

**REPORT
SRLAAW INTERLIBRARY LOAN COMMITTEE
NOVEMBER 2004**

The SRLAAW Interlibrary Loan (ILL) Committee was appointed by then-Chair Bernie Bellin at the July 10, 2003 meeting. Original members of the committee were Alan Engelbert, Chair (Manitowoc-Calumet LS and Manitowoc Public Library), Laurie Freund (Waukesha County Federated LS), Peter Hamon (South Central LS), Jeanne Stoltenburg (Northern Waters LS), Mark Morse (L.E. Phillips Memorial Library, Eau Claire), Connie Crooks (Milwaukee Public Library) and John Nichols (Winnefox LS and Oshkosh Public Library). Stoltenburg later left the committee, and Crooks was replaced by Pat Kennedy.

PURPOSE

As stated in the SRLAAW Minutes, "The purpose of the committee would be to identify alternatives available for ILL and (sic) Wisconsin and identify data necessary to evaluate them."

The reason the committee was appointed is because of ongoing concerns about WISCAT, in terms of how much it costs, is it the right technology, what are the available alternatives and how do they compare on a cost/benefit basis. These questions came up for years on the LSTA Advisory Committee, since most of the costs of WISCAT are paid for using federal funds. But one hardly can sit at an LSTA committee meeting and vote to just dump WISCAT without there being a viable alternative, and without there being a whole lot of planning in place, so each year WISCAT went on, because it perhaps was the right course to follow, but certainly because it simply had to go on.

Some members of SRLAAW, many of whom had served on the LSTA Advisory Committee at various times, wanted to break this cycle. There were calls for use of LSTA funds to hire a consultant who could really dig into these questions, collect and analyze data, and define and provide cost/benefit analyses of the alternatives available. From there, perhaps reasoned and reasonable discussion could take place and a decision be reached.

The idea of hiring a consultant was modified by DLTCL into a statewide conference at which a wide range of issues relating to ILL, only one of which was WISCAT, would be discussed. (That approach has now morphed into a consultant-assisted survey, to be followed by meetings of focus groups.) This approach will no doubt yield valuable information. However, it still does not go directly to the concerns SRLAAW has about the continued use of the WISCAT union catalog coupled with ILL management software, given what it costs and the possibility that there are alternatives which may be less expensive, more efficient, or both. SRLAAW therefore appointed this committee to look into those questions and make recommendations.

The committee met in July, August and October of 2003 and in February, May and August of 2004. The committee spent a fair amount of time articulating its concept or sense of how interlibrary loan is actually functioning in Wisconsin. We decided early on that we would discuss the statewide ILL system primarily from the public library/public library system perspective.

NEED FOR ILL PROTOCOLS

The committee was unanimous in its belief that protocols governing what is requested via ILL need to be re-instituted and enforced. Some fraction of the requests submitted on WISCAT ILL are for new or popular materials, noncirculating materials, or items that are in the newest AV formats and therefore noncirculating on ILL. This problem compounds when lots of libraries are listed as owning these materials.

ILL protocols need to be established so libraries have a better sense of what can be reasonably requested on ILL outside of their own region. Both the Fretwell-Downing VDX software and OCLC have functionality that permits libraries to establish protocols that will filter ILL requests for non-availability, AV formats etc. . However, the functionality appears to be either limited, not implemented, or still being developed at this writing.

Until filtering of requests can be automated to the extent possible, it may be useful to limit the maximum number of lending libraries listed on a request's lender string. If there are a limited number of lenders, the requesting (borrowing) library would be able to look at an unfilled request in a more timely fashion and determine the appropriate action—end the process, resubmit an amended request, consider purchasing the item, or talk to the patron about re-requesting it at a later time—depending on the item being requested. Limiting the lender string also has the very practical effect of limiting the amount of staff time spent at libraries receiving ILL requests. Fretwell-Downing's VDX product does have the capability to limit the maximum number of libraries on a request's lender string, but a policy decision was made not to implement it. OCLC does limit each request to a maximum of five lending libraries.

