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Health Libraries Section

Australian Library and Information Association

June 1995

National Newsletter National Newsletter National Newsletter

Will ILL be the death of STM publishing?

The growth of document delivery services is, ironically, causing serious damage to the publishing industry which provides it with its only source of information. UK based information industry consultant David Brown argues that a balance must be found before ILL kills off STM publishing altogether.

There is a high degree of volatility to interlending and document supply. Traditional suppliers are improving their services, particularly notable being the *Inside Information* and *Inside Conferences* services launched in recent years by BLDSC.

But it is the new players which are entering the business, offering a package of value added functions to the ILDS process, which brought into focus the current turmoil.

What these new services lose in not having the protection afforded within the national copyright laws to service document supply under the

"fair usage" and "library privileges" interpretations they usually make up for with a more targeted and proactive approach to enticing end users into buying documents from their respective systems. They also pay a royalty fee to the original publisher of each article copied, and therein lies the focus of much debate and concern within the journal publishing industry.

The concerns are largely commercial - what impact is the overall document delivery process having on other established ways of disseminating research literature? In particular, does docdel pose a threat to the scientific journal system as we know it?

Many pundits claim, in emotive terms, that document supply from a base other than that provided by the publisher is a parasite on the information business, sucking the life blood from the host (the source journal). While the imagery is extreme, there is nonetheless an underlying commercial concern which does need to be addressed.

continued page 2

In this issue ...

Company libraries and copyright licence fees ... p.3

Staying Alive part 3 - Business Planning ... p. 4

Synergy in Sydney Contact List ... p. 6

ALIA's Enterprise Agreement ... p. 7

ILL the death of publishing?

from page 1

In recent years the main sci/tech journal publishers have seen a 3-5% per annum erosion in the subscriptions to their journals. This is taking, in real terms, about 50 million pounds Stg out of the global research journal publishing system. The days of the journal being the protected holy cow in collection development terms are now gone; hence the pain which such journal cancellations inflict. They are dramatic, immediate and unexpected to the journal publishing community.

Coincidentally with the decline of the library subscription it has become evident how extensive the amount of "separates" distribution really is. Separates is the overall term which incorporates interlibrary loan, document supply and other newer forms of on-demand creation from an original article.

We could be entering the "valley of death" for journal publications

Estimates put the number at more than 60 million articles per annum. Every time this figure is revisited the numbers get higher as more sources of ILL and docdel are identified. But taking this most recent figure, if all these articles were to have paid a commercial rate such as is being levied by the new electronic document delivery services (say US\$10 to US\$15 per document), this docdel business would represent 25% of the combined journals and separates distribution industry world-wide.

However, one leading publisher only gets 0.2% of its income from royalties paid on such separates. Others are even less fortunate. Less than 10 million pounds stg is currently received in royalties by the STM publishing community, insufficient to counter the 50 million pound stg decline in subscription sales currently being realised. The financial ratios are out of keel.

With the exception of a small portion (less than 8%) of the 60 million interlending and document supply items there is no feedback of revenues into the journal publishing system. Even the royalties paid by the new electronic document delivery services are contributing much less than any realistic economic model would indicate as being necessary. Average royalty rates in the USA amount to US\$5.00 per articles; publishers claim they need US\$20 to keep the system afloat.

This means that the source material on which

ILL and docdel is based could dry up for purely commercial reasons. This is not such a fanciful consideration. The subscription levels of the leading commercial journal publishers in Europe, particularly the highly specialised and esoteric journals which lend themselves to greater sharing between libraries, are close to their financial break-even points. A continuation of the 3 to 5% decline in subscription levels will, without the influx of new revenue sources, result in many such journals ceasing publication within the next five years for purely commercial reasons.

Some may say that this is a good thing, but do we have the systems in place to prevent the distortion to the research information process if the established printed journal system is knocked off its pedestal? The electronic information systems still lack user support, the support from accredited organisations, and particularly, support from authors who still see the journal with its recognised review process as a valuable medium for recording their research results.

We could be entering the "valley of death" for journal publications; and the downward slope of this valley has implications on the printed journal itself as well as a consequence on future ILL and document supply activities.

