In the face of the rising costs and complex licenses that accompany electronic resources, librarians have taken a variety of different approaches to negotiating good deals with low bottom lines and a minimum of access restrictions. One of the ways in which librarians have been most successful in this pursuit is through the use of consortia. Consortial deals for resources — electronic and otherwise — offer a multitude of advantages, the nature and size of which often vary depending on the size and makeup of the consortium itself. As with any and all good solutions, there are also downsides to consortial negotiation. With the help of some of the top consortial negotiators at work today, this examination of consortial negotiation should shed some light on when to join the team and when to go it alone.
Welcome to the Price Club!

The process of purchasing resources through consortia has many similarities to the wholesale shopping club experience. Consortial negotiators represent a large group of libraries and consequently a large group of users. So when they look to purchase a resource, they are, in effect, buying in bulk, not unlike the buyers for a local price club. This has its advantages for not only the libraries within the consortium, but also for vendors looking to get their product out to the market in the most efficient way possible. As Anne McKee, program officer for resource sharing for the Greater Western Library Alliance (GWLA), explained, "The more you can bring to the table the better the publishers like it and the greater the discount." Ed McBride, chief marketing and outreach officer for SOLINET, remarked, "It represents a much larger piece of business for them [publishers or vendors] so that they are able to look at the picture as a whole and in a lot of ways, come up with a better pricing structure. The more market share they can gain from a particular deal — especially if it is a multi-year deal — the better it is for them." On the other hand, McBride noted that not all publishers or vendors, particularly the smaller ones, are keen or even able to offer such discounted pricing for large groups of libraries.

The improved pricing that comes with consortial purchases has ramifications beyond any individual library budget. "A consortial agreement expands access in at least two ways: by negotiating lower prices and re-distributing costs, it can make resources affordable for its smaller members; and by offering 'cross access' to content subscribed to by other member institutions, it can make available to each member far more content than would be possible in an individual agreement," described Ivy Anderson, director of collections for the California Digital Library (CDL).

Consortia can bring libraries to the negotiation table that may never have been there on their own, because there is no question as to whether or not there will be a discounted list price — the only question is how big the discount will be. One of the first and worst mistakes inexperienced library negotiators can make is to simply not negotiate at all. In a consortial negotiation, there's no question that any deal struck will be better than list price. Joining a consortial deal relieves the individual librarian — especially an inexperienced one — of the bazaar-like activity of negotiation.

Of course, price isn't everything, even if sometimes it sure feels that way. Sometimes, unrealistic and draconian licensing terms can make a resource so difficult to manage and use that it is hardly worth the trouble, not to mention the price. Once again, consortia can offer help in this regard. Kim Armstrong, assistant director of the Center for Library Initiatives at the Committee on Institutional Cooperation (CIC), explained that by representing a large number of libraries, consortia can push for the progressive licensing terms that many librarians are currently seeking. "We can't always predict 5 or 10 years out what is going to be a priority in a license, so we are able to help move along new terms that may not be standard yet in license agreements, but which are emerging for our libraries," Armstrong remarked. Terms such the right to interlibrary loan, the right to place materials on reserve or in course packs, or the right to deposit materials by an institution's faculty into institutional repositories represent just a few of the license terms that consortia have championed.

Libraries ❤️ Cooperation

Librarians are no strangers to cooperation, which makes the creation of consortia a no-brainer, even before the popularity of electronic resources made consortial license negotiations prudent. As Rona Wade described in her 1999 *Library Consortium Management* article, throughout the 1980s, a variety of groups developed out of the desire for union catalogs, shared library systems, and reciprocal borrowing. It was not until the 1990s that the negotiation of licensing agreements became a larger part of library consortia's mission. (See Rona Wade, "The Very Model of a Modern Library Consortium," *Library Consortium Management*, 1(1/2):5.) Since libraries often joined consortia for projects well outside of the realm of resource acquisition, librarians may find themselves with membership in a variety of groups that may appear to have competing interests when it comes to striking resource deals for their members, not unlike subscription agents competing for library contracts. However, this sort of competition is not necessarily troubling. "I am most interested in getting the best price and the best terms and conditions for my libraries," Terry Austin, coordinator of electronic resource licensing for the University of Missouri Library Systems, said, "I will check known consortia to meet that end. Likewise, if one of my libraries can do better with another consortia, then they should go that way."