PROTOCOLS, MEDIATED AND UNMEDIATED PATRON INITIATED ILL

The committee supports the use of protocols to reduce the number of requests that should not have been submitted in the first place. However, there is broad support for patron initiated, mediated ILL; and more qualified and limited support for patron initiated, unmediated ILL. The committee suggests that unmediated ILL be approached carefully, and if it is implemented, a rather leisurely pace may be in order.

EMPHASIZE REGIONAL RESOURCE SHARING

The committee examined the ILL systems in Minnesota and Illinois, among others. The one thing that Minnesota and Illinois have in common is their commitment to strengthen resource sharing within each library system area by encouraging public and non-public libraries to join a shared catalog and connect to each other more easily. ILL is done most efficiently on a regional shared system

Both Minnesota and Illinois emphasize the importance of clearing a region prior to sending requests outside a region. Clearing one's area makes the most sense for turnaround time and saves staff time throughout the state in handling requests. Finding more ways to encourage this sort of interaction should be continued within our own state.

TYPES OF LIBRARIES AND ILL

The committee arrived at a consensus belief that there are three distinct library communities functioning within the ILL context in Wisconsin.

1. The academic libraries, particularly the University of Wisconsin and larger academic libraries, have de facto evolved their own ILL system, one that is primarily based on peer to peer lending, either through linked systems (the UW's Voyager Universal Borrowing System which operates on a proprietary [non-Z39.50] protocol) or through OCLC's ILL module. Some special libraries, particularly medical libraries, also have well developed ILL systems of their own and are active lenders to public libraries as well, and are best considered as functioning like academic libraries for the purposes of this discussion. Obviously, there is ILL traffic generated by academic and technical college libraries on WISCAT ILL. However, the bulk of ILL done by academic libraries does not take place via WISCAT.
2. Most of the public library ILL is now done on regional shared automated systems. There were over 4.1 million ILL transactions conducted within public library systems in 2003, according to DLTCL figures. ILL done outside a region (the "traditional" public library ILL) is done via WISCAT ILL and consists of approximately 250,000 items per year, or around 6% of the total.
3. The committee believes that school libraries are more interested in borrowing than in lending with respect to participation in ILL, although there obviously are exceptions. The committee therefore is not convinced that it makes sense to have the holdings of these libraries represented in a union catalog, if in fact a union catalog is preferable to a statewide ILL system based on Z39.50.

The committee believes that one of the main uses of WISCAT by school libraries and some small public libraries is as a source of cataloging records. The committee does not feel that there is any obligation to provide a union catalog simply to provide schools or any other consumer with a source of free cataloging records, and does not regard that usage as sufficient reason for maintaining a statewide union catalog.

Given that "traditional ILL" as discussed in 2, above, constitutes a relatively small percentage of total ILL in the state, there are those who question the value of traditional public library ILL at all, given the costs involved. If we don't care too much about traditional ILL, we don't have any need for an ILL system. The committee decided not to even begin to try to grapple with that question, and it is outside the scope of this report.

CONCEPTS – STATEWIDE ILL SYSTEM FOR WISCONSIN

Based on the analysis and assumptions above, the committee believes that a statewide ILL system should be designed that directly meets the needs of the public library community. Since schools are primarily interested in borrowing and primarily borrow from public libraries (assumptions which may require more data in order to be tested), the statewide ILL system must allow ready access for schools, but does not necessarily require school holdings to be included in either a union or virtual catalog. The public library-centric ILL system must also provide a strong link to the academic/special library system. The committee believes that this conceptual model would take into account patterns of library service that have established themselves over time; allow all current participants in statewide ILL to continue to have ready and reliable access to library resources statewide; and eliminate parts of the current system that the committee believes are not essential, thereby streamlining the process, and perhaps, saving some money by not attempting to be “all things to all people.”

