Do purchase price discounts really save

The majority of libraries continue to compare vendor responses to their RFPs on criteria that include purchase price but not five-year cost. Five-year cost is the total of the purchase price plus five years of maintenance and enhancement support, including any annual increases in support payments.

Do not assume that the lowest purchase price represents the lowest cost over five years. To determine the actual cost over five years—the typical period of time a library uses a system without a major upgrade—add the purchase price and five years of maintenance/enhancement support, and then compare the vendor proposals.

Although purchase prices have dropped over the past five years, the

Library Systems Newsletter is pleased to announce three new contributing editors, beginning with the September issue. These editors bring fresh insights into the purchases and implementation of systems, enhanced coverage of digital library services, and a closer look at how to prepare your library for new technologies.

Priscilla Caplan is assistant director for Digital Library Services at the Florida Center for Library Automation in Gainesville and chair of the NISO Standards Development Committee and the IMLS Digital Library Forum. Her interests include standards development, metadata, identifiers, architectures and technologies for digital libraries, and digital archiving.

As president of Informed Strategies, **Judy Luther** brings 30 years experience to her work with publishers, vendors, and librarians in providing market insights that aid in the development of new products and services. Judy's interests include new applications of technology in the delivery of information, such as e-books, virtual reference, interlibrary loan, federated search engines, and portals.

Andrew K. Pace is head of systems at North Carolina State University Libraries in Raleigh. An active writer and speaker on several library topics, he believes that emphasis on integrated library systems and digital library services are the keys to successful systems librarianship. Andrew is known for writings on usability engineering, system interoperability, and his iconoclastic approach to the library profession.

On a personal note, the entire ALA TechSource staff has taken a distinct pleasure in working with Richard Boss on *Library Systems Newsletter* over the years. His tireless research and high standards of quality have helped thousands of readers run better libraries. You'll continue to see his work—look for his report on portals in the November/December *Library Technology Reports.* Dick, we wish you well.—*Nicole Waller, Editor,* **Library Systems Newsletter**

annual cost of maintenance and enhancement support has risen. Several vendors now charge 15% per year of the undiscounted purchase price for hardware and software. For example, if the total purchase price is $200,000, $165,000 of which is for hardware and software, the cost of the first year of maintenance and enhancement support would be $24,750 ($165,000 x .15).

Vendors that bid low on the initial purchase price commonly offset the loss of revenue on the sale by charging more for maintenance and enhancement support, up to 15% and even 16% of the undiscounted purchase price of hardware and software, rather than the 10% or 12% charged by some other vendors. A library may actually spend more over five years selecting the apparent low bidder, rather than another bidder, a situation that is even more likely when a vendor requires that support payments begin after 90 days (rather than a year) and will not commit to anything less than a 10% escalator clause—a clause that limits the amount the vendor may increase the rate each year.

Figure 1 is drawn from responses reviewed by Information Systems Consultants Inc.

FIGURE 1. PURCHASE PRICE VERSUS FIVE-YEAR COST

	Vendor A	Vendor B	Vendor C
Purchase Price	$200,000	$205,000	$212,000
Hardware/Software	$165,000	$168,000	$175,000
Support %	15	12	10
First payment	after 90 days	after one year	after one year
Escalator %	10	5	3
First year	$218,562	$205,000	$212,000
Second year	27,225	$21,168	$18,025
Third year	$29,948	$22,226	$18,566
Fourth year	$32,942	$23,338	$19,123
Fifth year	$36,236	$24,505	$19,697
TOTAL	$344,913	$296,237	$287,411

Not only does the system offered by Vendor A cost substantially more over five years, but it also takes money from the operating budget year after year, often a more difficult expenditure for a library than a higher purchase price paid from the capital budget. ■

ENDEAVOR announces partnership and several product developments

Following the trend of partnerships between integrated library system vendors and suppliers of complementary products is Endeavor Information Systems, Inc., which is partnering with Serials Solutions to interface the Endeavor Voyager ILS with Serials Solutions' electronic serials reports.

This joint venture will provide libraries

with customized reports that display all the full-text serials available at their institutions, regardless of format, including content from database aggregators, publishers, and subscription agents. For more information about the Serials Solutions product, see www.serialssolutions.com.

