

8 August 2008

## OCLC MEMBERS COUNCIL MEMORANDUM

**TO:** OCLC Members Council Delegates, Alternates,  
and Network and Service Center Executive Directors  
**C:** OCLC Board of Trustees, Strategic Leadership Team, and Staff  
**FROM:** Richard Van Orden, Program Director, Members Council  
**SUBJECT:** Minutes of May 2008 Members Council Meeting

### Introduction

With President Sandy Yee (MLC) conducting, more than 175 delegates, alternates, Board members, network and service center directors, guests, and OCLC staff convened 18-20 May at the at the third Members Council Meeting of the year in Dublin, Ohio. This meeting's purpose was to discuss innovative ideas in creation and delivery of information services under the annual theme of "*Moving Forward with New Understanding: Our OCLC Collaborative, Its Services and Each Other.*"

The keynote address was given at the opening session on Sunday evening by Don Waters, Program Officer for Scholarly Communications at the Mellon Foundation, on "**The Mellon Foundation and OCLC Roles in Bringing Materials to Light.**" Delegates also discussed their responses to the recommendations passed by the Board of Trustees and prepared to vote on the governance resolution from the Members Council Executive Committee to revise the OCLC Articles of Incorporation and Code of Regulations. Council also paid special tribute in a memorial service to Trustee Vickey Johnson of the OCLC Board who had died the week before.

The Global Discussion Group chaired by Ellen Tise (OCLC EMEA), the Executive Committee, Discussion Group Chairs and the Finance and Nominating committees met during the day prior to the Opening General Session that started at 5:00 p.m. on 18 May at the Columbus Marriott Northwest. A Delegates-Only-Session was moderated by Jennifer Younger and Berndt Dugall of the Executive Committee. Larry Alford, Chair of the Board of Trustees, and Maggie Farrell, Chair of the Board Transition Committee, facilitated the discussion on governance. Service groups convened on 19 May to discuss various product proposals by delegates and to evaluate OCLC's responses to the innovative ideas suggested by delegates. (Webcasts, meeting materials, and minutes are available on the website at <http://www.oclc.org/memberscouncil>.)

Members Council officers President Sandy Yee and Vice President Loretta Parham described various digitization projects at Wayne State University and the Martin Luther King Papers Project at the Atlanta University Center respectively. President and CEO Jay Jordan also addressed the delegates. Additional speakers included OCLC vice presidents Cathy de Rosa about the study report on library advocacy, Jim Michalko on OCLC's role with archives and museums, and Robin Murray with an update on OCLC services and plans. Roy Tennant, Senior Program Officer for RLG Programs, discussed "**A Digital Future for Cultural Heritage Organizations.**"

**Members Council Business Meeting**

The following resolutions passed in the affirmative at the business meeting:

Standing Joint Committee on Membership Resolution on Current Designated Delegates  
(Passed Unanimously)

RESOLVED, that OCLC Asia Pacific and OCLC Latin America and the Caribbean be allocated one designated delegate each, with a term of one year; and

BE IT FURTHER RESOLVED, that those terms be renewable for a second year unless those service centers receive an additional allocated delegate in 2009-2010, or the designated delegates are superseded by subsequent action by the Board as a result of Governance Study.

BE IT FURTHER RESOLVED, that the current cultural heritage alternate delegate be offered a position as a designated delegate for a term of one year, renewable for a second year in the absence of action on the Governance Study, and

BE IT FURTHER RESOLVED that an additional cultural heritage delegate, preferably a museum representative, be designated for a term of one year, renewable for a second year in the absence of action on the Governance Study, and

BE IT FURTHER RESOLVED that an open nomination process be launched for the new cultural heritage delegate, and that the OCLC staff make a recommendation to the Members Council Executive Committee for the individual to be appointed no later than August 15, 2008, for a term that officially extends until the adjournment of the May, 2009, Council meeting, renewable for one year by action of the Members Council Executive Committee; and

BE IT FINALLY RESOLVED, that appropriate alternates be identified for these designated positions.

