ATG Interviews Eric M. Calaluca

Chairman and CEO, Paratext

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ATG: Eric, since you founded the company in 1993 Paratext has grown to include a set of major research databases. Can you tell us how it all got started? What motivated you to strike out on your own? What was your original plan? And what factors caused that plan to expand and grow to the company Paratext is today?

EC: I started **Paratext** in 1993, after serving in executive positions for six years with **Chadwyck**-**Healey**. I found it to be an intellectually serious as well as a creative enterprise. The idea of establishing myself independently in a similar way was compelling, so I made the leap.

Paratext launched our first CD-ROM database on the Classical Latin poet **Vergil** in 1994, but the market for CDs then was very difficult. The turning point came in 1998, when **Bob Asleson** joined **Paratext** as Chairman, and our partnership was integral in innovating and developing our major new products. Sadly, he passed in 2010, but his legacy is still very much present in **Paratext**. I believe our strengths are based in a deep knowledge of both information science and the history of academic publishing — what has worked and what has not, though the media in which we operate is mutating constantly.

ATG: Speaking of today's version of Paratext, can you talk about the various subscription plans that you offer for your databases? Are they based on FTE? Size of library budget? Who are your biggest customers?

EC: Our payment plans are simple. A library may choose to subscribe annually or gain perpetual access rights. We use the Carnegie Classification model, which more closely aligns to our main user group — upper level undergraduate, graduate and post-doctoral level researchers, as well as librarians themselves. That said, major research libraries as well as community colleges and private high schools are within our customer base, both in North America and around the globe.

ATG: How does your perpetual access plan work? Is it available for all of your databases including Reference Universe?

EC: Yes, it is indeed available on all **Paratext** products. Our plan is similar to other suppliers; it's a single large payment offering the library perpetual access rights. After the second year of access a 3% content/maintenance fee is assessed. This is particularly attractive to those larger libraries that have vast reference collections, including their enormous, expensive legacy print collections. Having the millions of bits of granular metadata about that collection, *Reference Universe* offers both staff and users' long term investment benefit, realizing a tremendous return on investment.

ATG: Can all of your databases; Reference Universe, 19th Century Masterfile, and Public Documents Masterfile be integrated within library discovery systems? Do you recommend it? Or is it more effective to search them as standalone databases?

EC: Yes, they integrate with those discovery services which offer federated integration. We do recommend this integration where possible because it can broaden the reach of the resource. That said, our native interfaces are carefully designed to drill down deeper and in a more comprehensive way than a general discovery service. It's the best of both worlds for libraries, really.

ATG: How are you currently dealing with student use of mobile devices to access Paratext databases? Do you have a strategy in place to keep up with the ever increasing trend toward the use of mobile devices?

EC: As of 2013 we are focused on tablet-friendly deployment of existing desktop applications, rather than smart phone apps. However, we are expecting to deploy proprietary apps sometime in 2014, so we'll have more on that soon.

ATG: Who do you see as your main competitors in the library space? What does Paratext bring to the table that librarians should see as separating them from the competition?

EC: Our products are unique. **Paratext** partners with **Readex**, **HeinOnline**, **EBSCO**,

Elsevier, **Springer**, **Wiley**, **Oxford**, **Gale**, and dozens of information suppliers because we all benefit from the easier interoperability of applications. If we have competitors, they seem to be mostly of the friendly competitor type, all working to capture the librarian's aspirations. I think what separates **Paratext** is our comprehensive approach to *depth* of research within defined areas/genre. Our products are designed to be "due diligence" resources, when you want to make sure you have all relevant entries.

ATG: How different is this from what CREDO Reference is doing? What separates Reference Universe from their product? Would a library need to subscribe to both?

EC: While I'm not really qualified to speak about the very latest from **CREDO**, *Reference Universe* has included the metadata from **CREDO Reference** titles for at least six years, and we have many happy mutual customers. We work with **CREDO** as we do with other large aggregations of E-Reference books; e.g., *Gale Virtual Reference Library*; *Oxford Reference*; *Springer*, etc. Our internal numbers show that **Gale's** *VRL* titles account for nearly 45% of all links out from *Reference Universe*, followed by **Oxford**, **Springer**, and then **CREDO Reference**.