The diverse origins of consortia often assist a library in deciding which group to join for a particular resource. A common understanding exists between the members of a consortium
about the goals of the partnership. If a library belongs to a statewide consortium, the group's mission may dictate which resources to pursue on the member's behalf. If that same library also belongs to a consortium of college libraries with whom it shares a similar population size and research-level, it may expect an entirely different selection of resource deals. In essence, the consortial market diversifies naturally. When the interests of library consortia do intersect, there is certainly a possibility of competition. While some view this competition as healthy and important to keeping consortia working diligently for the best possible deals, others see this as counter-productive: "If the member can shop, it results in the vendor creating a more common and less advantageous offer across consortia," Tom Sanville, executive director of OhioLINK, explained. "I think it's harder for any negotiator to arrange a significantly better or the best possible deal."

To be sure that consortia are not creating a secondary market on which vendors can play groups against each other, both libraries and consortia need to have a good idea of what each group brings to the table and attempt to create partnerships where possible. Big multi-consortia deals, while sometimes too complex for their ultimate value, offer an example of this inter-consortium cooperation. Cynthia Clennon, director of electronic resources for the Consortium of Academic and Research Libraries in Illinois (CARLI), provided an example of one such collaboration, whereby CARLI purchases memberships to the Missouri Library Network Corporation (MLNC) giving each CARLI library the ability to participate in any deals negotiated by MLNC. McBride gave another example of this sort, noting that sometimes it works to SOLINET's advantage to be able to bring more people, via other smaller consortia, such as a statewide consortium like the Network of Alabama Academic Libraries (NAAL), to the negotiating table. "It does allow you to leverage more if you have multiple consortia in a deal," McBride added.

Levels of membership are key to providing libraries, vendors, and consortia with the opportunity to band together when useful without long-term commitments. Greg Doyle, electronic resources program manager for the Orbis/Cascade Alliance, represents 36 academic libraries in Oregon and Washington, but his prospective buying power also extends to a nonmember program of 50 to 60 libraries, each of which can participate in any given deal for a fee, when the vendor agrees. This provides the vendor with a greater audience for their product, the consortium with a larger pool of possible participants, and the libraries with opportunities that they might not otherwise have available to them due to their inability to join the Alliance. The variety of ways in which libraries can participate in consortial deals gives flexibility to the librarians, which can be critical in producing the best possible mix of budget-conscious acquisition practices and user-needed resources.

Networks Versus Consortia

Many consortia directors and members have traditionally drawn a stark contrast between a network and a consortium. McBride stated: "At one time, I would have agreed with that. However, I think that what you are going to see in the profession over the next 12 months or less is that networks as we know them are fading away." The distinction between consortia and networks is often drawn due to differences in funding and cost recovery. Any nonprofit group of libraries, whether a consortium or a network, must recoup its costs, and this is done in a number of different ways. The group can recoup via membership fees as well as other types of surcharges, commissions from vendors or publishers, or administrative fees.

The network system, according to McBride, was built about 30 years ago on the premise of primarily supplying OCLC services and acting as a cooperative of sorts. In 2008 and 2009, the OCLC regional network system went through significant changes and remains in a state of flux. The previous regional service provider model evolved so that regionals are no longer providing the same types of OCLC services they once were. The end result is that the regionals are having to reinvent themselves and negotiate with OCLC to agree upon a different kind of mutually beneficial relationship. Some smaller statewide networks may cease to exist entirely while the larger ones are seeking to realize new services and opportunities.

"I have begun to start using the word consortium for us because I think that we will in fact become a very large consortium of consortia versus a network. The network services, as we have all thought of them, are going to change. We'll still be a partner with OCLC; it will just be a different type of partnership. The difference in my mind has always been the OCLC services, but I think that you will see us become a true consortium," McBride opined.

The consortium of consortia, or meta-consortia, of which McBride spoke is rapidly becoming a reality in many cases. SOLINET has already consumed some Indiana libraries and is on the verge of a merger with PALINET. The resulting meta-consortium, as yet unnamed, will eventually include more than 5,000 libraries. Operating at such a large scale represents challenges, yet bigger is sometimes better. McBride noted that...
Here's a little more information about the consortia consulted for this article.

