Smarter Libraries Through Technology

by Marshall Breeding

The Business Side of Library Automation

I have a strong interest in the business side of the library automation industry. I find it fascinating to monitor and report on the latest news and events surrounding the companies and other organizations that develop and make technology products available to libraries. Libraries make significant investments in technology year after year, and it's essential that we understand as much as we can about the organizations involved. As a writer and analyst of the library automation industry, I try to make sure as much information as possible is available to libraries as they make decisions about how they work with these companies and organizations.

I think that a library's approach to technology should be more about partnerships than procurements. Acquiring a new technology product isn't necessarily just about the current snapshot of its features and functionality, but also about the alignment between the library's strategic directions and that of its technology partners. It's important to know as much as we can about these organizations in terms of business stability, commitment to the industry, and especially about their broad vision for library technology and the roadmap of where their products are heading.

Given my perspective that we should look to our technology providers as partners, I think that the configuration of the businesses involved with libraries is a very important thing to consider. The library automation industry today includes some companies owned and managed by their original founders. Others have involvement with external private equity or venture capital investors. One of the major players is a non-profit membership organization. The size of these companies ranges from small firms employing only a handful of individuals to global companies with hundreds of employees. Some have a business model based on software license fees while we're now seeing several that provide services surrounding open source software. An increasing number of library-oriented tech companies favor delivering their products through software-as-a-service. I don't presume that any of the models are necessarily superior to the others—there are differences in the relative advantages and disadvantages of each one.

Regardless of the business model involved, it's the business transitions that seem to affect libraries the most. Mergers and acquisitions can wreak havoc on a library's automation strategy. Given so many other pressing priorities, having to replace an ILS that lost out on the business front can be incredibly disruptive for library's staff and patrons.

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IN THIS ISSUE

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For better or worse, the history of library automation has seen a continual flux of products that enter and exit as a result of business transitions. Libraries need to be as informed as possible so that they can anticipate changes and make wise choices when selecting organizations that will help set their technological course. While no one's crystal ball is clear, an important part of the equation should be the available information on how a given organization fits within the overall industry.

In terms of mergers, acquisitions, and other business transitions, the library automation industry has been especially quiet since 2008, but some new rumblings have begun. In this month's issue of *Smart Libraries Newsletter*, we take an in-depth look at the business transition at Polaris Library Systems. At Polaris, management has gained ownership from the investment firm that held the company since its founding. We'll also examine how Ex Libris has made a few shifts involving some of its independent distributors to wholly owned subsidiaries. Both of these changes reinforce the continuity of the companies involved, averting disruptive transitions. On the open source front, PTFS's attempted acquisition of LibLime leaves some questions unsettled and reminds us that involvement with open source ILS products also comes with the need to understand the business issues.

Management Buy-out at Polaris

On Jan 15, 2010, Polaris Library Systems announced that it has changed ownership through a management-led buyout of the company. At ALA's Midwinter Meeting in Boston, the company made public the news that the executives had purchased the company from Croydon Company, a privately held holding firm. This transition places Polaris among the companies owned by the executives that manage the company rather than by outside investors.

The Croydon Company had owned Polaris since its inception as the library automation division of Gaylord Bros., one of the veteran companies of the industry, established in 1896. The principals of Croydon included Morris Bergreen, President, and Martin Blackman, Vice President. With the death of Morris Bergreen in 2001, Adele Bergreen took the role of President. The Croydon Company has stayed mostly behind the scenes and has not been actively involved in the day-to-day operation of the company.

In order to gain ownership of the Polaris Library Systems, a new company called PLS Partners was formed, itself owned by a group of Polaris employees.

Employees involved included CEO and President Bill Schickling, Chief Operating Officer Anita Wagner, Chief Information Officer Jim Mieczkowski, Chief Financial Officer Chuck Petty and VP of Marketing and Sales David Bendekovic. In addition to these existing employees, Jim Carrick, a Syracuse businessman, joined the company as Senior Business Advisor and participated in the buyout.

The transaction concluded on Dec 22, 2009 but was not announced until Jan 15, 2010. It involved a package of financing arrangements to enable the acquisition of the company without the involvement of venture capital or private equity. The incumbent owners, Croydon Company, apparently had confidence in the management, and provided support for the sale through transitional financing.

The total amount of the sale was not revealed. PLS Partners was represented by The Jordan, Edmiston Group (http://www.jegi.com/) as its financial advisor in structuring the buy-out.

