

JACK A. CLARKE

The ACM Periodical Bank: A Retrospective View

The purpose of this study is to evaluate a cooperative venture planned and carried out during the late 1960s and 1970s by ten liberal arts colleges in the Middle West. Their library service and central periodical bank worked well until it was co-opted by the tax-supported systems in Minnesota and Wisconsin, which were based on existing resources. The ACM bank was later sold to the Illinois North Suburban Library System, which serves a much larger clientele and could thus provide economies of scale based on high-volume borrowing and large collections.

SUCCESSFUL COOPERATIVE PROGRAMS are widely and favorably reported in the literature of librarianship whereas those judged to be failures often go unmentioned. Yet a careful analysis of both the positive and negative results of collective action among libraries is essential for further planning and development. By studying the changing fortunes of one such joint venture, the ACM Periodical Bank, we can gain a better understanding of cooperation as a practical solution to some of the common problems of smaller academic libraries.*

The Associated Colleges of the Midwest (ACM), incorporated in 1958 under the laws of the state of Illinois, consists of ten independent, private, liberal arts schools spread over 1,100 square miles in Iowa, Illinois, Minnesota, and Wisconsin. Its founding members were Beloit, Carleton, Coe, Cornell, Grinnell, Knox, Lawrence, Mon-

mouth, Ripon, and St. Olaf, all with similar curricula and with budgets and goals of roughly the same size. The professed goal of this consortium was to design collective projects that would "strengthen the member colleges without in any way impairing their autonomy or eliminating significant and distinctive features of their educational programs."¹ One of the more perplexing administrative problems the members considered in the late 1960s was how to utilize fully, and even to expand, existing library resources while remaining within the constraints of limited financial means.

ACM's first practical library project began in July 1967, with the appointment of Bernard E. Richardson, librarian of Cornell College, as director of library research and development. "He was, in effect, given carte blanche (by the directors of the consortium) to come up with an operational idea."² After a nationwide tour of cooperating libraries and consortia in search of a project that would suit the needs of the ACM group, Richardson adopted the concept of a central service library and periodical bank, which would be located at some yet undetermined central location that promised the fastest postal service to all members. He submitted this ambitious proposal to Blair Stewart, then president of the Associated Colleges of the Midwest. In

*In addition to the sources cited, this paper is based on personal interviews as well as telephone conversations with six present or past ACM librarians and one associate member. Dr. Douglas Wilson of Knox College read and commented on the entire paper. William Brandt of Ripon College provided many of the institutional files on which the article is based.

Jack A. Clarke is a professor in the Library School, University of Wisconsin-Madison.

Richardson's view, substantial savings could be effected for each school in money and shelf space, which also would enhance the preservation of fragile materials and access to a wider range of periodicals. If properly implemented, Richardson's plan would provide "maximum service with minimum infringement on local autonomy."³ A central bank would make it possible to transfer valuable but little-used paper files from crowded library stacks to an auxiliary collection where they could be converted into microfilm. The exceedingly high prices that paper back files were bringing at this time were still another factor in Richardson's recommendation for financing his proposal.

It was assumed at this juncture that only a core of some 300 to 500 titles would remain in each member library. New subscriptions to highly specialized and expensive periodicals that only the most affluent school could afford to purchase would be pooled. Even so, it was not intended that this would be a storage facility for items that were very seldom, if ever, used. The Bank would continue to hold only those titles that circulation statistics showed had received significant recent use. Stewart, an astute and imaginative leader, saw the wisdom of this proposal and helped shepherd the measure through the board of directors in January 1968.⁴ In the process of discussion and revision pertinent questions were raised by both administrators and librarians concerning potential competition from Minnesota's projected state loan system, the quality and cost of proposed printouts, and the availability of a large number of subscribing or associate memberships in order to spread the costs around. In any event, a few months later all ten ACM libraries "endorsed the Bank concept with enthusiasm." Three other similar colleges, Macalester, Colorado College, and Lake Forest, joined well after the formation of the Bank and so played little or no role in its organization and operation.