ALTERNATIVES FOR CONDUCTING ILL IN WISCONSIN

The committee identified three main alternatives for the mechanism for conducting the roughly 250,000 ILL requests that take place outside of shared automated systems operated by consortia of public or academic libraries.

1. Searching library catalogs through the Z39.50 protocol and submitting ILL requests through ILL management software such as Fretwell-Downing.
 - a. Expediting Z39 searching by encouraging public library shared automated systems to select and upgrade to a common vendor over time.
2. A union catalog coupled with ILL management software, such as OCLC.
3. A combination or hybrid of a union catalog and Z39.50 capabilities coupled with ILL management software. The current WISCAT catalog based on Autographics coupled with the Z39.50 searching capabilities found in the Fretwell-Downing software is an example of this approach.

The initial plan was for the committee to obtain in depth information on how these alternatives have been implemented in Minnesota, Illinois, and Wisconsin, and to a lesser depth regarding implementation in Missouri and Michigan; identify and agree on the cost elements that go into a statewide ILL system; identify and agree on the functionality that should make up a statewide ILL system; and then seek to compare the available alternatives against our agreed cost elements and functional requirements.

The committee set out to do this analysis, but fairly quickly ran into some of the messy realities of ILL. The ILL process is very complex, and it is easy to lose one's way in a welter of detail, or to draw very shaky conclusions based on oversimplifications, generalizations and beliefs arrived at on the basis of little hard information. Writing functional requirements for an ILL system was beyond the scope of the committee. There are so many variables in how ILL systems actually function from state to state that comparing costs is very difficult, and the costs arrived at are only going to be approximations based on assumptions (for example, the committee met for a day

with representatives from MINITEX and a Minnesota public library system director. The committee received information on costs of the ILL system in Minnesota prior to the meeting, and a significant amount of time was spent on discussing costs and trying to separate out costs that were specific to the ILL process, as opposed to other elements that were included, such as delivery. When the committee expressed its understanding of the costs and how the elements broke down, the only comment from the Director of MINITEX was that, “reasonable people might disagree.”). Lastly, it became evident that each state’s ILL system didn’t necessarily emerge on a truly rational basis, but developed based on historical patterns and accidents, and on where libraries were at technologically and politically when ILL technologies of various types happened to become available.

Given this situation, the committee decided to take a look at the various alternatives as they operate in each state, talk to the people responsible for them and the people who use them, play with the systems ourselves by doing common searches on each system and going through the process of how an ILL request would be generated and handled on each system, and try to get as good a sense of the costs of each alternative as we could, primarily to rule out an alternative if it seemed it would entail levels of expenditure that were obviously much higher than what is currently being expended in Wisconsin, however one parsed out the costs.

The committee therefore met with two representatives from MINITEX and a system director from Minnesota about that state’s Z39.50-based system. We then met with representatives from the Illinois State Library, OCLC and WILS about Illinois’ developing ILL system based on OCLC. And then we did in essence a “visit” to Wisconsin and met with representatives from DLTC about the current status and plans for development of the hybrid WISCAT/Z39.50-based system.

ASSESSMENT OF ALTERNATIVES AND RECOMMENDATIONS

General: As stated above, the committee cannot make confident statements about costs for any of the alternatives. However, a general assessment by the committee is that there is not an alternative out there that will result in significantly lower costs total costs, even at the expense of some level of functionality compared to the current system, when looking at the totality of federal, state and local funds that will be required.

Another general assessment is that ILL is a complex process, where it seems that almost every request is an “exception” when it comes to managing it through a system. Computer software isn’t all that great at handling exceptions or complexity, and software that is capable of handling complex situations tends to be complex and staff intensive to use. Many library staff members in Wisconsin feel that the Fretwell-Downing software is difficult to use. These same concerns may be found in any ILL management software that is capable of effectively managing ILL requests, especially in high volume.

A third general assessment is that all of the alternatives listed above tend to reduce the role of the “clearing house” in ILL. While not suggesting that Wisconsin should return to the more strictly hierarchical structure of the past, part of the discussion about ILL should include the role and function of the clearing house and conscious decisions should be made about clearing houses at the system and state levels, rather than having change be driven primarily by software.

