



LIBRARY SYSTEM OF ONTARIO LAW ASSOCIATIONS

***Advancing the Blended System:
The First Annual Report of LibraryCo Inc.
for the year ending, 2001***



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FROM THE CHAIR OF THE BOARD

LibraryCo presents an exciting opportunity to integrate Ontario's 48 County and District law libraries into a Single *blended system*, which will afford all users the best in legal research and innovative technologies to access and analyze information. This new library system has an important role to play in developing competency skills for Ontario lawyers.

The new library system of Ontario's law associations builds on a tradition that began over one hundred years ago – a tradition of providing quality law library services to all of Ontario's lawyers regardless of where they work and practice.

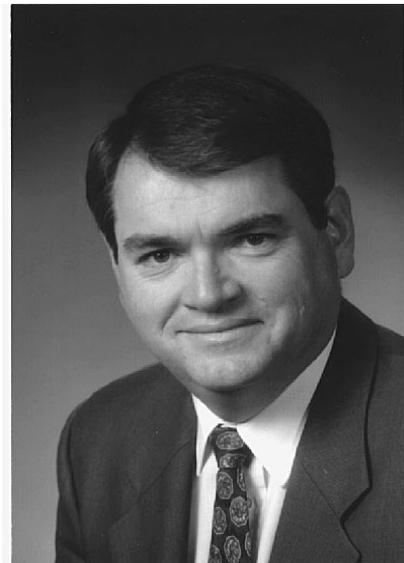
It was around the time of Confederation that lawyers who practiced law outside of Toronto had begun to express concerns regarding their disadvantage in not being able to avail themselves of the type of service that Toronto area lawyers found available through the Great Library.

These County lawyers formed a partnership with the Law Society that worked to address this inequity. The result was a proposal that would see the establishment and maintenance of branch libraries in the County towns paid for by a levy of four dollars per member. From that humble beginning, the County and District law libraries have grown to 48 from the initial seven.

LibraryCo represents the first major shift in over one hundred years to the provision of law library services in Ontario. For the first time, all County and District law libraries will now operate as part of an integrated system with common goals and approaches to make reliable, relevant and current legal information available to all lawyers regardless of where they live and practice.

And once again it is a partnership between the Law Society and the County and District Law Associations responding to the needs of lawyers across Ontario to work to improve and expand the quality of law library services.

Our law libraries can do so much more to help Ontario's lawyers remain competent. Our goal is to ensure they have the right technical and professional support to improve their research skills and adapt to changing technologies.



Gregory M. Mulligan

FROM THE EXECUTIVE DIRECTOR

This first ten months since assuming the position of Executive Director for LibraryCo have been very eventful. We have incorporated LibraryCo; appointed an enthusiastic Board of Directors representing a wide range of interests and constituent lawyers from all reaches in the province; established a head office base of operations in Burlington; and began the challenging work of advancing the *Blended System* for the Ontario County and District Law Libraries.

We have already made significant strides:

- to develop a coordinated approach for gathering system-wide financial information;
- to build a solid infrastructure platform for our technology initiatives; and
- to begin the planning for re-directing resources for an improved delivery of library service for all the lawyers of Ontario.



Suzan A. Hebditch

In 2001, LibraryCo successfully:

- re-directed resources for the recruitment of a professional *Roving Law Librarian*;
- forwarded the equivalent of \$26,000 in funding for electronic information to each of our law libraries;
- forwarded funds in excess of \$3,000. for the purchase of new hardware and software for each of the County and District law libraries;
- negotiated large contracts with vendors and legal-based publishers resulting in savings to each library and expanding the variety of electronic products available to law library users;
- introduced savings to the local law associations through centralized payments of employee benefits packages and fees to database vendors; and
- negotiated software purchases bringing significant savings to each law library.

While much has been accomplished to build a strong foundation for the new library system of Ontario Law Association libraries, we have only just begun the responsibilities vested in LibraryCo in ***Beyond 2000: The Future Delivery of County Library Services to Ontario Lawyers***¹. There is great deal ahead of us. 2002 is an important year as we turn to the critical task of developing and defining standards for this new system which will provide the best tools, resources and services to the lawyers of Ontario.