From its very beginning, however, the Bank suffered from trying to be too many things to too many people. The librarians saw it as a fast and inexpensive service, providing reliable access to a wide range of periodicals, while the presidents regarded it as a way of saving considerable money in

subscriptions and improving the libraries' services. It appears in retrospect that neither group fully understood the difficulty and expense of instituting their new cooperative system.

To defray initial expenses, charter members were required to contribute \$50,000 apiece, in duplicate paper runs of lesser-used journals that could be sold by lot bids on the commercial market. Each school was also assessed an annual sustaining fee, originally estimated at \$2,000. Other welcome sources of funds were the National Science Foundation and the United States Office of Education, which supplied several substantial grants over the next few years for science materials, for extended library services, and for conducting analytical studies of the Bank's operations.⁵ One such study by the Bank's research director demonstrated that the "basic list" of periodicals held by these liberal arts colleges was very short and that "these titles are the ones from which the member libraries most frequently requested photocopies."⁶ It further suggested that little use was made of most periodicals held by college libraries. The NSF grant also made it possible to keep computerized circulation statistics that could be called up by the Bank's managers when they were considering subscription renewals. In addition to ordinary periodical costs, member libraries were required to pay the expenses of installing, renting, and operating a teletypewriter as well as per-page costs of printouts and first-class postage.

The Periodical Bank began operations on January 7, 1969, under the direction of Richard A. Lyders, who had succeeded Richardson as director. Initially, the average number of requests filled each day was approximately forty, and the heaviest demand was for periodicals published during 1969 and 1970. By April 1970, the average number of articles processed daily had risen to 97.2. The annual totals of requests from member libraries rose steadily from 6,634 in calendar 1969, to 14,559 in 1970, to 16,308 in 1971. During these first three years the speed of service and the overall success rate were at fairly respectable levels, considering the widely varied conditions under which these requests were initiated and verified. Already it was possible, however, to iden-

tify "heavy" and "limited" users of the Bank's resources although the reasons for nonuse varied from campus to campus and clearly needed more study. Ominously, the average cost per article copied for the small-volume schools caused some of their administrators to complain that they were losing several thousand dollars per year. These educational administrators, an ACM reference librarian recalls, always talked more in terms of costs than services.

Judging by its detailed use statistics, the volume increased steadily for many Bank members, allowing, of course, for seasonal fluctuations. By late 1970 the Bank had 900 current subscriptions to specialized journals as well as approximately 2,000 back files (including 300 ceased titles), mostly on microfilm. This list was revised annually on the basis of the Bank's statistical data reports. A holdings list was compiled in 1969, revised in January 1970, and then enlarged again to include periodical holdings of the ten member libraries and the Bank as of June 1971. In addition to its own collection the ACM Bank entered into contractual arrangements that soon provided access in the form of a daily messenger service to more than 50,000 other serials in libraries of the metropolitan Chicago area, notably the John Crerar Library, the Newberry Library, the Northwestern University Library, the University of Illinois at Chicago Circle Library, and the University of Chicago Libraries. Understandably, this "outside service" was often more expensive and could take a day or two longer since the requested periodical might be in circulation when it was requested.

Still another personalized service available to the Bank's patrons was the regular distribution from its headquarters at the Newberry in Chicago of printouts of the tables of contents of specialized and expensive journals that individual schools could not afford. Teaching faculty who so desired received the table of contents for each issue and from it could order recently published articles in their field of interest that were not yet listed in bibliographies and indexes. These printouts were usually retained by the faculty member or in some cases deposited in his departmental office.