Alliance for Innovation in Science and Technology Information (AISTI)
http://www.aisti.org

AISTI is a nonprofit association of university and research laboratory libraries and information centers “dedicated to providing librarians and researchers with a unique forum for sharing cutting-edge ideas, implementing innovative solutions, and combining resources for research tool development and information sharing.”

California Digital Library (CDL)
http://www.cdlib.org

The University of California libraries rely on the California Digital Library to provide support for their services in a variety of ways, including providing access to a wide variety of vendor and content provider opportunities.

Committee on Institutional Cooperation (CIC)
http://www.cic.net/

The CIC is made up of the Midwest’s Big Ten Universities plus the University of Chicago and supports a wide variety of collaborative projects including the Center for Library Initiatives, which handles resource negotiating.

Consortium of Academic and Research Libraries in Illinois (CARLI)
http://www.carli.illinois.edu

In addition to supporting a shared catalog, a library delivery system and a book digitization initiative, the CARLI brings some major bargaining power to the table with 151 member institutions that serve “over 93% of Illinois higher education students, faculty and staff....”

Greater Western Library Alliance (GWLA)
http://www.gwla.org

The GWLA is a selective consortium of 32 research libraries that supports many services, including digital libraries, cooperative collection development, and shared electronic resources.

Ohio Library and Information Network (OhioLINK)
http://www.ohiolink.edu

OhioLINK represents 88 Ohio libraries and among its many accomplishments offers more than 140 electronic research databases.

Orbis Cascade Alliance
http://www.orbiscascade.org

The Orbis Cascade Alliance serves 36 libraries in Oregon and Washington. The alliance was initially formed to build a union catalog and borrowing system but later added an electronic resources group purchase program among other services.

Southeastern Library Network (SOLINET)
http://www.solinet.net

SOLINET is a former OCLC regional service provider and now mega-consortium covering Alabama, Florida, Indiana, Kentucky, Louisiana, Mississippi, North Carolina, Tennessee, South Carolina, Virginia, the Caribbean, and Puerto Rico.

UNILINC
http://www.unilinc.edu.au

UNILINC is an Australian consortium whose offerings include consultancy and advisory services, accreditation advice, and the opportunity to participate in database discounts.

University of Missouri Library Systems
http://digital.library.umsystem.edu

Representing the University of Missouri libraries and other academic institutions in the state of Missouri, the University of Missouri Library Systems primarily provides digitizing and electronic resource acquisition.

For more consortia in your area and around the world, visit the International Coalition of Library Consortia website at http://www.library.yale.edu/consortia.
these meta-consortia will be well-equipped to handle large national deals, such as the one SOLINET brokered with Lexis-Nexis some years ago. Big or small, the consortia versus network distinction is currently in flux and will remain so for the foreseeable future.

Are You Experienced?

There's nothing to prevent a consortial negotiation from going awry if the one doing the negotiation is inexperienced. Just as collection development and electronic resources librarians struggle with negotiating deals with vendors, so do consortial negotiators, only the stakes are much higher. This is what makes the hiring of consortia personnel so vital for any consortia, as well as making negotiation skills and experience a top job requirement for the position, possibly more than for the collection development or electronic resource librarian who often has many other duties to perform. In fact, a number of the consortia representatives interviewed for this article came from backgrounds that involved working in sales for vendors or publishers or negotiating agreements in the worlds of business and higher-education administration. While acting as a single voice of a large number of libraries requires a knowledge of the wants and needs of those libraries, it also requires a degree of negotiating expertise that many librarians may lack.

Familiarity with practices and priorities on both sides of the fence, so to speak, is a common trait among many seasoned consortia personnel. When asked about his background in negotiation, McBride noted that he had been working in libraries for almost 29 years, in a number of various positions. He explained the he first encountered negotiation as an automation librarian in several public libraries, but really honed his negotiation skills while working with libraries all over the world as senior vice-president of sales for Gale.

The level of specialization that a consortium representative can cultivate benefits librarians and vendors in a number of ways. Understanding the other guy's needs and concerns is critical to a successful negotiation. A negotiator working on behalf of a consortium can make maintaining relationships with all sorts of information professionals and their companies a top priority. As Doyle explained, "One of the most important parts of my job is getting that relationship with the vendor. They trust us and they trust that I am going to be straight with them and that I am going to do all the things I tell them I am going to do and that is backed up with results."