So the difference between *Reference Universe* and eBook collections is the difference between a finding aid and a fixed collection of books. *Reference Universe* uncovers the major reference works (MRWs) within these collections, and moves the users into those platforms.

There are benefits to this approach: First, it increases the use of those eBook platforms the libraries have invested in. Second, those publishers/aggregators have very excellent interface capabilities about their own content, far better than we could by trying to homogenize all of the books into a single platform. *Reference Universe* increases uses of them, rather than competes with them.

But the core value to reference librarians and users is the detailed access to a library's legacy print collection that is unique to *Reference Universe* — dense, back-of-the-book index level data for the last 35 years of reference works. Interestingly, our usage data confirms that for libraries of all sizes, there still exists a 5:1 ratio of MRWs in print to that of eBooks.

So, the upshot is you see what's in those excellent *E-Ref Collections* (**Gale**, **Oxford**, **CREDO**, et al.) and you see *in detail* what's on your shelves. A single snapshot of where your library's most authoritative introductory content might be. For every library, we calculate how much they've invested in MRWs since 1980, and for larger libraries, it generally exceeds $2 million. So, having this cumulative index to MRWs is a remarkable dividend.

Paratext

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OFFICERS: Eric M. Calaluca

ASSOCIATION MEMBERSHIPS: NFAIS, ALA (RUSA), ACRL.

KEY PRODUCTS AND SERVICES: Reference Universe, 19th Century Masterfile, Public Documents Masterfile.

CORE MARKETS/CLIENTELE: Academic, special, and publish libraries globally.

NUMBER OF EMPLOYEES: 30

HISTORY AND BRIEF DESCRIPTION OF YOUR COMPANY/PUBLISHING PROGRAM: **Paratext** is an independent library information company based in Northern Virginia, founded on 1993. **Paratext** specializes in detailed bibliographic databases in History, Major Reference Works, and U.S. Government Documents. **Paratext** products are fully-hosted resources for libraries, using our proprietary search and retrieval software, linking to millions of full-text documents from **Oxford**, **Gale**, **Readex**, **Springer**, **Elsevier**, **Taylor & Francis**, **Wiley/Blackwell**, **Sage**, and numerous other publishing organizations.

ADDITIONAL ITEMS OF INTEREST TO ATG READERS: **Paratext** employees are both librarians and non-librarians, from all fields including history, sociology, Web design, computer science, media, and general business administration. Emphasis is placed on solid bibliographic underpinning of our products, but cognizant of the rapid pace of Web-based search and the daily development of increasingly sophisticated online information resources. 🐦

ATG: You recently announced that reference works from Elsevier's ScienceDirect will be integrated into Reference Universe. How did that deal come about? How does it fit in your overall product strategy for Reference Universe? Are there other similar initiatives on the horizon?

EC: Even for companies as established as **Elsevier**, making their publications more regularly accessed is a value. I had spoken with **Suzanne BeDell** of **Elsevier** about this content and she understood implicitly the value for both organizations. It's a very important addition for us, and a testament to the product's significant evolution. Our coverage of STM reference is now on a par with Humanities/Social Sciences. And, yes, there is more to come, but I'd hate to preempt the surprise…

ATG: When should we be looking for an announcement? Are you adding more science content?

EC: We expect to have an announcement this fall, and yes, we are certainly adding new STM Reference data into *Reference Universe,* as well as keeping up with the Humanities/Social Sciences content. There's still plenty more to do to, and we're focused on improving this product all the time.

ATG: You have also added access/indexing to numerous Oxford online reference

titles via Reference Universe. Adding all of this content must require a substantial investment. Will library subscribers see an increase in subscription rates to help cover the costs?

EC: 2013 marks 25 years for me in the academic information business, and I am confident that **Paratext** has both the most consistent pricing, and lowest levels of price increases, of any information provider. Because we aren't a legacy microfilm or print publisher who migrated to electronic offerings, we were able, from our founding, to establish efficiencies within in our company that allow us to keep adding content and software enhancements without significant price increases. Our product renewal rates exceed 95%, which I think says a lot about value and ongoing access rates.

ATG: Can we take from this that libraries will not see subscription increases in the near future?