It is therefore inevitable that (perhaps belatedly) publishers looked at the ILL and docdel services which they could supply themselves, capitalising on their proprietary ownership rights and the early access to manuscripts about to enter the publication process. Adonis was the first attempt. More recently the UK witnessed the establishment of Oasis which was a consortium of 18 publishers seeking to create a publisher owned alerting and document supply service.

It is one thing to lead publishers to the trough, but another to get them to drink from the same waters of co-operation and unity of purpose. In the event Oasis is now a group solely setting precompetitive standards on article headers. (Some may ask whether such standards are already agreed, but that is another issue.)

So we are left with a conundrum. How can interlibrary lending and document supply continue to operate in the mid to long term future if there is no commercial return to be gained from research journal publishing in its current (or even any other) format? The professionalism and quality control (refereeing) of the research publication process is at stake.

The main constraint is one which is fundamental and not easy to eliminate. It is a cultural one.

continued page 8

Copying in hospital libraries under threat?

Graham Spooner (NSW College of Nursing) reports on a lively meeting of the NSW HLS on copyright and copying in libraries.

Our guests at the meeting were two representatives from the Copyright Agency Limited (CAL) whose comments provoked many questions and much discussion. Their attendance at our meeting was most appreciated and this commentary does not wish to criticise their position or denigrate them in any way, but merely to raise the issues for discussion in a wider forum.

The point which led to much of the dialogue surrounds interpretation of the phrase "for the purpose of research and study". This phrase is one that most of us see many times in the course of a day on copyright declaration forms.

In the hospital setting the majority of librarians would assume that the term "research" in the Copyright Act would apply to hospital personnel copying materials or requesting copies in order to "research" patient care. We also assume that "research" or "study" would apply to copying for the furthering of

personal knowledge on a disease, condition or trend in healthcare.

The representatives of CAL appeared to be advocating a narrower definition of "research", indicating that they would consider this type of copying as serving the purposes of the institution and not, as such, "research".

Their definition of "study" implied participation in a formal course of some description and not the copying of materials for informal self-education. Of course, many health workers are involved in courses but there are also many who are not.

Readers would realise immediately the implications of such definitions to their jobs and the clients they serve. The conclusion that CAL's agents then draw from their definitions is that this type of copying, if not done for research or study, would need to be done under some type of licensing agreement.

Further investigation of this situation is being undertaken and it appears that, as usual, nothing is clear cut. We are getting further input and will try to keep HLS members posted on any developments.

EDITORIAL

Should company libraries pay copyright licence fees

If you think that the "big issue" for librarianship in the 1990's is technology and the internet, think again. The issue that will have the biggest impact on the way you work will be copyright.

If you have read our lead article this issue and Grahame Spooner's report (above) you will probably understand that there are significant changes in the wind about the way copyright is applied in libraries.

The publishers represented by CAL demand that suitable compensation be paid in recognition of the, at times, flagrant breaches of copyright that occur in every library by both staff and users. Librarians and information workers argue that information should be shared (especially when they have paid a higher journal price for a "library" subscription).

I believe that the definitions put forward by CAL reported in the article above are really an ambit claim by CAL, intended more as a discussion point than actual policy. Clearly, it would be ridiculous to charge non-profit organisations such as hospitals copyright licence fees. But the reverse is true when it comes to for profit organisations. In current interpretations

and judgements of the Act there is a significant point raised by CAL, that is, just who is getting the benefit from a publisher's work and for what purpose is it being used?

Is it correct for a profit-making organisation, say the library of a privately owned bank, chemical or drug company to copy for "research and study" when the primary aim is to enhance the performance of that company and, therefore, make a commercial gain? The interpretation of the Act indicates that so long as the library within the profit-making institution is not classed as a profit centre then the "research and study" provisions should apply.

To publishers this interpretation is a nonsense. In any company if a division or service isn't contributing to the overall benefit of the company it would be closed. Obviously, a company library would be closed if it were not contributing to company profitability. So why shouldn't they buy their own copies or subscriptions?

Should free interlending and copying under the current Act be restricted to non-profit organisations? I would like your feedback on copyright issues for future issues of the HLS National Newsletter.

Replies to the editor will only be accepted by email on gmanns@ozemail.com.au

Staying alive: health science library practice in the 90's

Andrew Rooke and Adam Clark
Monash Medical Centre Libraries

Part 3: Business planning, benchmarking and contracting for better service

The economic recession of the 1990's has forced massive organisational restructuring and operational changes on business in Australia. The realities of business survival have dictated that companies will only succeed if they can adapt and improve performance in a rapidly changing environment.