1. Z39.50-BASED SYSTEM

The committee does not believe that a Z39.50 “Linked System” is truly viable. A “virtual catalog” does have the great advantages of providing up to date holdings and shelf status information. One can argue whether or not having up to date holdings information available on a state wide ILL system is all that great a thing, given the reluctance on the part of many libraries to lend materials that are very new outside a region. Also, shelf status is not always readable on every catalog that can be accessed via Z39.50; statuses that are reported are worded differently from catalog to catalog, resulting in potential confusion on the part of the user; and shelf status is not translated back to the ILL management software when a request string or rota is created, so the advantage of shelf status is almost immediately lost.

In addition, setting up and maintaining links in a Z39 environment is staff intensive, and the links tend to break with almost any change made on a local system, or for no reason whatever. The same search done a few minutes apart on a Z39 system can yield varying results depending on what catalogs happen to be available at a given time. Z39 searches across linked bibliographic databases must be done at the level of the lowest common denominator, which is not a powerful searching mechanism and which nullifies many of the best searching features found in the various local systems. There is a very finite practical limit to how many catalogs can be searched at one time without slowing everything to a crawl and connections timing out, so scalability is a significant problem. The system is slow at best, and if a search is very broad or not done carefully, the results can take hours to arrive.

Some of the drawbacks of Z39 could be at least mitigated if public library shared automated systems were provided by a common vendor. A common vendor would probably supply a more robust, proprietary protocol that would permit the use of full blown search capabilities of local systems, avoiding Z39 altogether. The committee suggests that DLTCL at least have a discussion about attempting to go in this direction, recognizing that it would take perhaps a decade to achieve. The Division could look at the use of LSTA funds to encourage mergers among shared systems to some optimal size (underway as of this writing) and look at the use of LSTA funds to encourage shared systems to migrate to a vendor that would be common to all. Consortia would be free to select a vendor other than the common vendor if they so chose, but would then be unable to avail themselves to the incentive funds made available. Beyond ILL, use of a common vendor would make it easier for patrons no matter where they went in the state to use the catalog, would provide powerful opportunities for shared staff training, and might allow the Division to negotiate a very favorable contract with the selected vendor that could be used by consortia as the need to upgrade caused them to invest in a new system. As an added bonus, selecting the common vendor will be as easy as establishing democracy in Iraq.

2. HYBRID SYSTEM UTILIZING A UNION CATALOG AND Z39.50/HYPERLINK CAPABILITIES

Options 2 and 3, above, will be considered together for the purposes of this report. WISCAT and the Fretwell-Downing ILL management software already include Z39 capabilities. It is unlikely that the existing Z39 capabilities will be removed to provide strictly a union catalog, or that any scenario involving a union catalog in the future would not include Z39 - or its functional equivalent.

In order to get at shelf status in OCLC, hyperlinks are provided from Worldcat over the Internet to the local catalog of an owning library. OCLC does not use Z39 for this purpose. OCLC is not a true hybrid system, in the sense that a search entered into the union catalog also automatically goes out through a Z39 gateway to search other catalogs, with the search results combined and entered into a single rota. OCLC is not as functionally capable at this point as WISCAT in this regard. However, the Z39 capabilities in WISCAT and the hyperlink capabilities in OCLC are intended to achieve the same purpose. Therefore, both will be referred to here as hybrid systems, although that is not strictly accurate.

Union catalogs are good but far from perfect—they don't show circulation statuses and they are never as up-to-date as online catalogs. Newer library holdings may be missed; lots of older items will not show up on union catalogs if libraries have not done retro conversions; and libraries do not delete their holdings from records for items they no longer own as quickly in union catalogs as they do in their own online catalogs. Many shared library catalog members use OCLC as their cataloging tool, but the library holdings listed may include only one consortium member—the first one to own the item in their group. (Some committee members believe this practice affects and limits current and future resource sharing capabilities, internal procedures, and workflow. Others feel that having limited display of holdings within a region has helped to keep costs down while strengthening the clearing house function and regional shared automated systems.)