¹ *Beyond 2000: The Future Delivery of County Library Services to Ontario Lawyers*, Prepared for Convocation by the Professional Development and Competence Committee, Working Group on Long-Term Delivery of County and District Law Library Services, consists of a three Phased report: Phase I, August 1998; Phase II, April 1999; and Phase III, May 2000.



CORPORATE SYNOPSIS

INCORPORATION and FISCAL YEAR END

LibraryCo Inc. is a not-for-profit corporation established under the laws of the Province of Ontario by Articles of Incorporation originally registered December 20, 2000 and amended by Articles registered April 12, 2001. The Company's first fiscal year end was December 31, 2001. Financial statements for that period were prepared and audited and are found at Schedule A.

LOCATION

The Head Office of LibraryCo Inc. officially opened on September 25, 2001 from rented premises located at Upper Canada Place, 460 Brant Street, Suite 211, in Burlington.

SHARE STRUCTURE

The authorized capital of the Corporation consists of an unlimited number of common shares and an unlimited number of preference shares. The issued and outstanding shares in the capital of the Corporation consist of 100 common shares and 100 preferred shares held as follows:

- Law Society of Upper Canada – 100 common shares
- County & District Law Presidents' Association – 100 preferred shares

Interested Stakeholders and funding relationships are demonstrated in the following flow chart titled *Stakeholder Relationships*.

Governance of the Corporation is articulated in the *Unanimous Shareholder Agreement for LibraryCo Inc.*

FUNDING

The majority of the funds raised on behalf of the 48 County and District Law Libraries are allocated from a portion of the **Law Society of Upper Canada** fees paid annually by the lawyers of Ontario. This funding is distributed by LibraryCo to the 48 County and District Law Libraries on the condition that the funds be used for library purposes.

In 2001, LibraryCo Inc. received funding totaling \$5,250,000. based on an estimated 25,000 members of the Law Society of Upper Canada assessed at \$210 per member.

The **Law Foundation of Ontario** has historically been a generous contributor to the County and District Law Libraries. For the year 2001, the LFO supported the County and District law libraries with \$1,315,000. In 2001 this funding supported: hardware and software upgrades in each law library; the delivery of thirteen CD Rom products; access to information and training by database vendor; and the initial LibraryCo headquarter office set up costs.

LibraryCo has the advantage of the legacy of a *County Library Reserve Fund*. These funds consist of monies accrued for libraries when the Law Society, some years ago changed the membership year resulting in an overlap of funds collected. This reserve amounts to approximately \$1,797,000. Critical for the future development and delivery of services for Ontario's lawyers this fund will, commencing in 2002, be utilized to stage in the implementation of the *Blended System*.

GOVERNANCE

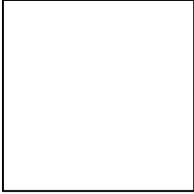
LibraryCo's affairs are governed by a 15-member Board of Directors with rotating terms of office. The composition is made of representatives appointed by the Law Society of Upper Canada (LSUC), the County and District Law Presidents Association (CDLPA), the Ontario Bar Association (OBA), the Ontario Courthouse Librarians Association (OCLA), the Metropolitan Toronto Lawyers Association (MTLA), and several members appointed at large. The current Board Chair is Gregory M. Mulligan, a Bencher and lawyer from Orillia.

The role of a Director of LibraryCo Inc. is one of stewardship. Directors are responsible for monitoring, rather than actively managing the business affairs of the Corporation. They oversee the financial management of the corporation, determine future directions and priorities in keeping with the mandate of the corporation and set policies in accordance with the *Unanimous Shareholders Agreement for LibraryCo Inc.* while consulting with interested stakeholders.