The tools of this process in the business world have been enthusiastically introduced into the Victorian public service and government enterprises, including the health industry, by the Kennett government in the past two years.

Among these tools are business planning, benchmarking and contracting, which seek to supply an enterprise, including libraries, with the means to provide a better standard of service with fewer resources.

Business Planning

With the introduction of casemix funding into Victorian hospitals in July 1993, the Victorian government imposed real competition for resources in the health industry. If hospitals are to behave in a more businesslike fashion they require detailed costing of their operations and planning at all levels to ensure they have the competitive edge. Business planning is a technique which analyses the operations of any department, including libraries, as a business including the following elements;

- * philosophy of service and how it relates to the mission of the parent institution,
- * main user groups and service priorities to these groups,
- * analysis of the different business components and how much these cost,
- * a statement of the strengths, weaknesses, opportunities and threats (SWOT analysis) for all phases of library operations,
- * a statement of critical factors affecting workload and measurements of work outcome, and,
- * a list of improvement projects.

Implicit in the planning process is that it will be revised regularly and used as a working tool by staff and administration, and not gather dust along with numerous other such reports in the chief librarian's office! There are many advantages in the preparation of a business plan for your library in today's administrative environment.

The plan provides the opportunity for constructive analysis by you and your staff of the library's operation with an honest assessment of the priorities in service, user groups, measurement of inputs and outputs and regular lists of improvement projects. Most of us would not be prepared to take the time for this analysis amid the routine business of running busy libraries and thus we risk falling into ritualistic habits.

Beyond this the preparation of a library business plan is a good "propaganda tool" to show to administrators. It shows that we have the will and capacity to treat the library service in the preferred customer-driven business model most hospital administrators are seeking to introduce in Victorian hospitals.

Benchmarking

ALIA Health Libraries Section has spent many years developing a comprehensive set of standards for hospital libraries in Australia. However, our experience at MMC indicates that hospital administrators, like business people, are more interested in the realities of the marketplace rather than the library profession telling itself what it wants!

Health administrators are increasingly interested in benchmarking, a business tool developed in the 1970's by the Xerox Corporation. Benchmarking seeks to find "best practice" in other organisations and then to import these ideas into your own organisation.

Benchmarking provides a framework for comparing your library's performance with others and of "constructive copying" of ideas to improve your library's service. The basic benchmarking process is:

- * define what library process we want to benchmark with other libraries,
- * find out who does it best,
- * find out how they do it,
- * work out how to apply it in your own library.

This process will certainly involve the collection of activity statistics from other libraries and should result in visits and regular dialogue with other health sciences librarians on the best ways of handling common problems. A group of five Victorian teaching hospital libraries have been exchanging benchmarking statistics monthly throughout 1994.

continued next page

Staying alive through benchmarking

from previous page

Also, the annual ALIA Health Libraries Section Hospital Library Survey can be used as a form of benchmarking in that it provides comparative statistical data on the activities of most hospital libraries in Victoria. As an example of benchmarking in action these statistics encouraged the MMC library to investigate an excellent automated inter-library loan system at Fairfield Hospital library and import a version of this system into the MMC in October, 1994. As with some other business management tools, benchmarking has proved in practice to have many shortcomings for libraries.

"Some hospitals are too weighed down with the accumulated management rituals of the past to try new ideas."

It is difficult to compare statistics from libraries which operate in very different ways and have different definitions of what outwardly appear to be the same process, eg. some libraries only lend books overnight and therefore their loan statistics would be inflated compared to most other libraries with longer loan periods.

Benchmarking requires a commitment of time and energy amid the routine demands of operating busy libraries. It is difficult to decide what processes to benchmark to normalise data and one must have a firm resolve to carry ideas through to implementation.

Also, in these days of funding reductions, one must be aware of the "lowest common denominator" mentality among hospital administrators who may be tempted

to use benchmarking statistics to cut costs back to the bare minimum "industry standard" for support functions such as libraries.

Contracting

Casemix funding of Victorian hospitals has emphasised the "purchaser-provider" system of funding pioneered by the national health Service in England. The government is the "purchaser", contracting to pay the hospitals as "providers" for the best possible throughput of patients at the lowest price.