Understanding the product lines and passing that information along to consortia members are other added benefits. The consortial negotiator not only saves the member librarians from having to do the actual negotiation, but he or she can also facilitate the dissemination of information, in some cases creating a one-stop shopping destination for libraries to evaluate and choose resources in a custom database environment. Glennon described the CARLI member experience: "You get a login and a password and you login for your institution. You see all of the products that we offer and your prices, click the boxes for the deals you want, it totals it up and you're done. It's amazing and I think libraries really like the idea that they can go in, look at all what's available, pick out their resources, and be finished."

Vendors benefit from this centralized contact as well, leaving their sales representatives available strictly to educate the libraries about the products without having to undergo the negotiation process with each one. Vendors also appreciate the significant savings that single invoicing can bring. "The invoicing and collecting of payment is quite expensive for a vendor. If they can cut that down to only one, it really does add to the discount," McBride said. With tight budgets for both vendors and libraries, any opportunity to get more bang for the negotiation buck is appreciated.

Consortia also benefit the negotiation process by providing user statistics at renewal time. While the consortial negotiators interviewed for this article said that they did not use user statistics unless a resource was being purchased through a pool of money held by the consortium itself, the advent of electronic resource management systems (ERMS) has given statistics a larger role to play in consortial deals. Current participants in a deal can share their statistics with similar institutions that are considering coming in on a deal, while consortial negotiators can use the aggregate to renegotiate a deal, particularly when pricing is determined by full-time equivalent (FTE) or simultaneous users. "If we see that a cost per use of a particular resource is out of line with a peer resource, we definitely talk to the vendor about it and use it to cap increases," Austin said. "If we find that a resource is not being used as much as its peer resources, that information can be used to encourage the vendor to provide marketing and training. We use cost analysis for statistics as one factor in determining if we continue to subscribe to a resource, and we definitely let the vendor know that."

One of the most important skills that a negotiator can have in his or her toolkit is the confidence to walk away when a deal is no good. Because any given consortial deal is just one of many ways that a library might obtain a resource, a consortial nego-
In the end, the goal is to succeed, and librarians may need to kiss a few frogs before finding the right mix of princely consortia.

Choose Your Friends Carefully

For librarians, deciding which consortium to join can sometimes be the most difficult part of the consortium experience. Ultimately, the key to a successful consortium is a set of libraries that share a common set of goals. As Armstrong explained, “I think there are a couple of things that really drive success. One is that there is a common agreed upon set of goals. We all know what we are setting out to do and we all know when we have achieved those goals... Trust is also a big deal. If you are going to ask libraries to do things, sometimes give up autonomy and time, for the greater good, they have got to trust each other and that the organization will help fulfill their mission.”

With these shared goals in mind, librarians often find themselves joining partnerships brought together by a few basic demographic criteria—size, location, and research-level/interests. Each unifying factor may have its own advantages and disadvantages. Bringing groups of large libraries or small libraries together can certainly assist in pricing allocations based on FTE. However, by focusing on research-level or interests, the group can focus on the particular resources most important to their users. Location-oriented consortia can be most community-minded, as they may be the only consortia cost-effective for smaller libraries to join. In the end, the goal is to succeed, and librarians may need to kiss a few frogs before finding the right mix of princely consortia. To find these ideal relationships, Anderson advises looking for “consortia that are able to negotiate on behalf of a significant segment of a vendor’s market—whether in terms of geography, library type, or audience.”

Another concern and possible misconception exists that can make it difficult for libraries to choose the best possible partnerships, namely, the impression that the larger the consortia, the...
greater the bargaining power. Corinne Lebrun, executive director of the Alliance for Innovation in Science and Technology Information (AISTI), pointed out that a tipping point may arrive where the size of the group can work against its ability to function effectively: “Your workload is going to increase exponentially and what happens is things tend to slow down to a glacial pace when an organization is too large.” The recently announced SOLINET-PALINET merger will create a very large organization and, again, the future of such meta-consortia remains to be seen.