BOARD COMMITTEES

LibraryCo established a number of Standing and Special Committees of the Board in 2001. They are:

- Audit Committee (Chair: R. Wilson)
- Business Plan Committee (Chair: J. Carten)
- Communications Committee (Chair: J. Potter)
- Distribution of Funds Committee (Chair: J. Miller)
- Finance Committee (Chair: R. Wilson)
- Investment Committee (Chair: U. Suits)
- Nominating Committee (Chair: G. Mulligan and P. Bourque)
- Personnel Committee (Chair: K. MacLaurin)
- Planning and Priorities Committee (Chair: G. Mulligan)
- Special Needs Emergency Fund Committee (Chair: R. Wilson)
- Standards Committee (Chair: A. Matthewman)



2001 DIRECTORS AND OFFICERS

- Robert P. Armstrong, Q.C., Director, Bencher, a lawyer from Toronto (appointed August 22, 2001);
- Peter Bourque, Director and in December, 2001, became the Representative for the County and District Law Presidents (CDLPA), a lawyer from Orangeville;
- Marion Boyd, Director, lay Bencher (appointed August 22, 2001);
- Jennifer Carten, Director, a lawyer from Kenora;
- Susan Elliott, First Chair and Law Society Representative (until June 21, 2001), Bencher and President of Bar-eX;
- Michael T. Hennessy, Director, Representative for the County and District Law Presidents Association (CDLPA), a lawyer from Sudbury (until November 23, 2001);
- Karen MacLaurin, Director, Representative for the Ontario Courthouse Librarians Association (OCLA), Executive Director / Law Librarian for County of Carlton Law Association, Ottawa;
- Anne C. Matthewman, Director, Representative for Metropolitan Toronto Lawyers Association (MTLA), Library Manager / Executive Director for the MTLA;
- Derry Miller, Bencher and a lawyer from Toronto (until June 2001)
- Janine Miller, Director, Director of Libraries, Law Society of Upper Canada;
- Gregory M. Mulligan, Director and then Chair and Law Society Representative from June 2001, Bencher and a lawyer from Orillia;
- Judith Potter, Director, Bencher, a lawyer from London;
- Alan G. Smith, Director, Representative for the Ontario Bar Association (OBA), a lawyer from Mississauga (until December 17, 2001);
- Urmas Suits, Director, Representative for the Metropolitan Toronto Lawyers Association (MTLA), a Toronto-area lawyer;
- Robert S. Whitmore, Director, a lawyer from Hamilton;
- Richmond Wilson, Q.C., Director, Bencher, an Ottawa-area lawyer;
- David Ziriada, Director, a lawyer from Windsor.

Suzan A. Hebditch, Executive Director from February 12, 2001

Christianne A.C. Wyskiel, Assistant to the Executive Director from September 4, 2001