**Resolution on OCLC Governance (Passed by a vote of 59-12)**

WHEREAS, OCLC Online Computer Library Center, Inc. through actions initiated by its Board of Trustees, has reviewed its governance structure to ensure that the Corporation can continue to achieve its public purposes, as set forth in its charter, and

WHEREAS, in order to achieve those public purposes into the future in a manner consistent with the best interests of the Corporation and its Members, the Board has recommended certain amendments to the Articles of Incorporation and the Code of Regulations of the Corporation, and

WHEREAS, the amendments to the Articles of Incorporation and the Code of Regulations have received an affirmative vote of two-thirds of the Trustee Members present at a duly constituted meeting, which then must be ratified by a majority vote of the delegate members of the Members Council present at a meeting called for that purpose at which a quorum is present,

NOW, THEREFORE, BE IT

**RESOLVED**, that the proposed amendments to the Articles of Incorporation and the Code of Regulations of OCLC Online Computer Library Center, Inc. be and the same hereby are ratified.

**RESOLUTION OF RECOMMENDATIONS  
FROM MEMBERS COUNCIL  
TO THE OCLC BOARD OF TRUSTEES  
REGARDING GOVERNANCE STRUCTURE**

(Passed Unanimously)

WHEREAS, the Members Council has considered the governance resolution presented by the OCLC Board of Trustees at its meeting of 18-20 May 2008; and

WHEREAS, the Council has acted upon this resolution at its meeting of 20 May 2008;

BE IT THEREFORE RESOLVED that the Member's Council recommends consideration of the following items in designing a new governance structure:

1. The Members Council as a body will vote on the new recommended structure.
2. The Regional Councils should be set up based on principles to be agreed upon, and not just on arbitrary divisions of the globe.
3. The Regional Council infrastructure needs to be adequately and appropriately funded.
4. It is necessary to design a methodology for broad representation of all types and sizes of members on Regional Councils.

By way of explanation, the OCLC Board of Trustees and Members Council have hereby adopted a new governance structure designed to extend participation in the cooperative to an increasing number of libraries and cultural heritage institutions worldwide. On May 20, the OCLC Members Council approved changes to the Articles of Incorporation and Code of Regulations that had been recommended by the Board of Trustees. The changes will transform the current Members Council into a Global Council that connects with Regional Councils around the world.

Members Council also elected two delegates to six-year terms on the OCLC Board of Trustees: Tony Ferguson, University Librarian, University of Hong Kong Libraries; and Sandy Yee, Dean of Libraries, Wayne State University, and outgoing OCLC Members Council President.

The new Global Council will replace the Members Council in a transition that is expected to take 12-18 months and will be coordinated between representatives of the 2008-2009 Members Council and the Board of Trustees.

"I believe this is the next step to make OCLC a true global cooperative, with local connections and local touch through Regional Councils," said Larry Alford, Chair, OCLC Board of Trustees and Dean of University Libraries, Temple University. "The Board remains deeply committed to libraries and other cultural heritage organizations as we continue to work cooperatively for the benefit of our users worldwide."

"I look forward to helping to smooth the governance transition by working closely with colleagues on the 2008-2009 Members Council," said Ms. Yee, who will make the transition from Members Council President to Board member. "After reading the documents and listening closely to the discussions about this move, I am confident that OCLC is positioned to continue to grow and add value to the membership worldwide."

"OCLC management will do what it takes to support the transition to the new governance model," said Jay Jordan, OCLC President and CEO. "We want and need to hear from the various regions of the OCLC cooperative. We want to improve the conversation at all levels throughout the cooperative."

## **Response to Members Council on the “Innovative Ideas” Sessions**

Matt Goldner, Executive Director, End User Services

Ideas that challenge many of the basic concepts of delivering library services were set forth by Poul Erlandsen, Brenda Bailey-Hainer, Kate Nevins (for Lamar Veatch), Jamie LaRue and Dr. Klaus Ceynowa. The first four spoke to immediate needs for change and “Rethinking” while Dr. Ceynowa showed where the future could be taking us in three to five years.

A common thread in all these presentations is making library services user centric instead of library policies and library workflow centric. The first four ideas recognize that users’ expectations for information access and delivery have changed radically and current library policies, workflows and service delivery interfaces often do not fit with these expectations.

The Rethinking Resource Sharing initiative focuses heavily on user controlled options replacing library policy control. Tying in with this the Danish home delivery service discussed by Poul Erlandsen did some myth debunking with librarians’ fears that if we open our collections too widely we will lose the materials. Facts in Denmark show that home delivery has no higher loss rate than traditional ILL or circulation.

In a different response to user expectations PINES has created “a statewide ‘borderless library’ that eliminates geographic and socio-economic barriers . . .” with 16 million items circulated in FY2007. In this context circulation has taken on a much broader meaning which encompasses much of traditional ILL and harmonizes library policies across the state.