Endeavor also released its Version 2001.1 of Voyager automated library system, the 12th general release since 1994. Among the major enhancements are new options in the MyOPAC feature that allow patrons to save information in their profiles, such as repeated searching of a particular database or catalog, selective dissemination of information, opportunities for automatically receiving update results from saved searches, and the saving of records from multiple searches for future reference. A binding preparation submodule also has been added.

Voyager has been purchased by 33 Association of Research Libraries (ARL) member libraries. The National Agricultural Library and the Columbia University Library are the most recent customers.

The associated Encompass portal product is now also in general release. Encompass provides for single-search access to online reference services, digital collections, the local patron access catalog, and the catalogs of other libraries. Although eight ARL institutions have signed contracts for Encompass, most are still engaged in implementation. The most complete site is at the National Library of New Zealand. The most recent contract is with the University of Kansas, bringing the total number of contracts for Encompass to 25.

Endeavor also has an interface between Encompass and the Blackboard Learning System. Blackboard offers electronic classroom products for secondary and higher education. The interface between those products and Encompass allows an instructor to use Encompass to search for information in electronic form and to store, manipulate, and present the information on the Blackboard Learning System. For more information about Blackboard, go to www.blackboard.com.

Contact: Endeavor Information Systems
2200 E. Devon Ave., #382
Des Plaines, IL 60018-4505

TLC becomes a Surpass distributor and releases Library.Solution 3.0

The Library Corp. (TLC), which discontinued its DOS-based automated library system and developed Library.Solution, a server-based, multiuser, multifunction library system using Windows NT, has signed an agreement with Surpass Software to meet the needs of small school libraries and school districts that prefer a distributed automated library system. TLC will continue to offer its own *School.*Library.Solution to districts that want centralized systems but will offer the Surpass product to potential customers that prefer to automate at the school level.

Surpass has been installed in more than 1,000 schools in the past 17 years. The system includes serials control, cataloging, circulation, inventorying, and patron access catalog modules.

TLC also has released the latest version of its Library.Solution product. Version 3.0 includes e-mail notification of arrived holds and overdue notices, a collection agency module, the ability to limit searching to recently arrived titles, remote patron authentication, search history, collection masking, and many enhancements to authority control.

Contact: TLC
Research Park
Inwood, WV 25428
Tel. 800-325-7759
www.tlcdelivers.com

IEEE group approves 10G Ethernet

The IEEE 802.3 standards group has approved the final draft of the 10G Ethernet standard, clearing the way for vendors to begin shipping nonproprietary 10 Gbps products. The new standard only applies to fiber networks. Among the companies that will be shipping 10G Ethernet switches are Avaya, Cisco, Foundry Networks, Nortel, and Riverstone Networks. Although few libraries require 10G at this time, they will benefit when the prices of 100 Mbps and 1.0G switches come down as a

PORTAL VENDORS PROTEST ARL ACTION; OTHERS MAY DO SO

Ex Libris and MuseGlobal have sent letters to the Association of Research Libraries (ARL) protesting that organization's participation in a contract with several of its member libraries and Fretwell-Downing, Inc., for that vendor to partner in the ARL Scholars Portal Project without undertaking a competitive procurement or formal evaluation. The portal would be a powerful scholarly discovery tool that would search, aggregate, integrate, and deliver licensed and openly available digital content across a broad range of subject fields and from multiple institutions. The letters contend that ARL identified 10 vendors with products that could be developed to meet ARL's requirements, but ARL didn't solicit proposals. A survey allegedly was distributed but not received by Ex Libris or by at least two other vendors.

At a minimum, Ex Libris and MuseGlobal seek the removal of ARL's name from the contract so that the association does not appear to be endorsing one product over others. Several other vendors of portal products were provided copies of Ex Libris' letter and were considering whether to call or write ARL to express their concern.

