1, 1997, by William Saffady.)

In March 1989 when a group of twelve employees, led by Ron Aspe the head of programming for the library product, acquired the global rights to develop, sell, and support the Sydney Library Automation System, as well as the exclusive rights for North America, including the accounts for existing customers. This employee buy-out resulted in the founding of International Library Systems, which continued the support, marketing, and development of the Sydney Library System for North America.

Four months after spinning out their Library Systems Division, Sydney Development Corporation fell on hard times. In June 1989 the company filed for bankruptcy following a period of losses totaling over $20 million. (see "Sydney Bankrupt." Library Systems Newsletter July 1989 and Brown, Jim. "Sydney, an X.400 Pioneer is forced into bankruptcy." Network World. June 19, 1989.) Alexis Nihon Investments, Inc., based in Montreal, held much of the equity of the company. International library systems then acquired the underlying Intellectual Property for the Sydney Library Automation System from the bankruptcy trustee.

International Library Systems totally rewrote software and renamed it to SydneyPLUS. The company continued to be very successful in libraries and information centers for major corporations, law firms, and other organizations. On July 1, 1995 International Library Systems moved into its current corporate headquarters in Richmond, British Columbia. In January 2000 the company began operating under the name SydneyPLUS International.

Over the course of its corporate history, SydneyPLUS has continued to develop products and has made strategic acquisitions to extend its reach into the special library arena. The company's products include the SydneyPLUS Library Automation System for a more traditional approach to library automation, as well as products addressing different aspects of knowledge management within large organizations including the SydneyPLUS Information Manager and kmBuilder. SydneyPLUS has also created specialized utilities such as Deal Tracker, Attorney Information Manager, Recovery Tracker, Medical Information Manager, Continuing Medical Education, Experts Tracker, and the Director's Dashboard. All the company's products make use of Microsoft Technologies, including Microsoft .NET, Microsoft SQL Server, and SharePoint.

A Connection with Soutron Limited in the United Kingdom

U.K.-based Soutron Limited also traces its beginnings through Sydney Development Corporation and has a long history of involvement with Inmagic, Inc. In 1985, Sydney Development Corporation began marketing in the United Kingdom, with Graham Beastall leading that effort. Beastall founded Soutron Limited in January 1989 to support, market, and develop the Sydney Library System in the United Kingdom. Soutron licensed the Sydney Library System prior to the demise of Sydney Development Corporation, which occurred only months later. By the time that Soutron Limited was established, there were about 32 organizations in the United Kingdom using the Sydney Library System. From 1993 through 1996 Soutron Limited marketed SydneyPLUS as an upgrade path to the UK libraries using the original Sydney Library System.

Soutron Limited's relationship with the Sydney Library System was not exclusive. Throughout its history, the company has also been involved with the products of Inmagic, Contec Data Systems, and eventually in the development of its own products. In February 1991, for example, Soutron Limited entered into an agreement to resell Inmagic's products in the United Kingdom, which it did in addition to its existing business involving the Sydney Library System.

Soutron eventually shifted its product strategy away from the Sydney Library System with increasing focus on Inmagic's products. In 1996 Soutron Limited relinquished its involvement with the products derived from the Sydney Library System, with responsibility then reverting to International Library Systems. In January 1999 International

Library Systems opened its own office in the United Kingdom. From that period forward Soutron Limited focused its efforts on sales and support of Inmagic's products and others, including Contec Data's C2. Soutron has also developed its own products on top of Inmagic's technology.

In more recent years, Soutron Limited has focused its resources on the development of its own product for library and knowledge management. Originally branded as SoutronSOLO and SoutronGLOBAL, the Soutron Library Management System is built entirely independently from Inmagic's products and is based on Microsoft SQL server and Microsoft .NET technologies.

Soutron Limited thrives today as one of the major suppliers of library management and knowledge management products in the United Kingdom.

Efficiencies and Synergies Gained in the Acquisition

The library automation industry has seen a consistent pattern of consolidation, especially over the course of the last decade. To a large extent, mergers and acquisitions have shaped the corporate landscape as it exists today. Most of these transactions involve the acquisition of competitors serving the same library sector. SirsiDynix represents a major roll-up of the companies involved in automation of public and academic libraries; Follett in those involved with K-12 school automation, and Ex Libris in the academic and research library sector. SydneyPLUS international has become the locus of consolidation in the special library arena.

In each of these sectors, the consolidated company plays a dominant role, yet significant competition remains. EOS International, for example, stands as a major competitor to SydneyPLUS. EOS International has not been involved in expansion through business acquisitions and has relied on organic growth to achieve its current position. Among legal libraries, Millennium from Innovative Interfaces, Inc. stands as a major competitor to SydneyPLUS. In each sector the competition has settled into a smaller number of ever-larger players, yet no single company has risen to the level of complete domination.