Jamie LaRue pointed to innovative ways that libraries must be able to present their collections and services to users ranging from mobile devices to paradigms for presenting information through mindmaps and use of album cover playlists.

In another somewhat radical departure from US historic library practice in delivering services the Rethinking Resource Sharing Manifesto states that libraries should “Offer service for a fee rather than refusing”. In support of this concept Poul showed that while free services are most popular users will pay for the service.

All of these ideas challenge us as librarians to look at our mission and strategy in how we deliver information and services. OCLC’s role is to enable libraries to push the boundaries of information discovery and delivery by giving them the necessary tools to operate in today’s environment.

OCLC has been responding to some of the concepts presented through several initiatives:

1. Putting discovery to delivery experience where the user is, e.g. Facebook, Google, Yahoo, learning management systems, blog sites, etc.
2. Giving the user options: drive to a library, ask for loan from another library, buy the item, view online whenever possible.
3. Becoming part of today’s interactive information environment that brings value to the user beyond “traditional library services”. This is being executed by building social functions into WorldCat.org which allow users to contribute to the aggregated knowledge of WorldCat and easily share and collaborate with others.
4. Pushing the envelope of library policies with the Montana home delivery pilot. During the pilot users have responded enthusiastically to this service with 96% stating they

- are satisfied (90% very satisfied) with the service and 93% willing to pay up to \$5.00/item.
5. Changing the way information is presented by introducing WorldCat Identities into the WorldCat.org search and discovery experience.
  6. Trying new models such as the WorldCat Direct Pilot.

In the coming year plans are laid to accelerate the exposure of library collections and services out to the Web and other information communities. First this will continue to be done by opening our systems up through services like the WorldCat API which has launched into pilot mode and a new Facebook citation widget to complement the current Facebook WorldCat widget. There will also be an emphasis on increased syndication of WorldCat into other search services that will give users seamless links back into library collections and services.

At the same time we will work with our own Programs and Research division, partners in the information marketplace and the community to explore new paradigms and models for information delivery. This will involve both how information is presented for user navigation and devices with which users want to consume information.

As we look to the future we very much appreciate the fact that Dr. Ceynowa was able to share his time and knowledge on the library as video game in 3D. Thinking about innovative ideas such as this is very helpful to OCLC as an organization and has stimulated various new ideas. As stated in Dr. Ceynowa's presentation, we're looking at a timeframe of 3-5 years before concepts such as virtual worlds and massively multi-player educational gaming are fully adopted.

That said this seems like the appropriate time to begin our initial investigations into opportunities for the library to participate in a 3D virtual world. OCLC will take a closer look at the various virtual worlds in existence today, such as Entropia, Forterra, Twinity and Second Life, (registered trademarks of respective firms) to better understand how libraries can participate in such environments. We will also explore opportunities to potentially transform the library's digital services themselves into 3D web-based applications, such 3D books and training courses

## **Response to Members Council on the "Innovative Ideas" Session**

Karen Calhoun, Vice President, WorldCat and Metadata Services

At the February Members Council meeting, Bruce Willms and Tony Ferguson offered creative, even provocative ideas related to library metadata creation and exchange.<sup>1</sup> Bruce suggested automatic generation of bibliographic descriptions using publisher metadata. Tony suggested setting up metadata production centers in Asia's developing countries that have well educated workers but lower wage costs.

On the surface Bruce and Tony advocated different solutions for today's resource intensive cataloging practices. Yet both proposals rest upon an emerging widely distributed model for metadata creation and exchange, both within the library world and beyond it. Interestingly, in their proposals both Bruce and Tony moved beyond the local solutions—re-engineering or