An additional component of the financing involved a $1 million loan provided through Empire State Development, an economic development agency of New York state government. The announcement issued by ESD indicated that the loan, to be paid down over a 6-year period, was given to help support the greater Syracuse economy. Loan terms also specify that Polaris will add another nine jobs based in NY by 2013. Polaris currently has 65 jobs based in the greater Syracuse area, with another 15, primarily sales representatives, that live and work in other locations throughout the country.

Background on Polaris

The company we know today as Polaris Library Systems has a long and interesting history. It was founded in

1974 as a business unit of Gaylord Bros., a large company with multiple interests, especially as a manufacturer and distributor of library furniture and supplies. Gaylord Bros. itself was founded in 1896 by Willis and Henry Gaylord in Syracuse, NY. In 1930 Gaylord Bros. created the first library automation product with its Model C Book Charger, which used a mechanical system of date stamps on cards to manage the circulation of library materials.

Gaylord Information Systems was founded by Croydon trustee Morris Bergreen in 1974 in order to develop, market, and support products related to computerized library automation. Gaylord Information Systems became one of the pioneers in this emerging industry. One of the first products of the division was the Gaylord System 100, a hybrid system that included both computer equipment located in the library and the use of mainframe equipment housed by Gaylord for overnight batch processing of circulation data. The distribution of computer processing between real time transactions at the library customer site and batch processing performed remotely was a unique arrangement for the time. Over its first 15 years, Gaylord produced a series of products for automated circulation and catalog control.

In 1989, Gaylord introduced its first fully integrated library automation system, Galaxy. The development of Galaxy was led by Bill Schickling, who joined the company in 1987. This product, adopted primarily by smaller libraries, was designed for the VAX/VMS platform. After the demise of VAX/VMS, Gaylord elected to build a new automation product from the beginning rather than port Galaxy.

Gaylord Information Systems launched Polaris in 1997, a new integrated library for both the client and server components system that was based on the Microsoft Windows platform. Polaris

at least initially targeted larger libraries and consortia, though it has since been adopted by all public libraries of all sizes. Polaris, though it has found use in large consortia of libraries since its introduction, has only recently broken into the municipal library sector, with its selection for the public library systems that serve Phoenix, Dallas, and Miami-Dade County.

Since the introduction of Polaris, the company has gradually phased out Galaxy. Today only a small handful of libraries continue to operate this legacy ILS, with its complete extinction immanent.

Gaylord Information Systems went through a major transition in May 2003 when Croydon sold Gaylord Bros. to Demco, its major competitor in the library furniture and supplies industry. The automation division was not included in the sale. Demco has continued to operate Gaylord as an independent, wholly owned subsidiary, based in Syracuse.

Following the sale of Gaylord Bros., the automation division remained under the ownership of Croydon Company. The sale of Gaylord Bros. to Demco included the rights to the corporate brand. At this time, the company began operating under the name GIS information Systems. Katherine Blauer, President and CEO of Gaylord Information Systems exited and Bill Schickling was appointed President and Chief Executive Officer of GIS Information Systems. Prior to his appointment as CEO, Schickling had advanced into roles of increased responsibility: 1990-1996 programming manager; 1996-1999 director of programming for Polaris; 1999-May 2003 VP for Research and Product Development.

Operation as a standalone company meant significant downsizing from its

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former structure as a business unit within a larger corporate organization. GIS Information Systems reduced its workforce of 105 that it employed in 2002 to 65 in 2003. Since that adjustment, the company has steadily grown in personnel to the 80 that it employs today.

In May 2005, the company began operating under the name Polaris Library Systems, taking as its corporate identity the name of its flagship product.

Jim Carrick joins Polaris Library Systems as a new principal, both as an investor and as the company's new Senior Business Advisor. Carrick has been a long-time businessman in the Syracuse area, most recently as President and owner of Strategic Computer Solutions (SCS), a firm involved with reselling IBM products and services that employs about 130 people. SCS was ranked as the 10th largest IBM Business Partner in the United States. In Sep 2007 Carrick sold SCS to Sirius Computer Systems, a larger Dallas-based company also involved as an IBM reseller. SCS was originally founded in 1977. When Carrick acquired the company in 2002 it earned about $16 million annually. In 2006 SCS earned $95 million. With this background, Carrick brings to Polaris strong executive management experience in an IT-focused company, but also a shared interest in the local economy in the Syracuse area.