The basic strategy of these corporate roll-ups involves achieving a lower cost of operation by combining companies than would otherwise apply if continuing independently. The degree of savings is proportional to the depth of the business integration. A complete consolidation of administration, development, marketing and product offerings will probably result in the most efficiency. On the other hand, it

is also likely to have ramifications for customer retention, since many libraries will choose to move to other alternatives rather than be forced into adopting products imposed on them. A more moderate approach retains the products of each of the incumbent companies. This strategy gains significant savings in operational costs through consolidation of executive management, administrative functions, and to a limited extent in marketing, support, and development operations—while retaining the product and support structures in with the customer libraries have invested.

By combining under SydneyPLUS, efficiencies are gained in administration, development, and other areas, especially when compared to the possibility of each operating independently. The products of both SydneyPLUS and Inmagic are built using the .NET technologies from Microsoft, which should provide some opportunities to leverage expertise. Integration with Microsoft's SharePoint content management platform is critical in the special library arena. SydneyPLUS, especially through its LawPort division, has deep expertise in this technology which will benefit the Inmagic development team.

In the broader perspective, consolidation among the companies that provide products and services to libraries is inevitable. We've gone through multiple phases of mergers and acquisitions in the past and more lie ahead in the future. In this case, the change is a fairly gentle one that does not present much likelihood that the options available to libraries will narrrow. SydneyPLUS International states its intent to keep the products and support structure of Inmagic intact and that its customers should not see a negative impact, but rather will see improvements due to access to a larger pool of resources for support and development. Such events remind us that it's important to keep a close eye on the business landscape and be mindful of its potential impact on the key technology products used in libraries.

SydneyPLUS International states its intent to keep the products and support structure of Inmagic intact as it has with Cuadra Associates and is other acquisitions and that its customers should not see a negative impact, but rather might expect to see improvements due to access to a larger pool of resources for support and development.

Events such as this complex series of corporate transitions remind us of how the organizations from which libraries depend on critical automation support can change over time. It's important to keep a close eye on the business landscape and be mindful of its potential impact on the key technology products used in libraries.

—Marshall Breeding

Library Technology News in Brief

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

Kuali Student Curriculum Management 1.2 - Now Available

November 2, 2011—The Kuali Foundation is pleased to announce version 1.2 of Kuali Student Curriculum Management is available to the general public. This second release builds upon the innovative curriculum management capabilities of the first release, which included integrated management of courses, programs, and learning objectives.

Key features of the latest release include the ability to:

- More fully manage curricular changes through direct administrative screens
- More fully manage curricular changes through workflow-based proposal processes
- Print and export details of the curriculum
- Analyze dependencies across the curriculum

Bill McLean, chair of the Kuali Student Project Board and Associate Vice President for Academic Services, University of Maryland College Park said, "The release of Curriculum Management 1.2 is an important milestone for the Kuali Student Project. It is a big step towards the completion of our student application roadmap. At Maryland, we are thrilled with the public release of Curriculum Management 1.2. There has been growing enthusiasm on our campus with the anticipation of 1.2 and now that it is a reality, we, along with North-West University, South Africa are marching forward with our planned implementations. The release demonstrates the KS team's ability to work together to deliver a quality product."

To download and install Kuali Student Curriculum Management 1.2, including instructions and documentation, please visit www.kuali.org/ks.

DuraSpace launches open-source cloud service

November 1, 2011—DuraSpace, a not-for-profit organization dedicated to preserving the world's scholarly, scientific and cultural records, today announced the launch of its managed cloud service, DuraCloud. As the only managed software service that lets organizations archive content across more than one cloud provider, DuraCloud ensures that irreplaceable documents, imagery and videos are always accessible. A number of the country's most prestigious institutions including MIT, Columbia University, Northwestern University, and Rice University have signed up to use the managed cloud service to preserve digital resources.

"DuraCloud is the breakthrough many of us have been waiting for," said Bryan Beecher of The Inter-University Consortium for Political and Social Research (ICPSR). "The ability to store and update material on three different cloud providers – using just one web-based dashboard to manage it all – saves hours of work and makes the entire process much less expensive to manage."

Archiving digital libraries and research output for academic institutions, museums, and other knowledge stewards, Dura-Cloud offers:

- Replication and synchronization of content across multiple cloud providers through one unified interface
- Access to a suite of applications embedded in the DuraCloud platform to do more with your data
- Data distribution and streaming to any internet-linked device
- Secure storage of digital archives and periodic content "health checks" assuring information is being preserved as it should be
- A simple-to-use yet powerful dashboard to manage all content across the cloud
- An open-source community dedicated to on-going technological development, along with support assistance to ease the transition into the cloud

"The key benefit of the cloud is the flexibility and scalability offered instantly as a service. As the amount of digital content amasses in our academic and research organizations, the cloud can play a significant role in helping to persist this information for future generations," commented Michele Kimpton, CEO of DuraSpace. "With DuraCloud our customers can use one or all of the cloud storage providers and still manage all of the content from one web interface keeping costs down, content preserved and accessibility guaranteed."

Funded in part by the Library of Congress through its National Digital Information Infrastructure and Preservation Program (NDIIPP), DuraSpace is committed to the open-source community and the technological advancement of the cloud. Current open-source projects include DSpace and Fedora.

DuraCloud is a free open-source project and fee-based subscription service, and is available to any organization wishing to archive and preserve their content using the cloud, without locking into one single cloud provider.

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