This system immediately places constraints on hospital administrators to search for the best deal possible for their departments, including the library. This has led to the "outsourcing" by contract with private firms for many traditional hospital support functions such as food services, cleaning and security services.

Most libraries have been bypassed in this process because they are not income producers and therefore difficult to "outsource". However, this situation may not always remain as is clear from the United States where "circuit rider" librarians are contracted to provide library services to several hospitals.

At the MMC a system of internal contracts was introduced in 1994 whereby the library contracts with the hospital administration for the services it provides. The resulting contract is like an abbreviated business plan but with a real "sting in the tail" as the library is accountable by contract for providing a high level of service within a limited budget!

Difficulties with such contracts can occur in Victoria's rapidly changing economic environment. External funding problems, imposed by the government, change the economic conditions and priorities from those at the time the contract was signed, making some clauses of the contract meaningless, even after only a few months. However, in the constant search to make departmental managers financially accountable and reduce costs for support functions no doubt many more hospitals will take a serious look at contracting over the next few years.

Many librarians would be sceptical about the use of business techniques in the non-profit health library scene. There are no real incentives beyond job survival for librarians introducing avant-garde management techniques and often we are rewarded for promoting such processes as contracting with a reduced budget and fewer staff.

Some hospitals are too weighed down with the accumulated management rituals of the past to try new ideas. Others go overboard in applying these new tools, or as one astute observer put it: "When all you have is a hammer, everything looks like a nail!"

Most libraries may not be immediately involved in these processes in the short term, however the pressure to provide the best service at the lowest cost will inevitably force aspects of these business practices on Victorian hospital libraries over the next few years.

**In the September issue of
HLS Newsletter:**

**Staying Alive
Part 4- Setting up
entrepreneurial services**

Presidents Column

The President's Travels

While implementing the GRATISNet electronic union list and in my role as National President, I see quite a number of health libraries and health librarians.

Australians are well known for their cultural cringe. If *they* do it in Germany or the US or UK it must be better. Well, I have recently visited both the USA (including a tour of the NLM) and establishments in Berlin and, like DuBellay, I have seen many wonders. But in Australia there are many wonders as well.

We have a heritage of cooperation, mutual interest and self help. We also have a tradition of heavy support from government for the health services. When most of the services are financed from one source it appears that we are less likely to erect barriers between sectors and between libraries.

There is, for instance, no other GRATIS network, to my knowledge, in the world. I doubt very much if it could exist in any other nation.

There are elsewhere other things of great or greater value but we have organised ourselves here from the bottom up. Arrangements which many health libraries make for literature searching are likewise very frequently sophisticated.

You only read in the journals about the top-of-the-notch outfits overseas. You don't read about the run of the mill. Our run of the mill is up there with the best. You will find even more demonstration of our energy at the *Synergy in Sydney* conference in August - see you there.

ALIA Health Libraries Section Annual General Meeting

The Annual General Meeting will be held during the Specials Conference in Sydney in August and I invite you to send details of any matters which you would like to be raised, discussed and/or resolved during the AGM.

To have your item included in the agenda you must advise either myself (tel: 02 399 4902 fax: 02 398 9782), or Virginia Staggs at the Royal North Shore Hospital, Sydney, (tel 02 926 7492 fax 02 437 5292).

Of course there will be room for "other business" but it is important for our members to be forewarned to enable them to make informed resolutions. This can best be done if such matters are advertised widely and discussed well in advance. If "other business" is crammed with late items they may not be properly canvassed and many delegates may not be able to attend an extended meeting.

You can submit an item fully fledged as a resolution with a proposer and seconder, or as a proposition and have the chair obtain these for you.

If you cannot attend the meeting you can ask another member or a member of the committee to act for you (including the chair who has only a casting vote).

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The conference programme and registration brochure will be on the way to you soon - don't forget to mark the box to attend the HLS dinner.

Wanted - Your Library

If you have a 35mm slide of your library, your staff or library activities that can be used as a part of the AV presentations at the Specials Conference please contact Margot Drake at WAHS Nepean Hospital, PO Box 63, Penrith NSW 2751.

