



ONLINE DATABASES

Billions and Billions

By Carol Tenopir

BY NOW YOU'VE HEARD THAT Thomson has sold its Learning Division, including Gale, using the funds to assist in its purchase of Reuters. These multi-billion-dollar sales (yes, that is *Billion*) demonstrate that digital information sources and services are considered wise investments by the big money folks. The sales won't become final until later this year and then only if all of the regulatory approvals in North America and Europe are cleared. How might these sales impact libraries?

Apax Partners and OMERS Capital Partners (of Canada) spent \$7.75 billion to buy Thomson Learning, which includes Wadsworth, Delmar Learning, Gale, Nelson Canada, and other educational, careers, and library publishing companies. OMERS will manage Nelson Canada, and Apax will handle the rest. These companies are looking for strong equity investment opportunities and pension plan financing in a variety of sectors, including high tech and media.

Expanding reach

Apax and OMERS view Gale and the other brands as good investments that will deliver continued market share and financial growth. In a much smaller sale, Thomson also sold its market research service, Thomson Business Intelligence (TBI), to MarketResearch.com. Thomson needed the cash to help with its subsequent \$17.2 billion offer for Reuters. The Reuters brand is associated with its international multimedia news services, but a larger part of its business is in financial services, including online trading and financial information.

The combination of electronic news and financial services fits in well with Thomson's emphasis on business sector online services. Most business and financial analysts see it as a wise transaction that brings together two companies that complement each other and fill gaps. One unit of the new combined Thom-

son-Reuters Corporation will be called Reuters and will include Thomson Financial, Reuters Financial, and Reuters media businesses. A second unit, to be called Thomson-Reuters Professional, will include everything else at Thomson for the business professional market. This incorporates the current Legal, Tax & Accounting, Scientific, and Healthcare divisions.

The consolidation will make Thomson-Reuters larger than Bloomberg in both number of employees and business/financial market share. Dow Jones, which recently bought the Reuters share of Factiva for business online services and, of course, has expertise in business news, is another major competitor; it also generates some of the Factiva content.

The new Thomson-Reuters company will be global in reach, as Thomson is stronger in North America and Reuters is stronger in Europe and Asia. The prices for Thomson Learning and

ing. Dunn is a familiar face in the information industry, as former president of the Information Industry Association and CEO of Thomson Learning's Academic and International group. His appointment should help with continuity, since he knows the education and library markets.

The financial service synergies are seemingly of more interest to the business and general press in the Thomson-Reuters deal than the scientific or legal database properties of Thomson that most libraries use. Products like ISI Web of Knowledge, Dialog, DataStar, and Westlaw, all major offerings in academic, law, and other corporate libraries, will become part of Thomson-Reuters Professional. Last year, Thomson reorganized into separate divisions around themes (scientific, financial, learning) before announcing it would sell the Learning Division. Continual reorganization can be alarming to cus-

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Reuters are well above their respective yearly revenues, so clearly the purchasers expect continued growth—and may initially need to take cost-saving measures.

Meaning to librarians

Relevant information to libraries about these deals can get lost in the hype. Gale is mentioned in most press accounts almost as an afterthought to the educational publishing segments of Thomson Learning. Gale's InfoTrac, reference collections, and other reference books and databases have been an important offering in academic, public, and other libraries for years.

Apax promises to take the long-term view for the whole company, rather than selling the parts piecemeal. It also announced plans to appoint Ronald Dunn CEO of Thomson Learn-

tomers, not to mention to the employees whom libraries work with regularly.

Librarians want their information products and services to be run by financially viable organizations, but we don't often look at them from this perspective. Libraries have paid for these products for years but have even more of an intellectual investment in them. We have built instructional sessions around them, developed gateways and cataloging records so patrons can find them, and helped with ideas to improve and foster both their content and their interfaces. Let's hope our relatively small part in the overall financial picture of the new billion-dollar companies doesn't get lost or forgotten.

Carol Tenopir (ctenopir@utk.edu) is Professor at the School of Information Sciences, University of Tennessee, Knoxville