EC: Only minimally. All our customers have realized that we really hold the line on increases, which rarely exceed 2% annually. And given how low cost these are to begin with, that's seems to be a reasonable rate. What we're most proud of is the breadth of types of libraries that use **Paratext** resources — from the largest **ARLs** to community colleges and private schools. We try and stick

with meat and potatoes resources, so they have application for every size library.

ATG: Will all this added content enable you to offer more flexibility in subscriptions to Reference Universe? For instance will libraries only interested in the science coverage be able to subscribe to a "science" subset of Reference Universe?

EC: The remarkable aspect about a carefully-selected specialized reference collection is the opportunity for serendipitous discoveries — one never knows what work has valuable information. The *Encyclopedia of the Middle Ages,* for example, may have information on alchemy and chemical experimentation within medieval monasteries. That won't show up in a search limited by LC Subject Headings. My experience has been that interdisciplinary applications are the main research value of *Reference Universe.* By seeing the entire collection of MRWs — at a granular level — all the variant possible research paths begin to emerge. This is really making use of all the reference resources in one view.

ATG: According to a recent press release Reference Universe "provides both collection level scope and index level analysis of major reference works." What does that mean exactly?

EC: It's about breadth and depth. The strength of *Reference Universe* is as much defined by what is *not* included as what is. We do not include scholarly monographs, journals, festschrift, nor conference proceedings or local maps or almanacs. It's about bringing the cream to the top — the Major Reference Works. And while it is a fairly small "universe" of titles — approximately 50,000 published in the last 40 years — **Paratext** has aggregated over 35 million bits of metadata related to those titles. That number grows constantly as we add new data and fill in the back file of titles.

The breadth is the ability to see the *entire* MRW collection. The depth is the exhaustive indexing available for his collection — a microscope trained upon a "universe," you might say. Since each query matches a library's own reference collection, it's unlocks hundreds of thousands of dollars of important resources, and fosters new interdisciplinary papers, articles, and even new scholarly works.

ATG: In a world where students are happy to rely on Wikipedia, how does a product like Reference Universe remain viable? Can you point to an example of where a library has been successful in convincing students that products like Reference Universe are preferable?

EC: I sense that the ease and usefulness of Wikipedia has reminded us that quality introductory information is vital if you're going to get anything done in the area of serious research. I use Wikipedia, as lots of folks

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people profile

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Eric M. Calaluca

BORN AND LIVED: Born in Detroit, MI, but spent most of my life in metro Washington, D.C area.

EDUCATION: B.A. Classics/Philosophy. MA. Philosophy.

PROFESSIONAL CAREER AND ACTIVITIES: I had completed graduate work in Philosophy in 1987, with the expectation of having a teaching career in Higher Ed. However, my exposure to the scholarly information industry captured my interests and ambitions. I was very fortunate to receive an "apprenticeship" of sorts with **Sir Charles Chadwyck-Healey**, followed by the daily insights and mentoring from my business partner **Bob Asleson**. Can't improve on that tutorial. The rare opportunity to create products within an intellectual environment is the most challenging field I can imagine, and it is never boring.

FAMILY: Wife **Samantha**, a psychotherapist, and daughter **Caroline**.

IN MY SPARE TIME: Golf, cuisine, oil painting, and playing hide and seek with my daughter. Golf can wait.

FAVORITE BOOKS: I'm not a voracious reader, I grow impatient at endless character development. Probably a byproduct of the immediacy of business needs on a daily basis. That said, I've recently found myself going back to some philosophy texts after 25 years out of grad school. They carry entirely new meanings now with some years under my belt. For me, **Plato's** allegory of the Cave from *The Republic*, is about the single great distillation of the challenges of life — to separate reality from the shadows on the wall. Seeing our own shadow has to come first, however.

PHILOSOPHY: "A man would do nothing if he waited until he could do it so well that no one could find fault." — **John Henry Newman**

HOW/WHERE DO I SEE THE INDUSTRY IN FIVE YEARS: I see a real seriousness in the industry I did not see prior to the age of the Web. A realization that we are entering a realm of limitless technological possibilities — particularly in the area of information awareness and assessment of the behavioral habits of people looking for information.