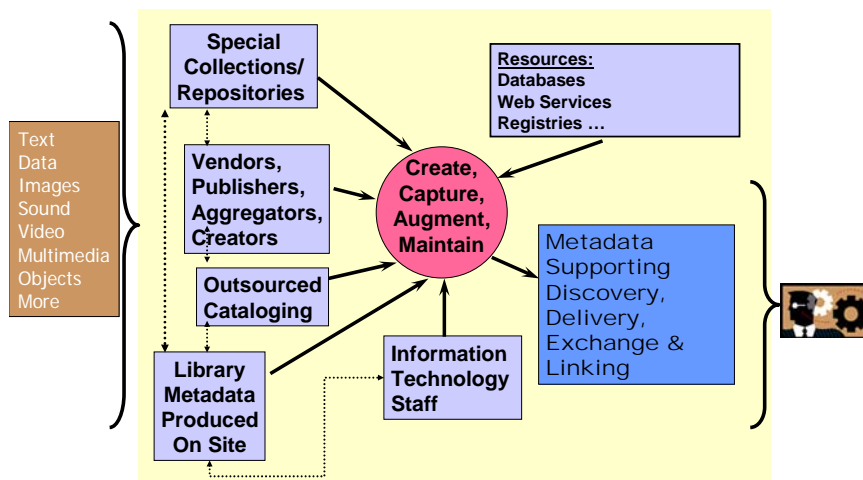
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<sup>1</sup> *Automated Cataloging*, by Bruce Willms, *Open a Cataloguing Factory in Asia*, by Tony Ferguson.

workflow redesign at the local library level—that have for the last decade dominated best practices to streamline and reduce the costs of library back office operations. Instead, underlying Bruce and Tony's proposals is the complex, loosely coupled network of firms and organizations (including libraries) that deploy metadata in a global information supply chain, whose purpose is to connect information seekers to content they want, when and where they want it.

In the global information supply chain, metadata plays critical discovery, delivery, and linking roles. Librarians increasingly recognize (at least intuitively) that useful metadata can and does come from many sources. The trend toward technology-based methods for reusing metadata produced outside libraries has been gaining strength since the 1990s. Creating metadata through traditional cataloging operations, staffed on site, is one choice among many for connecting information seekers and content. This realization has emboldened a few library decision makers to embrace outsourcing on a scale that permitted recapturing significant resources for new strategic initiatives. In effect, a growing number of librarians are setting aside prior assumptions about the proper division of labor for producing metadata.

**The Information Supply Chain Network:  
A Widely Distributed Metadata Creation and Exchange Process**



This figure is an attempt to provide a bird's-eye view of the inputs, flows and outputs in a widely distributed metadata creation and exchange process, with players both inside and outside the library. Solid lines in the figure are data flows. Dotted lines represent inquiries and responses among the various players. Some dotted lines have been eliminated to make the figure a little easier to read; but the idea is that all the players are communicating. The output of the processes in the center is metadata. The figure illustrates a supply chain for making end to end connections between content (the box on the left) and those who seek it (the end user on the right), with many organizations playing roles across the supply chain network.

OCLC is responding to the wider distribution of responsibility for metadata creation and exchange among participants in the global information supply chain in a number of ways:

1. In the Next Generation Cataloging pilot, we are automatically generating MARC records using ONIX (**ON**line **I**nformation **eX**change) metadata from publishers and vendors. As suggested by Bruce, OCLC is building the infrastructure to support automated cataloging and developing the necessary alliances with publishers and vendors. At present, OCLC has nearly completed this year's effort to establish proof of concept through the pilot, which is scheduled to conclude in June 2008, with results presented at ALA Annual.
2. We are re-engineering OCLC Contract Cataloging services to offer a technology-based, significantly more affordable option for libraries' and publishers' current, backlog, and "hidden collections" cataloging. OCLC's operations are powered by automation and data mining of WorldCat. For many libraries in the Americas and EMEA, the new service is likely to be less costly than maintaining on site operations, especially for currently received library materials. Feedback thus far from libraries that have chosen fully outsourced OCLC cataloging indicates sufficient savings to permit redeployment of staff to public services, collection management, and other strategically important library projects.
3. We're significantly enhancing WorldCat data loading processes to permit more metadata, and more types of metadata (for special collections, archives, images, digital repositories, etc.), to be loaded faster. The choice of many OCLC libraries to contribute descriptive and holdings metadata as files—rather than one record at a time in the online system—has resulted in an order of magnitude increase in the volume of records requiring processing over the past ten years. A rapid rate of growth in data loading is expected to continue in FY09 due to changes in the metadata landscape described above.

Members Council delegates have been particularly helpful in keeping OCLC apprised of how the library environment is changing and in encouraging OCLC to develop creative solutions to new challenges. In the area of data loading, delegates have for several years been providing helpful advice on the need to shift priorities from almost exclusively adding holdings to equal priority to adding both holdings and new records. OCLC appreciates delegates' valuable advice and their patience as batchloading has transformed from a little-used option for adding holdings to WorldCat to the primary source of new records and holdings.