On the up side, there are better catalog records, more uniformity, the searching capabilities are far better than in a virtual catalog, you get one listing of all the holdings for that record in one shot, and the response time is superior. Many of the negative aspects of a union catalog described above are to some extent mitigated by the Z39/hyperlink capabilities of a hybrid system.

The committee recommends that a hybrid system be continued, again recognizing that OCLC is not a true hybrid system at this point. The real decision comes down to, which "hybrid" system will best meet the needs of the Wisconsin library community in the near future and for the longer term.

WISCAT/ILL MANAGEMENT SOFTWARE VERSUS OCLC

Assuming Wisconsin remains committed to the hybrid union catalog/Z39.50 or hyperlink/ ILL management software approach, the committee believes the choices available come down to continuing with the status quo, which will be referred to here as WISCAT, or moving to an ILL system based on OCLC.

The committee was quite impressed with the ILL system in Illinois, which is based on OCLC. Illinois negotiated a contract with OCLC on a fixed-price basis for: unlimited access for all libraries to World Cat; unlimited cataloging, unlimited use of the ILL subsystem, and unlimited access to some database products. The cost of the contract will go up at an agreed percentage over three years, at which point an assessment will be made based on volume of use, and costs renegotiated.

It must be stated that arriving at this contract was significantly easier in Illinois than it might be in many other states, including Wisconsin, because the Illinois State Library is also the broker for OCLC services. Relations between DLTCL and WILS would no doubt be significantly different if they were part of one state agency. It must also be said that the Illinois contract is just coming into place. Also, part of what the committee saw was more along the lines of capabilities that have been developed to the point that they can be demonstrated, but have not been tested in a large scale, live environment. This applies particularly to the web hyperlinks out to local catalogs.

These caveats aside, the OCLC based ILL system based on a fixed price/unlimited access contract has a lot to recommend it. One obvious advantage is that Wisconsin libraries would not have to maintain holdings in both WISCAT and in OCLC, and OCLC will almost always be more up to date than will be WISCAT (although see concerns above under "ILL Protocols" - do potential lenders *want* to be all that up-to-date?). The scope of titles and holdings in OCLC is much greater than what is (or should be) in a statewide union catalog like WISCAT, and scoping on a state's holdings is available if desired. Catalog records in OCLC are of uniform, high quality. Another advantage is that Wisconsin libraries would not be receiving ILL requests through both WISCAT ILL and OCLC.

The committee also believes that there may be longer-term advantages to basing statewide ILL on OCLC. OCLC as a corporation has the base of libraries, financial resources, and research capabilities that can allow it to respond quickly to technological developments and to customer needs and expectations in the area of resource sharing, in ways that the State of Wisconsin cannot.

The committee recommends that DLTCL seek to negotiate a fixed price, statewide contract with OCLC that includes the capabilities negotiated with OCLC by Illinois. Ideally, this would be a true statewide contract for all types of libraries that would be funded with state dollars. This would return a tangible benefit to all libraries of all types everywhere in Wisconsin, and would be something that could be explained to the legislature in a way that has proved to be elusive with system aids, for example. The Division might need to explore a number of options other than the classic RFP/bid process for handling the procurement of a negotiated contract, including possibly working through WILS, the WPLC, library systems, etc. If it ultimately proves necessary to use the RFP/bid process, the committee recommends that any RFP written for this purpose be reviewed by interested parties in the Wisconsin library community prior to it being released.