ALIA strikes a "model enterprise agreement"

ALIA's enterprise agreement has been hailed as a "model agreement" by Australian Industrial Relations Commissioner Iain Ross. The agreement was struck in July, 1994 and runs for two years, covering ALIA's 14 national office staff.

Prior to the EFA (enterprise flexibility agreement), terms of employment at ALIA were a combination of public sector standards and professional librarian standards. Management sought to reconcile these influences through direct consultation with the workforce.

What's in the EFA

Wage rates and skill based career structure: a four level classification structure in the award is rejigged to suit the skills of ALIA's employees. Within each salary classification there are four performance based salaries. The lowest salary level in the structure is greater than the highest salary level under the award. The average wage rise is 6.5%.

Hours: ordinary hours of work are 37.5 per week, worked between 8am and 6pm with provision for flexitime.

Penalty rates: no minimum overtime rate applies. Specialists, senior officers and others on salaries greater than \$34,000 pa don't receive overtime for working weekends or public holidays.

Annual leave loading: incorporated into fortnightly rate of pay.

Why variations to the award were approved

AIRC Vice President Ross identified several reductions in award entitlements. He decided that the reductions in penalty rates were acceptable because: the overtime is voluntary, the company gave an undertaking that employees have at least 10 hours off between working days, and the meal allowance (\$10) is more than double the award. Ross allowed other reductions, such as one fewer public holiday and the scrapping of some allowances in light of the wage rise.

Colour-coded process

The ALIA agreement was the first of the EFA's to be approved without being sent back by the Aus-

tralian Industrial Relations Commission for further work. The library services personnel and industrial services manager Phil Teece submitted a colour-coded copy of the award along with the agreement. The colour-coding showed which clauses in the EFA undercut the award and which had a neutral effect. Ross hailed the submission as a model process for assessing the "no disadvantage" test.

Teece was also careful to make sure the eligible union, the ASU clerks division, was kept informed - another reason why the agreement was passed swiftly. He communicated ALIA's plans before the application was lodged and sent union officials a copy of the document, though he was not required by law to do so. The ASU raised no objections to the EFA and agreed to be bound.

This summary of the ALIA EFA is abstracted from *New Enterprise Flexibility Agreements*, published by Newsletter Information Services, phone (02) 977 7500 fax (02) 977 3310.

HLS National Executive 1995

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Submissions to the Newsletter should be sent to the editor on diskette in any IBM format or via email.

Do not fax submissions to the editor unless prior arrangements have been made.

ILL the death of publishing?

from page 2

On one hand the research journals with their pre-packaged articles have become an institutional purchase. The prices/sales spiral is making this even more emphatic as years go by.

On the other hand, the purchase of articles through docdel is surrounded by other cultural features, including notions such as "free interlibrary lending", subsidised national document support systems, growth of free academic networks, and, in the UK, the concept of "free at the point of usage for services generated by the national datasets policy (BIDS-ISI etc.).

These are powerful forces which constrain the ability to implement high, or in fact any, charges at all on document fulfilment, as is evidenced by the slow take-up of demand from some of the new electronic document delivery services.

What is the solution? Publishers would like to see more article delivery fed through those services which pay a royalty in the hope that at least some royalties are better than non, and that if there was a wholesale conversion of global ILDS traffic to royalty paid services overnight (unlikely) there would be an additional fund of nearly 200 million UK pounds which would more than fill the "revenue gap" caused by journal subscription decline.

Others see a fundamental shift in the way re-

search articles are published, using the power and ubiquity of IT and the internet. But leaving aside the problem of ensuring quality material in such an electronic environment, how would payment be effected, who would organise it and who would maintain the system? There are no economic models which indicate that such a scenario has any immediate financial return.

While the policy makers, senior publishers, leading library administrators, subscription agents and major library utilities all wait for Rome to burn, there will be no solution to this commercial problem which meets the demands of all their separate agendas. Yet finding a way out of this situation is critical if the well-being of scientific, technical and medical research is to be maintained. It is a difficulty of substantial strategic dimensions.

David Brown is a consultant to the information industry on marketing and strategic issues, Kingston-on-Thames, UK.

This article originally appeared in *Interlending and Document Supply* (23:1 1995 pp 4-5).

The editor would like to thank MCB Publications for their assistance in allowing the reprinting of this article. MCB Publications can be contacted on (07) 870 7144.

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