### **Response to Members Council on the "Innovative Ideas" Session**

Chip Nilges, Vice President, Business Development

The thought-provoking presentations<sup>2</sup> given by John Teskey, Graham Jefcoate, and Jeffrey Baskin at the last Members Council meeting suggest innovations in both discovery and delivery of content, albeit for different reasons. John posits a digital version of every item

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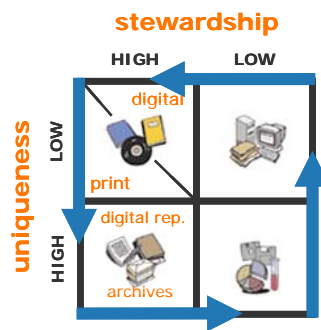
<sup>2</sup> *Why Ship Books?* Jon Teskey, *Project Open Library: Bringing Quality Information to Developing Countries*, by Graham Jefcoate; and *E Info in a Box for Small Libraries*, by Jeffrey Baskin.

in WorldCat; Graham focuses on information isolation; and Jeffrey discusses rural vs. urban information availability. These presentations point to the growing opportunity that OCLC and its member libraries have to broaden access to the world's library collections through new approaches to content access and delivery.

OCLC is responding to these opportunities in two ways:

4. We are "synchronizing" WorldCat with collections of interest to the membership. Many of these collections represent digital content, ranging from ebooks to special collections.
5. We're piloting new methods of content delivery, both physical and electronic, with the goal of providing delivery options for all of the materials in WorldCat.

### Synchronizing WorldCat with Collections of Interest



Our efforts to represent digital collections in WorldCat have been informed by the OCLC Collections Grid, represented above. The grid "divides collection materials into four general categories, each representing a distinct group of resources. The vertical axis of the grid represents the degree of "uniqueness" of the content; the horizontal axis represents "stewardship" or the degree of custodial care that the resources require."

Our work to date has focused largely on the upper left-hand quadrant of the grid, representing published collections, and in particular on digital versions of published content that libraries invest in so heavily today. We began a few years ago with a program for educating WorldCat about eSerials held by libraries and the acquisition of Openly Informatics. More recently, we've begun to synchronize WorldCat with the growing collection of ebooks available to libraries from commercial providers (such as OverDrive and NetLibrary), as well as the growing collections of ebooks available from Google Book Search, Microsoft Live Search Books, and other Web sites. Finally, we've undertaken a project to add to WorldCat.org sufficient metadata to represent the contents of the 100 most frequently licensed library databases, in order to make these electronic resources more readily discoverable through WorldCat.

We are also increasingly interested in the lower left-hand quadrant of the grid, representing special collections. We've done a good deal of work to better integrate ContentDM images into WorldCat and are also working on the integration of ArchiveGrid and Camio. We hope to dramatically expand the coverage of WorldCat vis a vis digital repositories in FY09.

**Providing Access to Content:** Discovery is important, of course, but delivery is the goal. John, Graham and Jeffrey all emphasized the importance of providing access to digital content in their presentations. I'll highlight two specific projects that directly address the challenges they presented.

#### Linking to eBooks

OCLC is working with Google and the University of Michigan to pilot a process to synchronize WorldCat with the Google Book Search Library project. The purpose of this program is to increase the visibility of digital books and to increase access to the full text when available; an innovation which, while not providing a digital version of every item in WorldCat, gives us a good start. The pilot, scheduled to begin in Q1 of FY09, will automatically create a MARC record for each digital manifestation created when Google scans a library-contributed book. Each record will contain a link to Google Book Search book detail page, and Google will add a Find in a Library link to their detail page, driving traffic back to libraries. OCLC will create an Institution Record describing the library copy of the digital book, creating a cluster of print, Google digital copy and library digital copy. We expect the pilot to continue through the synchronization of all Google Book Search Library Project collections. We plan to add other mass digitization projects to the program in late FY09 and early FY10, including Microsoft Live Search Books, Internet Archive, and others, as well as commercial eBook suppliers.

#### Home Delivery

OCLC just started the WorldCat Direct phase two pilot. The first phase of this project, undertaken last year in Montana, involved libraries shipping items from their collection directly to patrons' home address.

Phase 2 of the pilot takes the project a step further by allowing participating libraries to have books shipped from a commercial supplier (Better World Books) to the home of patron, rather than having it shipped from a library via ILL. The benefits of this approach include a lower average cost per book shipped (\$10 vs. \$13 per book), much faster delivery (a few days vs. up to a few weeks), and home delivery.