Perspective

Polaris has stood out in the library automation industry as a particularly successful company in recent years, both

in terms of its ability to make new sales and to earn high levels of satisfaction from its customer libraries. It has demonstrated the ability to attract libraries away from the legacy products—and occasionally the flagship ILS—of its main competitors. The company has seen steady growth in the number of libraries using its products and has grown its workforce accordingly. Polaris has maintained a focus on public libraries and has avoided the temptation to extend itself into other sectors of the market. Until recently it has marketed within the confines of the United States, only recently extending its reach into Canadian libraries. On the technology front, Polaris has kept within a single platform based on Microsoft technologies rather than attempt to support a wide range of hardware and software options. Through working within defined parameters in its market and technology strategies, Polaris has been able to prosper as a medium-sized company with limited resources.

The recent events at Polaris Library Systems bear likeness to the partial management buy-out that took place in 2007 with Mandarin Library Automation, a company involved with automation products primarily for K–12 school libraries. In July of that year, the three key executives of that company acquired half of the company stock from EGEG Holdings. It's also similar in that EGEG had sold its larger business interest, SIRS Publishing, to ProQuest in 2003, retaining control of its business unit involved with library automation.

The management buy-out at Polaris Library Systems means continuity and stability. This transaction moves Polaris into the category of companies within the library automation industry owned by the individuals that manage them rather than by external investors. Since the sale of Gaylord to Demco, the question of its ongoing ownership has been uncertain. While Croydon Company initially elected to retain its library automation business after divesting Gaylord Bros. to Demco, it was expected that at some point that it would eventually sell, opening up many possible scenarios. Had the management buy-out not occurred, the company remained vulnerable to acquisition by a competitor or by a private equity firm from outside the industry. Acquisitions among competitors usually mean consolidation of products and possible disruption to the libraries involved with the company's products. Going forward as an owner-managed company, Polaris will not be deterred from the continuation of the business strategies of recent years that have proven successful. Libraries using its products should breathe a sigh of relief knowing that they should be relatively safe from the disruptions often associated with other flavors of business transitions.

—Marshall Breeding

Sources for this article include a Jan 15, 2010 news story in the Post Standard of Syracuse, NY, available through Syracuse Online, The Business Journal–Central New York edition, and news announcements from The Jordan, Edmiston Group, and Empire State Development.

More info:

http://www.syracuse.com/news/
   index.ssf/2010/01/polaris_
   managers_purchase_comp.html

(http://www.allbusiness.com/
   company-activities-management/
   company-structures-
   ownership/13923933-1.html)

Ex Libris consolidates, a Bit

Ex Libris, a global company that provides automation products to large research libraries in many geographic regions, has made two business maneuvers in recent months that bring previously independent distributors into its corporate fold.

Most recently, Ex Libris acquired the library division of Fujitsu Services A/S, which served as its exclusive distributor
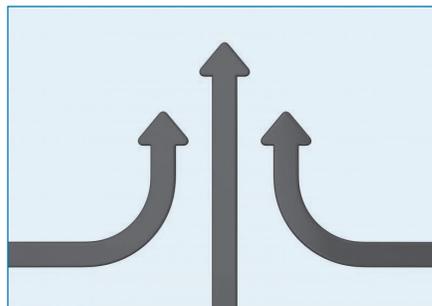
in Denmark and Sweden. Ex Libris has a very large presence among the national and large academic libraries in this region, including the Royal Library of Denmark, the Royal Library of Sweden, the National Library of the Faroe Islands, and a number of large networks of libraries, some nationwide in scope. These libraries previously worked through Fujitsu Services A/S for sales and support. Following

this acquisition, they will interact directly with support facilities provided directly by Ex Libris.

Parallel to this acquisition, a new office, Ex Libris Scandinavia, will be created to support the 200 libraries formerly serviced by Fujitsu Services A/S. This office, located in Ballerup, Denmark, will report to Marc Daubach, Ex Libris Corporate VP and general manager for the company's European operations.

This move does not necessarily represent a significant expansion for Ex Libris since it involves customers already using its products. Rather, it removes an intermediary organization, providing the opportunity for better control in the way it provides support and other services for these libraries.

A similar transaction took place in July 2009 when Ex Libris acquired Atlantis S.R.L., its distributor for Italy and Slovenia, which had been representing its interests in those countries. Ex Libris Italy, which will be led by former Atlantis Chief Operating Officer and marketing director Liliana Morotti, was subsequently opened. About 70 libraries in Italy and Slovenia make use of Ex Libris products.