For the next few years the Bank's officers

and staff conducted a vigorous "hard-sell" campaign nationally to attract a new category of associate members.⁷ At one point a recruitment folder was mailed to faculty and students on prospective campuses, offering free trial memberships. Special informational meetings were held in the Chicago area and in Wooster, Ohio; in May 1972, a paper that was intended to "stimulate interest in the periodical bank concept" was delivered at the annual conference of the Academic Librarians of the Midwest, held in Evanston, Illinois.⁸ Prospective users were reminded in a promotional brochure prepared at about this time that no individual college could afford to subscribe to all the scholarly journals its faculty and students might need. Librarians were urged to consider the potential savings of noncirculating periodical banks whose holdings were always available on request. It was further noted that a library whose periodical collection was then inadequate might find the ACM Bank an economical means of expansion.⁹

Ultimately, more than eighty associate members contracted for the Bank's services, heavily concentrated in the Midwest but also including institutions as far away as Oregon, California, and New Mexico. Membership fees for full use of the Bank's holdings were first proposed to the board at \$5,000 annually, then dropped to \$3,000, or \$2,000. Eventually, after considerable debate, they were set at \$200 annually (later increased to \$250), but by then momentum had been lost. Copy charges to subscribing members amounted to \$1 for the first page and twenty cents for each additional page per article (compared to ten cents per page for ACM members). Ostensibly, this schedule was calculated to attract rather than repel potential subscribers but some critics have argued that the "outside fees," particularly for photocopies, were arbitrarily and needlessly priced too high, thus frightening off many subscribers.

Despite the Bank's constantly improving service, it did not escape criticism from its growing clientele of faculty, students, and librarians. It seems in retrospect to some reference workers in the constituent libraries that the overall performance began to deteriorate visibly as more member libraries were served. On several campuses the

teaching faculty continued to complain about the large number of back files in their fields that had been sent to the Bank in Chicago without their advice or consent. Browsing in the stacks, these professors grumbled, was no longer a practical form of research. In contrast, other faculty pointed out that "in general students appear to be more inclined to use a book than a periodical. So, why are we paying for a large number of periodicals that we never use?"¹¹ Some faculties encouraged their student researchers to make full use of the Bank's resources while others preferred to rely on their local libraries for scholarly materials.

Several member libraries already had failed to meet their initial capital commitment to the Bank as the bottom fell out of the paper periodical market. In fact, the dumping of duplicate back files on the market itself appears to have deflated their prices drastically. Those schools (such as Lawrence) that acted early had to sell comparatively few sets to meet their pledge. Other schools that were slower in making choices received less and less for their back files until they finally stopped selling altogether. Judged delinquent, several schools were charged interest on the unpaid portion of their \$50,000 pledge. Ripon requested a reduction of \$15,000 on its balance, but this was refused on the grounds that other colleges might follow suit and request an equal or even greater reduction of funds.¹²

Early in 1971 there were rumors that the Bank would soon be sold and its collections dispersed. In April of that year the ACM Council of Presidents, alarmed at the escalating costs, very nearly "killed it instantaneously."¹³ Ten small colleges could not maintain this expensive program much longer, the Bank's opponents (including some librarians) argued, with inflation and price increases exceeding the growth rate of nearly all the library budgets. A substantially broader financial base needed to be found at once since the Bank was operating at a deficit mostly covered only by residual grant funds. This was just the opposite of what was originally promised, an ACM librarian recalls, for they were then told, "We will sell these old back files and make a fortune; we will set up a bank, charge

others for using it; and we end up in the catbird seat."

To complicate this situation still further, there was continuing uncertainty about pending federal legislation on copyright and "fair use."¹⁴ But the most troubling development to several ACM libraries was the cooperative access plan then operating in the state of Minnesota, which had provided since 1969 "fantastic service" to both public and private schools at reasonable costs and with great speed. Minnesota Interlibrary Teletype Exchange had no initial membership fees or copy charges, making its service fiercely competitive with the ACM Bank. It was hoped that an operational analysis carried out in 1972 would identify all possible economies and thus make it possible for the Bank to meet this growing competition from state systems in Minnesota and Wisconsin, and soon in Illinois, whose system was about to be opened to academic libraries.