The consensus view of the librarians interviewed at the American Library Association Annual Conference in Atlanta was that ARL should not have agreed to undertake the management of the project without requiring a competitive procurement. The prevailing opinion was that ARL should take the lead in developing standards and specifications for portals and leave the actual development to libraries and vendors working collaboratively. ■

VEICON seeks to expand beyond Pacific Northwest

Oregon-based Veicon Technology, Inc., a vendor of thin clients (low-cost, centrally-managed computers devoid of CD-ROM players, diskette drives, and expansion slots) is seeking to expand beyond its home area with a thin client product that libraries can use to access the Internet or their patron access catalogs. Using Veicon's V-link technology, libraries can install diskless intelligent terminals that can be controlled from a single server, terminals that are less expensive than PCs to purchase and maintain. Among the libraries that have installed V-link are the Puyallup, Hillsboro, Molalla, and Tualatin Public Libraries of Oregon and the Dixie Regional Library System of Mississippi.

Contact: Veicon Technology, Inc.
1600 N.W. 167th Place, #345
Beaverton, OR 97006
Tel. 503-645-1551
Fax 503-645-2072
www.veicon.com

Ex Libris

Ex Libris announces sales

Nearly 200 institutions in 17 countries have signed contracts for Ex Libris's MetaLib portal and SFX linking products. The two most recent contracts are significant. In May, the California State University System purchased the SFX linking solution. The libraries will share one server hosted at the chancellor's office, but each member institution will be able to independently manage its own SFX linking environment. The libraries will be able to link to the catalogs of other libraries, online reference services to which they subscribe, and selected URLs.

In June, the State University System of New York, with 64 campuses, committed to SFX for linking online resources. The initial implementation will include the installation of an SFX server at the Information Technology Exchange Center in Buffalo and the linking of resources for the campuses at Binghamton, Fredonia, and Coblesskill.

Contact: Ex Libris (USA)
1919 N. Sheffield Ave.
Chicago, IL 60614
Tel. 773-404-5527
Fax 773-404-5601
www.exlibris-usa.com

VTLS

VTLS chalks up 75 Virtua sales

Only months after issuing Release 4.0 of its Virtua product—the release that rounded out the product—VTLS announced the signing of its 75th customer. The latest is NUKat, the Polish National Union Catalog. NUKat is a consortium of Polish libraries consisting of 12 member libraries with 80 facilities. Libraries participating in the union catalog have local systems from epixtech, Ex Libris, Innovative, ProLib, and VTLS.

Thirty-one of the Virtua customers are in North America; 44 are in other countries. The majority of the North American sites are public libraries, while the majority of the international sites are academic libraries. Eight of the sites are hosted sites, meaning that the central site is maintained by VTLS, rather than the customer.

Contact: VTLS, Inc.
1701 Kraft Drive
Blacksburg, VA 24060

ScienceDirect adopts OpenURL standard

ScienceDirect, a division of Elsevier Science, which publishes more than 1,500 scientific journals and maintains an abstract of more than 2 million articles in its journals and those of 120 other publishers, now supports the OpenURL standard. Conformity to the standard lets libraries more easily link directly from abstracts in ScienceDirect to the content and services from many other sources and link from other library resources directly to ScienceDirect.

ScienceDirect has worked with Endeavor Information Systems and Ex Libris to fine-tune the bidirectional linking. An Endeavor customer would need to implement LinkFinderPlus, and an Ex Libris customer would have to implement SFX to take advantage of the improved linkages. Endeavor and Ex Libris, both of which focus on the academic library market, were the logical first partners for ScienceDirect. Additional announcements can be expected in future months both from ScienceDirect and other online reference services.

These developments strengthen Open-URL as a standard. Because U.S. standards are voluntary, some major vendors must display commitment to a standard so that the rest of the industry is prompted to follow.

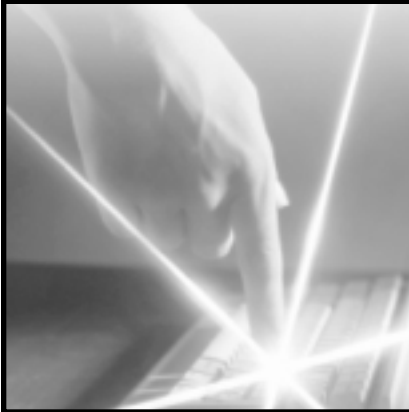**Contact:** Elsevier Science
www.elsevier.com