CONCERNS ABOUT GOING WITH OCLC

OCLC has experimented with and abandoned various business models and products over the years, with the Quick Ship program, OCLC's foray into the integrated library system marketplace, and their development and subsequent abandonment of Site Search being obvious examples. OCLC at present seems very much committed to an unlimited access/ fixed price based business plan, versus the per transaction model it has used for years. Will this be a permanent part of OCLC's business plan in the future? And, if Wisconsin should decide to put all of its statewide resource sharing eggs into the OCLC basket, will OCLC at the end of a multi-year, fixed price contract seek to impose major cost increases in the belief that we will no longer have the option of a WISCAT to fall back on?

REALITIES

1. There is not a solution out there that will be simple, quick, effective and cheap, freeing up vast amounts of federal and state funds for other purposes.
2. No one should think that moving on a statewide basis from WISCAT to OCLC, or to any other ILL system for that matter, will be a simple thing. A process for handling the entire issue will have to be put in place by the Division. It will take much planning and discussion, and there are some real issues and hurdles that will have to be overcome. This is not a situation where we can just make a decision to change one day and have everything (or perhaps anything) work the next.
3. No matter what mechanism is used for ILL, ILL is a complex process and the software to manage it will be equally complex.
4. Writing functional capabilities and comparing costs from ILL system to ILL system and from state to state is difficult. The committee has a sense of what the costs are in Minnesota, Illinois and Wisconsin at the state level for the ILL mechanism used in each state, but we cannot make confident statements about what the costs truly are (or would be for Wisconsin) at this point.
5. The committee believes on balance that OCLC is a more functionally capable system than is WISCAT and has more potential for benefiting Wisconsin libraries and library patrons. However, it is very unlikely that OCLC will cost less than WISCAT, regardless of how costs are identified and assigned. It may in fact cost more. If OCLC costs only a marginal amount more than WISCAT, we think the Wisconsin would be best served by going in the direction of OCLC, but it would have to be on a state level and would have to include essentially all libraries of all types. The ideal is to have a statewide contract funded with state dollars. However, it is also possible that LSTA funds and DLTCL funds and staff would continue to be required; libraries currently using OCLC for cataloging might have to expect to continue to pay at at least the same level under an unlimited access/fixed price contract with OCLC; and schools and small public libraries might have to shoulder a share of the burden for the cost of cataloging.

6. The committee is suggesting that a negotiated, sole source procurement process be used to reach an agreement with OCLC. Wisconsin law is very biased against sole source procurement and in favor of a competitive bid process. DLTCL will have to work through the issues of the procurement process.

PROCUREMENT, THE DIVISION AND OCLC

Over the years some have come to believe that DLTCL is determined to keep WISCAT. There have been claims made that DLTCL has deliberately structured RFP's and bid documents in such a way that OCLC could not be the provider of a union catalog (CR ROM or online versions).

The committee chair has reviewed correspondence and RFP's for WISCAT covering an extensive period of time. OCLC never developed the capability to produce a catalog on CD ROM, although it said it was just months away from doing so in 1987. The Division stated in a 1996 RFP a goal to have servers for WISCAT online located in Wisconsin although it did not, strictly speaking, require it. Both the Division and OCLC have some cause for concern. But in the main, claims about the handling of WISCAT to exclude OCLC lack merit, and it is time for the Division, OCLC and the Wisconsin library community to move on.

SUMMARY OF RECOMMENDATIONS

1. Adopt protocols governing ILL requests.
2. The state may not ready for unmediated, patron-initiated ILL at this time, and it should be implemented carefully if it is done at all.
3. Emphasize resource sharing in a region. It may be useful to try to encourage more multitype participation in shared automated systems.
4. Examine carefully and have a frank discussion about the role of school libraries in the Wisconsin ILL system. Do not structure an ILL system based on the needs of schools, and do not structure a system based on the needs of schools and small public (or academic) libraries for a free source of cataloging records.
5. Discard the idea that a Z39.50 based "virtual catalog" is a practical alternative as the sole mechanism for conducting ILL in Wisconsin.
6. DLTCL should seek to negotiate a fixed price, statewide contract with OCLC that includes the capabilities negotiated with OCLC by Illinois, consistent with a process of evaluation and procurement to be established by the Division.