In September 1971, the ACM governing board had directed the librarians of those colleges belonging to the Periodical Bank to conduct an operational and financial analysis of the costs and benefits they derived from it. ACM president Dan Martin appointed an experienced and "open-minded" librarian from Coe College, Everett Howell, as director of library services. The cost-benefit model for evaluating the Bank was to be presented to the board at its January 1973 meeting. The statistical data collected from the members were to cover the period January-June 1969 and the fiscal years 1969-70, 1970-71, and 1971-72. The Bank's proponents expected that the model could be the beginning of a process for analyzing regularly the total operations of the Bank at each of the ten member libraries in order best to effect cost-saving procedures.¹⁵ The report, as expected, reaffirmed the concept of a Periodical Bank but warned that it could not continue to operate economically without a significantly greater volume of requests from more member libraries. To keep the volume of photocopying high, librarians were urged to use the Bank's collection in the Newberry Library before contacting other member libraries. Individual library savings, it was asserted, would come from subscriptions that could be dropped. A

further study was to be made of the subject, however, since there was far too much duplication of titles by both the ACM schools and the Bank.

By early 1972 the implementation of MINITEX on a permanent tax-supported basis had greatly altered the position of Carleton and St. Olaf with regard to ACM's services. Robert Bruce and Forest Brown, head librarians at those schools, prepared an interesting report for other participating ACM libraries on the comparative costs of the two systems. In it they pointed out that the "only obligation of a college participating in MINITEX, beyond the staff time required to verify and send periodical and book loan requests, to check them in and distribute them, is to pay the teletype message charges." MINITEX's services were faster than the Bank if only because Northfield is nearer Minneapolis than Chicago. In their view, no cuts in the costs of the Bank could possibly make it competitive with Minnesota's tax-supported services. Although they "disliked doing anything which threatens the existence of the Bank," both librarians requested that a full discussion of their report be made an agenda item at the next meeting of the Periodical Bank Board.¹⁶

At about this time (February 1972) Beloit indicated that it too might withdraw from the Periodical Bank if a recent proposal by the Council of Wisconsin Librarians (COWL) for an academic interlibrary loan and reference service became operational. Both book loans and periodical copies would be included in this project, with the eighteen libraries of record on the University of Wisconsin's Madison campus serving as the chief bibliographical resource. The Wisconsin Interlibrary Loan Service, or WILS, as it came to be known, would enable its member libraries to provide educational opportunities for their students and faculty that they could not afford independently. The system's fees were minimal, based on the library budget of each participating library. "It is not my intention," wrote H. Vail Deale of Beloit, "to cause a panic in any sense of that word. However, I do think we must face realistically the facts known to us and give priority to such considerations as statewide interlibrary loan

networks that overlap the purposes and functions of the ACM program."¹⁷

From its very beginning on November 27, 1972, WILS provided its patrons "with a superior product at a better price." Its fill volume for both books and photocopies of periodical articles rose during the first full year of operation (fiscal 1973-74) to 8,070 requests.¹⁸ In the fall of 1973, WILS began as a pilot project an interface with MINITEX that opened its extensive resources to all WILS patrons: faculty, graduate students, and undergraduates in private and public institutions of higher education. Permanent legislative funding that began in the 1973-75 biennium kept WILS costs to a level competitive with other state systems.

Somewhat surprisingly, while MINITEX and WILS were rapidly expanding their services, the rival ACM Periodical Bank was enjoying "the most substantial growth in its history."¹⁹ Service to the ten original members, however, was steadily declining; associate members made approximately two-thirds of the requests during 1974-75. Moreover, the proportion of requests that could be filled in its own collections dropped that year from more than 70 percent to 56.7 percent. The variety and greater number of the libraries now becoming associate members made it necessary to increase also the number of cooperating Chicago libraries to six. There was now added the highly successful Central Serials Service of the Illinois North Suburban Library System.