While Ex Libris has a long history of successfully working through distributors, operating through wholly owned subsidiaries provides more opportunities for efficiency and to have more control over support and marketing operations.

These two business events demonstrate Ex Libris' increasing preference to work less through the intermediaries of distributors and to interact with the libraries that use its products more directly. While Ex Libris has a long history of successfully working through distributors, operating through wholly owned subsidiaries provides more opportunities for efficiency and allows the company to have more control over support and marketing operations.

On other fronts, Ex Libris announced that the Bodleian Library of the University of Oxford has selected its Aleph ILS to replace the Advance system currently in use. One of the major libraries in the world, Oxford supports the largest university library system in the United Kingdom. Progress continues on the development of Primo Central, the extension of the company's strategic discovery platform to provide a large, centrally-hosted and managed index of article-level content. In Jan 2010 Ex Libris announced that the product is currently live at 14 different libraries serving as beta test partners.

—Marshall Breeding

Business Developments on the Open Source Front

Recent weeks have seen a series of developments regarding companies involved in the support of open source ILS products. Until last year, the open source support business landscape in the United States was fairly simple: LibLime was the main company involved with Koha and Equinox Software devoted its attention to Evergreen.

This landscape became more colorful as additional players entered the scene. ByWater Solutions and PTFS entered the Koha support arena, providing competition to LibLime. Many other support firms provide Koha-related services internationally. As detailed in the October issue of *SLN*, LibLime launched a premium version of Koha that created considerable controversy. A number of key LibLime staffers subsequently left the company. In Mid-January, PTFS announced an agreement to acquire LibLime, though on Feb 11, the two companies issued a joint statement indicating that the deal was off.

Equinox has announced that it will also step into the Koha support scene. With its experience in providing hosting and support services for the open source Evergreen ILS, and with the expertise of individuals such as Galen Charlton who previously worked with Koha at LibLime and is now VP for Data Services, the company sees an opportunity. It will offer hosting of Koha in two flavors, Koha on Demand, which is a more generic offering fully managed by Equinox, and Koha Dedicated Hosting in which Equinox hosts the instance of Koha, but that also gives the library direct access for customization and development.

Though more complex than before, a variety of options now exist for libraries interested in an open source ILS. We're seeing increased competition in this niche of the library automation industry.

—Marshall Breeding

WordPress for Library 2.0 and Beyond: Plug-ins

In this second installment of Joshua Dodson and Laura Slavin's WordPress for Library 2.0 and beyond, we look at Word-Press plug-ins and their library applications.

—Daniel Freeman

When it comes to their web presence, libraries have special concerns and requirements. Library websites must be customizable, searchable, and current. In the second portion of this article, we'll discuss the customizable nature of WordPress, focusing on features that are beneficial to libraries.

One of the best features of Word-Press is its extensibility and adaptability. Through the use of plug-ins you can easily extend the blogging capabilities of WordPress into a solution for any number of projects.

Search Engine Optimization (SEO)

A simple search for SEO in the WordPress plug-in directory (http://WordPress.org/extend/plug-ins/) will yield quite a few results, with each claiming that it will do wonders for getting your site into search engine results. All-in-One SEO Pack (http://wordpress.org/extend/plug-ins/all-in-one-seo-pack/) and HeadSpace2 SEO (http://wordpress.org/extend/plug-ins/headspace2/) are two plug-ins that sufficiently modify the on-page parameters that search engines (specifically Google) look for to determine relevancy. If you don't like the way either of these work, there are dozens of other SEO plug-ins you can try. This does not mean that these plug-ins will do the work of research and networking for you, they merely provide a means by which it is easier to add the appropriate information to your pages and posts.

Sitemaps and Robots

XML Google Sitemaps (http://wordpress.org/extend/plug-ins/google-sitemap-generator/) is an example of a plug-in that takes the hard work out of determining which pages to index on your site. It will create a version of your sitemap that is written in XML, which will allow robots to see the structure of your site. While you will want to emphasize something like a mission statement page, you may not want to focus on another page when it comes to being indexed in search engines. XML Google Sitemaps and the many plug-ins like it can make this process very easy.

Social Networking and Bookmarking

To get people to visit your website, you need to have fresh content, optimize for search engines, and publicize your site. We already looked at some SEO plug-ins. For these, you have to write your own content, but there are quite a few other plug-ins that will help you get the word out about your site. Two great examples of plug-ins that will help with social networking are Sociable (http://wordpress.org/extend/plug-ins/sociable/) and ShareThis (http://wordpress.org/extend/plug-ins/share-this/). They encourage your readers to further share the article or news item that they are reading with other people. These plug-ins provide links to popular social bookmarking or networking services such as Delicious, Digg, Twitter, StumbleUpon, Reddit, Facebook, and many others.