The pilot will help us to answer the question, "Why ship books?" If this special ILL pilot is successful, our vision is to expand the program to enable home delivery based on a network of suppliers nationwide in conjunction with local libraries.

#### Related Projects

This project compliments a variety of other projects underway at OCLC, all aimed at improving content delivery. These include a proposed "Find It" service for providing access, through WorldCat.org and WorldCat Local to licensed database collections; the addition of more document and book suppliers; a growing number of links to library special collections; and a project to make the collections of libraries in off-site storage facilities visible in, and accessible through, WorldCat. In all of these projects, our goal is to improve access to the digital content that is increasingly discoverable through WorldCat.org.

#### **Conclusion**

The OCLC Members Council recognized departing delegates with a token of appreciation. At the conclusion of the meeting, Ms. Yee handed the gavel to incoming Members Council President Loretta Parham, Library Director/CEO, The Atlanta University Center.

Council also elected Jan Ison, Executive Director, Lincoln Trail Libraries System as Vice President/President Elect for 2008/2009. Newly-elected delegates-at-large are:

Poul Erlandsen, Head, Document Access Services and Collection Management,  
at the Danish University of Education in Copenhagen (OCLC EMEA)  
Kathleen Imhoff, Executive Director/CEO, Lexington Public Library (SOLINET)  
Lyn McKinney, Head Librarian, Billings (Montana) Senior High School (OCLC Western)  
Pat Wilkinson, Library Director, University of Wisconsin—Oshkosh (WILS)

This meeting of the OCLC Members Council adjourned at 11:30 a.m. on Tuesday, 20 May 2008. The next Members Council meeting is 19-21 October 2008 in Dublin, Ohio.

### **History and Description of the OCLC Governance Structure**

Since 1998, under Mr. Jordan's leadership, OCLC has increased the number of participating libraries from 30,000 to 60,000 worldwide; the number of participants outside the United States has grown from 3,200 to nearly 12,000; and WorldCat has grown to over 100 million bibliographic records and more than 1 billion holdings. The increase in libraries worldwide contributing to WorldCat has resulted in another milestone—as of April 2008, there are now slightly more records (50.25 percent) for materials in languages other than English in WorldCat than there are records for English language materials (49.75 percent).

OCLC has made steady progress toward becoming a global library cooperative since its beginning as an intrastate cooperative in the state of Ohio.

The OCLC governance structure was established in 1977 and was last reviewed and revised in 2000. That process led to changes such as adding more delegates from outside the United States. During that process, it was recommended that OCLC review its governance structure within a 10-year period.

After discussions at the Members Council meeting in February 2007, the Board of Trustees established a Governance Study Committee comprised of past and present Members Council and Board leaders. A report from that committee was the culmination of extensive deliberations informed by a consultancy group. In February 2008, Members Council, with many trustees present, spent a great deal of time discussing issues raised by the studies. Discussion continued at the April 2008 Board meeting, and resulted in the recommendations approved by Members Council.

The new governance structure comprises: Members, Regional Councils, Global Council and the OCLC Board of Trustees.

- **Members.** OCLC Members are those entities that meet a minimum threshold of engagement with OCLC as defined in the Membership and Governance Protocols. A more complete definition of membership will be developed as part of the transition process. The Members will participate in meetings of their respective Regional Councils.

- **Regional Councils.** The purpose of the Regional Councils is to strengthen the cooperative throughout the world and make it easier to participate in its governance. Members will convene at one or more Regional Council meetings on a regular basis to keep current on issues of vital and immediate interest to the OCLC cooperative. The Regional Councils will also elect Member Delegates who will attend the Annual Global Council Meetings.
- **Global Council.** The Global Council will be comprised of Member Delegates elected by the Regional Councils. The Global Council's principal responsibilities are to elect six members of the Board of Trustees and ratify amendments to the articles of incorporation and code of regulations of OCLC. The Global Council will convene at least once a year at an annual Global Council meeting, location to be determined by the Council.
- **Board of Trustees.** Under the new structure, the Board will normally have 15 trustees elected to a four-year term, but can vary in size from 13 to 17 trustees from time to time as determined by the trustees. The Global Council will elect six trustees, and the Board will elect the remaining trustees. The President and CEO will continue to hold a voting seat on the Board. Normally, a majority of the Trustees will be members of the library or cultural heritage communities. The Board of Trustees performs all of the traditional fiduciary and constituency duties related to such governing bodies.