By their own accounts, the Bank's administrators were far from complacent about the time it took to fill requests at the cooperating libraries and with their frequent inability to fill them at all. Clearly, additional research on problem areas was needed to improve overall performance. Once again the Office of Education came through with "\$50,000 to fund three studies" designed to speed up the filling of requests and to increase the percentage of requests successfully filled. The Bank's research staff set out to analyze its request statistics for the past five years in an effort to identify those periodicals that should be added to its own collection. A second grant of \$4,235 was to be used to purchase those periodicals shown by the research studies to be frequently requested.²⁰

All this time Dan Martin continued the search for new sponsorship of the Periodical Bank. In October 1975, the possibility that the ownership might be transferred to the Newberry Library was explored, but this proved inappropriate.²¹ Another discussion was held with representatives of the Minnesota Interlibrary Exchange and the North Suburban Library System. Both groups previously had made proposals for absorbing the Periodical Bank and continuing periodical photocopy service to ACM members. NSLS offered a lower price, at least for the first two years, and swifter turn-around service. The present staff would be retained, it was promised, "saving us from potential unemployment compensation claims, and preserving the familiar service unchanged."²² The Bank's microfilm and paper holdings would become the property of the North Suburban Library System.

On April 20, 1977, at a meeting held at Lake Forest, six of the ten charter Bank members voted in favor of the NSLS proposal, two members abstained, and two did not attend. Dan Martin, the president of the Bank's board of directors, was authorized to execute a contract with Robert McClarren, director of the North Suburban Library System, providing for transfer of the Periodical Bank on June 30, 1977. Thus, the North Suburban Library System acquired an active, well managed, but fairly expensive cooperative enterprise that fitted in neatly with its own service pattern. During its last independent operative year (July 1, 1975, to June 30, 1976) ninety-one libraries had used the Bank, with 20,276 requests being filled out of 22,141. Under a new name, the Metropolitan Periodical Service, it set even greater records while maintaining its separate identity and its own quarters at the Newberry Library and continuing to serve the ACM libraries.²³ Its "in-house" collection at the time of merger was approximately 2,300 titles, primarily in microfilm. In addition, the Bank continued to provide access through its daily messenger service to thirteen other libraries in the Chicago metropolitan area.²⁴

In evaluating the ACM Periodical Bank's performance from 1967 to 1977 we must first acknowledge the substantial but very uneven benefits in savings to the members

in shelf space and duplicate subscription costs and in greater access to a large number of titles. Naturally, the libraries that used the service most frequently derived the greatest benefits from their membership; consequently, a gap often developed between the college librarians and their administrations' thinking. The presidents originally had voted (or so they thought) for lower periodical costs. The librarians thought primarily in terms of extended services, and also ineluctably in higher costs. Only one ACM library was able to cut its subscription list to the proverbial bone and liquidate its back files.

The Bank's critics within the ACM group, both librarians and educational administrators, also have pointed out that it never had a "well-defined, well-understood, and agreed upon *raison d'être*." There were simply too many notions of what the Bank was for and how it should be judged. To cap it all, the Bank suffered from exquisitely bad timing by being co-opted soon after its outset by the establishment of tax-supported state systems based on existing collections. The precipitous drop in the hardcover back files market further complicated matters for some schools. If the experience of the ACM Periodical Bank has any relevance for librarians, it is that economies of scale, based on large collections and high-volume borrowing, are an important, indeed a critical, element in most cooperative ventures. The appearance of MINITEX, WILS, and the Illinois systems inevitably doomed any chance of real success on the part of a group of small colleges with limited means. The fate of this noble experiment was neatly encapsulated by an ACM librarian who said recently that networking with its easy access to both books and periodicals in existing collections is now the name of the game. Few would doubt that he is right.

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