The Needs of the Many

Any librarian who has had a user breathing down her neck for access to a particular journal or database understands why librarians can sometimes have a need for speed. Sadly, consortial deals don’t always move as quickly as librarians or their users would like. Working through the decision-making process for choosing resources within libraries and then tackling the bureaucracy for approving any license terms or expenditures can prove difficult within a single institution. When multiplied by all the interested members of a consortium, the timeline for acquiring new resources can be very discouraging. Doyle pointed out that the timeline can sometimes even be a deal-breaker: “When I talk with vendors that want a central license agreement, I will make sure they understand the likely timeline, and if they are ready to let the libraries’ subscription or access to materials start while we do the license, then we can move forward, but if they have to have a signed license before anyone does anything, then we are probably not going to be able to do business.”

Consortial deals can also leave libraries feeling as though they have lost a level of flexibility in their budgets for resources that, particularly during lean years, can seem like a deal-breaker as well. “The major disadvantage is that the cost of improved effectiveness and efficiency is decreased flexibility,” Sanville remarked. “To achieve the benefits of group licenses, we must be able to sustain these in both thick and thin times and regardless of individual short-term budget issues.” The needs of the consortium and its fellow members can sometimes unduly influence libraries to maintain resources that they might not have otherwise continued based on resource merit alone.

Some of the difficulties associated with consortial negotiations result in a few vendors who will not negotiate with consortia at all. One challenge to traditional vendor corporate structure is the use of regional sales representatives. With consortia that span many geographical areas, multiple regional sales representatives can find themselves all negotiating the same deal,
leaving the consortium in a confusing situation. Anne McKee, as the program officer for a consortium that spans from Hawaii to Illinois, finds this problem particularly difficult. "In some of the really big publishers, I work with four different sales representatives. I will copy the other representatives, but I make it clear that there has to be only one that I am working with."

**Too Many Cooks**

Negotiating an agreement between more than two parties can exponentially increase the amount of difficulty in obtaining a good deal. The ways in which consortia determine how much participating institutions pay to participate in a deal are as varied as the consortia themselves. Rona Wade, executive director and chief executive officer for the UNILINC consortium in Australia, describes part of the problem: "On the face of it, the amount paid should reflect the level of use. However, use-based pricing may be seen as discouraging use or creating budget uncertainty for the library. A flat fee based on FTE gives budget certainty, but reflects potential use rather than actual likely use. It also disadvantages small specialized libraries with small budgets, but also very small user bases." To provide the most flexibility for pricing, most consortia must maintain a variety of allocation formulas to ensure that, regardless of how the allocation is determined, all the libraries involved reap the benefits. "We have been playing with some models in the CIC — a whole matrix of factors. Some of the things we have been looking at are collection budget size, FTE, and research intensity," Armstrong noted.

Keeping all of the formulas and the data necessary to execute different allocation formulas is all predicated on the library’s ability to actually pay the invoice, which, in down market times, can prove frightening and difficult. Ensuring that license agreements have opt-out clauses in times of extreme budget crises is essential for both consortial and nonconsortial deals. However, the penalties associated with exercising these clauses can be devastating in a consortial environment. When vendors have thresholds for the level of discount that a group may receive, the exit of one or more partners can affect the bottom line for everyone involved. "Some publishers will create deals where they say if an institution cancels a title and it is the only institution that holds that title, then everyone else is cut off from that title," McKee stated. "This has happened a couple of times, but we can usually get another institution to step up and subscribe to the cancelled title so that the content will remain available for the rest of the participating members." While the good will of fellow consortium members is undoubtedly strong, financial hardship can drive libraries to tough choices. And just as all members reap the benefits of increased funding, the budget deficits of one institution can have ripple effects throughout the whole organization.

**Conclusion**

There are no easy answers when it comes to resource acquisition. When it comes to deciding what constitutes the best pricing or the most desirable method of access for a resource, the answer will differ for each librarian negotiating a deal. This is what makes the consortial model such an unlikely winner in this game. And yet, librarians are continually finding new and important avenues where existing consortia, as well as brand new partnerships, allow them to accomplish things that they never could have done as individual institutions. Will consortial purchasing and licensing of resources solve all the pricing and access problems that information professionals currently face? Probably not, but with the help of experienced and savvy negotiators at the helm of these organizations, librarians, vendors, and publishers can continue to find creative solutions from which all involved can benefit.