There are plug-ins that will allow you to take the first step in initiating communication on several of the social networking sites. Twitter Tools (http://wordpress.org/extend/plug-ins/twitter-tools/), for instance, will allow you to post a tweet to your twitter account every time you create a new post. There are similar plug-ins that will do the same thing for your Facebook status. While this automation is an excellent way to quickly post updates, it is still important to maintain a human presence on these sites if you want your networking to really benefit your website.

Connecting to Patrons with Chat Reference

If you have tried chat reference and have found that it was helpful for your patrons, or would like to begin providing this service to your library users, Word-Press provides several ways to easily add a chat option to your site. Many libraries have already started to use chat reference with WordPress. There are several plug-ins that you can use to achieve this, but if you use a theme (we will discuss themes later in this article) that uses a widgetized sidebar area, WordPress will allow you to place a widget in the sidebar where you can paste a block of HTML to display the desired content. In this case the content will be a chat widget. Services such as Meebo (http://www.meebo.com/) and Google Talk (http://www.google.com/talk/) provide a widget in HTML format that you can paste on your website. In WordPress, pasting the HTML in the sidebar widget is one of the quickest ways to enable chat. Some themes have multiple widgetized sidebars so that you can specify exactly where on the page you would like the widgets to be displayed.

Scriblio, the WordPress OPAC

There is no reason why you need to use WordPress exclusively for its blogging capabilities. There has been an effort to use WordPress as a complete library OPAC. Plymouth State University (http://www.plymouth.edu/) has undertaken this project in the form of Scriblio (http://about.scriblio.net/), a WordPress plug-in that transforms a WordPress installation into an OPAC, complete with all the essential metadata fields plus a few additional perks such as cover photos and tags. We will explain some other options for using Scriblio in the next section.

Exporting Records with unAPI

As a savvy researcher, you may have tried out the Zotero Firefox plug-in that allows you to save research files and citation information directly in the Firefox browser. If you use Zotero, you will notice that when you are at a page that contains pre-coded exportable data (for citations, etc.), it will often display a Zotero link in your address bar. Have you ever wondered how the website makes the data accessible in that way? unAPI (http://lackoftalent.org/michael/blog/unapi-wordpress-plug-in/) is a plug-in that assists in specifying certain exportable data such as author name, book title, and call number. Used in conjunction with plug-ins such as Scriblio, unAPI can help you set up the proper export information. This will require modification of the PHP files, so only use this if and when you are comfortable working with the code.

Make Your Own Social Network

Do you enjoy using Facebook, but would like more customization capabilities, and only want a network for your library staff and patrons? BuddyPress (http://buddypress.org/) is a WordPress MU plug-in that can provide just that.

There is no reason why you need to use WordPress exclusively for its blogging capabilities.

You can set up your own network of users and groups. The users can create their own separate blogs and send notification information to other specific users or globally to all users if they are administrators. This also has important benefits as an internal staff communications tool. It is possible to keep groups private if you desire.

Note that BuddyPress requires WordPress MU, which is different than a standard WordPress installation. They are similar in many ways, and WordPress MU is still open source and free to use. Mingle (http://WordPress.org/extend/plug-ins/mingle/) is another option for creating your own social network, only it uses the standard WordPress installation. You will not need to reinstall WordPress since you can use it with your preexisting installation.

—*Joshua Dodson and Laura Slavin*

About the Authors

Joshua Dodson is the Technical Services Technician and Web Assistant for Lincoln Memorial University in Harrogate, TN. He specializes in developing Web sites with the WordPress framework. He has developed a system for creating library subject guides through WordPress that is currently implemented at Carnegie-Vincent Library. An article on this topic has been published through the Code4Lib Journal. He has presented on topics including information literacy, open source software, Web 2.0/Library 2.0 technologies, and using WordPress for library Web sites.

Laura Slavin graduated from the University of South Florida School of Library and Information Science in 1998 with a concentration in Cataloging. Since then, she has worked at Troy University as Cataloging Librarian, and currently at Lincoln Memorial University as Technical Services Librarian. She has presented on a variety of topics including live chat reference, open source software, and enhancing library Web sites.

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