Five years hence, I expect to see smarter librarians, with higher levels of technical knowledge, and smaller companies creating compelling, easily integrated information solutions for scholars and the general needs of libraries. I do not think the Web itself will obviate libraries, at least in my lifetime. Detailed information always requires patience and curation, and ultimately there will always be a market for the complete, the accurate, and the well-constructed scholarly argument.

do, but it is clearly not the same as rigorously vetted content which has gone through editorial oversight. We have librarians tell us they have users who usually start with Wikipedia and then move to *Reference Universe* for that "due diligence" in their research. One doesn't obviate the other, in my opinion.

ATG: Can you tell from your usage statistics if there are any individual libraries that are particularly successful in getting their students to use Reference Universe for "due diligence" in their research? Are there any Reference Universe user groups that share their success stories?

EC: We have a new division within the company with just this function, to glean deeper analytics on usage, but direct contact with reference library staff tells us that *Reference Universe* is used when someone wants to delve deeply into a topic, or cross outside the comfort zone of their own disciplines. The challenge today for many libraries is to encourage the use of library resources at

all, rather than what's out on the open Web. We've found *Reference Universe* is most heavily used where those institutions still put a premium on instruction and training, rather than "one box solutions" which tend to either overwhelm with results.

Reference Universe is designed for exploring new paths of research, new areas of discovery and understanding about a topic. It's about really squeezing all out of your specialized reference works. When you know what goes into publishing these works to begin with, and what libraries do to carefully craft their own collections — you realized how *Reference Universe* unlocks the data in unique way.

ATG: If you had a crystal ball what do you think it would tell you about the future of reference publishing, the use of research databases, and of course, libraries?

EC: Quality reference publishing is very expensive, and it's clear that some of the

existing reference publishers are cutting back because it is so expensive. That said, it seems clear that the future of the information industry will not be about discrete databases per se.

Let me indulge a bit of my philosophy studies from years past. One might say information may become more a matter of *epistemology* than technology. Content is everywhere: the understanding of it is not.

Researchers need to be encouraged to grasp the meaning surrounding the content. That meaning is always a mechanism for a rich, multi-dimensional understanding. It is a new way of seeing, because it involves letting go of previously held opinions for new ones, that is if, and only if, the old ones have been put to the test and found wanting. They used to call that "getting an education."

Ultimately I see **Paratext** in the *understanding* business. The word "**Paratext**" itself means any and all elements that point one back to the primary source. So, we want to continually improve our resource to move people to the original meaning, and back out again, for deeper understanding.

ATG: What does that mean in concrete terms for future plans and initiatives at Paratext? Are there new products on the drawing board or planned expansions of existing products?

EC: We're fortunate to still be a privately held company. Its gives us the space to look a bit further down the road, and roll things out when they're ready. All **Paratext** products are vertical search applications which drill down into a genre or document-type, using human indexing models rather than computer-based string search to unlock materials otherwise missed, and to give richer context to a topic. If you perform a search on the term "Freud"

in any discovery system, you might get back 800,000 hits. Perform the same search for articles in specialized introductory works in *Reference Universe* and you might get back perhaps *75 hits*. At the outset of research, for both novice as well as experienced researchers, less is often more.

There's little point in sending users into the "deep end of the pool" (not my phrase, but I like it) of journals or dense monographs until they have their bearings, intellectually, on the main themes, topics, etc. That's why a library has MRWs, to help researchers get their bearings, and that is what *Reference Universe* permits in a more comprehensive way.

ATG: Running a company like Paratext must keep you jumping. What do you do to relax? Are there any activities that you particularly enjoy? Aside from visiting Charleston, what would be your idea of the perfect vacation to help recharge your batteries?

EC: My golf game is something I enjoy (and endure) when I can; I'm a fairly respectable chef and I began oil painting about tenyears ago. However, all of this takes a back seat to the time I spend with our 2-year old daughter **Caroline**, the first for my wife **Samantha** and me. Spending quiet or silly time with her is the antidote. As more experienced parents will surely understand, that kind of time gets me 'out of my mind' and encourages me to be more present. If I can't recharge during that time, I'm not sure any hobby will help.

As for vacations, Italy is my first choice. The quote I remember, though I'm not certain of its source, is that "Italy is a dream that keeps returning for the rest of your life." I can't improve on that description.

ATG: Eric thanks for taking time out of your busy schedule to talk to us. We really appreciate it.

EC: It's been my pleasure, thank you.