802.1a LANs successfully deployed

The earliest deployments of 802.1a wireless LANs appear to be living up to their advance billing as a faster alternative to 802.1b. Although no libraries with networks appear to conform to the new standard, a network specialist at Mount Saint Mary College, a liberal arts college in Newburgh, N.Y., has successfully transmitted motion pictures to laptop computers as far as 50 feet from any one of more than 100 802.1a access points around the campus. Throughput appears to vary, but is generally in the range of 8 to 12 Mbps—substantially better than can be achieved with an 802.1b wireless LAN. The college did find that 802.1a requires two to three times the number of access points required with 802.1b. Several other college campuses have installed 802.1a but generally as pilot projects. ∎

Information Today purchases Online Inc. assets

Information Today, Inc. (ITI), a major publisher of information technology journals and sponsor of conferences, has purchased the assets of rival Online Inc., also a publisher of information technology journals and sponsor of conferences. Online Inc.'s major journal, *ONLINE,* was acquired by ITI last year. Online Inc.'s

NEW PRODUCTS AND UPGRADES

OCLC integrates netLibrary e-books into FirstSearch

Records in the WorldCat database that also are included in the net-Library collection of e-books are now identified with a netLibrary icon. Libraries with a netLibrary account can have their patrons connect directly to the text of an e-book. Libraries also can use the icons to link to e-books collections.

E-books have not caught on with consumers, but are more popular in libraries where they can be accessed from a high-end desktop PC with a large monitor with good resolution. Unfortunately, most e-book producers are looking at the consumer market and are losing enthusiasm, so the industry is expanding more slowly than previously forecasted.

Contact: netLibrary
www.netlibrary.com

Gaylord, GuardiaNet Systems team up on Smart Card

Gaylord Information Systems (GIS) and GuardiaNet Systems Inc. together are producing a single library card that can be used to borrow items, pay fines and fees, pay to print from a workstation, and schedule time on a library PC. The card was initially developed by GuardiaNet to facilitate PC management for scheduling, print/cost recovery, time management, access management, and personalization and terminal reset. By integrating the card, known as LibraryGuardian, with GIS' Polaris system, a patron will be able to combine these features with those of a library card.

More information about Library-Guardian is available at www.library-guardian.com.

Contact: Gaylord Information Systems
7272 Morgan Road
Liverpool NY 13090

past conferences have included Web-Search University, Buying and Selling eContent, and Intranets. The purchase makes ITI a major information technology publisher and the leading commercial sponsor of technology conferences for libraries.

Contact: Information Today, Inc.
143 Old Marlton Pike
Medford, NJ 08055
Tel. 609-654-6266
www.infotoday.com

WiFi and Bluetooth come together in a dual-mode card

Silicon Wave and Intersil have teamed up to produce one dual-mode interconnection card that allows access points to deliver simultaneous 802.1b WiFi and Bluetooth wireless connectivity. The PCI (Peripheral Component Interconnect) card is a bargain at $50, but two chips and two antennae must be installed since these components cannot be shared. Nevertheless, the dual-mode card avoids having two separate wireless LANs, something that can save thousands of dollars for organizations determined to support both standards.

The cards are available through most suppliers of wireless LANs. ∎

BARGAIN firewall for small libraries

Small libraries, those with as few as two to eight workstations on a local area network, know that deploying a firewall to protect the network can be difficult and expensive. Most firewalls require considerable expertise to configure and can be priced in the thousands of dollars. Affordable solutions are on the way—Netgear now offers a bargain firewall unit, and SMC reportedly has a firewall unit about to hit the market.

Netgear has built its firewall into its FVS318 ProSafe VPN eight-port, cable/DSL router. A CD-ROM walks the installer through the process with many configuration screens. List price is $149. A comparably priced router for fractional T-1 circuits is in development at Netgear.

Contact: Netgear
www.netgear.com

THANKS AND GOODBYE

Serving as *Library Systems Newsletter*'s contributing editor since its launch in 1981 has been my pleasure. I have written more than 2,000 articles over the years. I plan to write the more than 500 readers who have corresponded with me since 1981 to tell you of my plans for the future, plans that include consulting and writing until my retirement in 2007.

Thank you for reading.—***Richard Boss***

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and innovative insights about the world of
library automation, every month.