2001 DIRECTORS AND OFFICERS

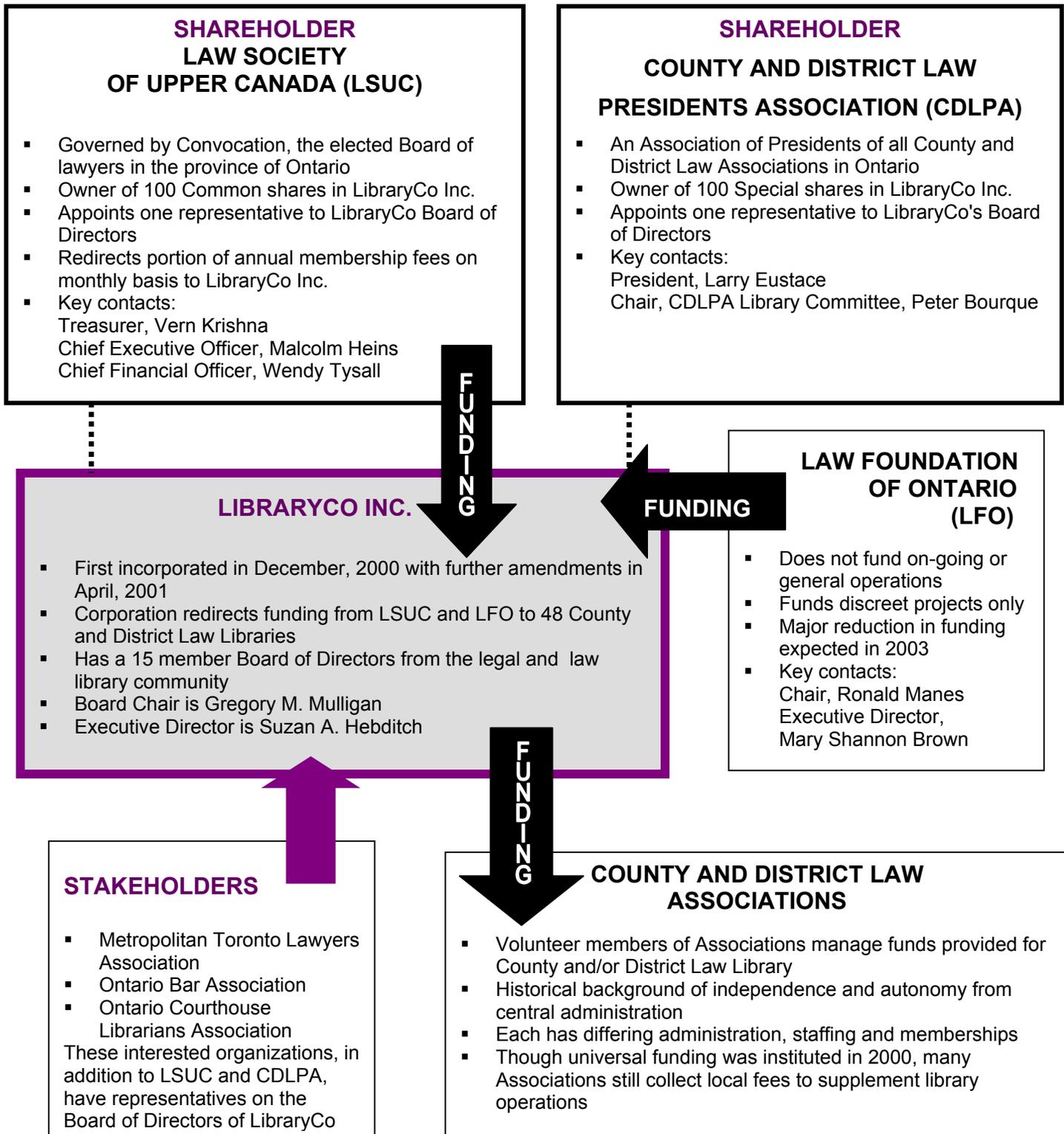


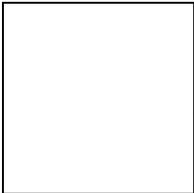
The above picture of the Board of Directors was taken at the opening ceremonies of LibraryCo Inc. Headquarter Offices on September 25, 2001

Seated from left to right: Marion Boyd, Anne Matthewman, Gregory M. Mulligan, Judith Potter and Janine Miller. Standing from left to right: Jennifer Carten, Urmas Suits, Michael Hennessy, Alan Smith, Peter Bourque, David Ziraida, Karen L. MacLaurin and Robert S. Whitmore. (missing is Robert Armstrong, Q.C., and Richmond Wilson, Q.C.)



STAKEHOLDER RELATIONSHIPS





2001 ADVANCING THE **BLENDING SYSTEM**

The historic 'ad hoc system' under which Ontario's 48 County and District Law Libraries functioned was identified in *Beyond 2000: The Future Delivery of County Library Services to Ontario Lawyers*, as needing restructuring. Of the recommended models for the restructuring, the County and District Law Presidents Association recommended and Convocation chose the **Blended System** as the model best able to effectively implement the changes deemed necessary.

The key elements for that restructuring involve:

- the necessity for universal access to all library system components for users;
- the creation of clear standards to ensure a quality service;
- the implementation of innovative technologies to facilitate improved electronic access to law and law-related information;
- the development of common strategies and coordinated approaches to collection development;
- the assurance of access to a full-range of legal research expertise; and
- the delivery of improved training and education opportunities to law library staff and law library users.

In 2001 LibraryCo set a number of mechanisms in place to lay the groundwork for that restructuring as we advance the *Blended System*. They involved:

- Developing the first budget submission to the Law Society of Upper Canada that resulted in approval of a \$5.4 million budget for the 2002 fiscal year.
- Completing negotiations with legal publishers and vendors on behalf of the entire library system that resulted in reduced costs and new information products and electronic based resources for all law libraries.
- Completing a technology survey resulting in new and/or additional hardware and software provisions for each law library.
- Submitting ***Building Blocks for Improved Competencies: a Funding Submission to the Law Foundation of Ontario on Behalf of the County and District Law Libraries for 2002*** which was successfully received and approved. This \$1.29 million initiative will help create the necessary infrastructure for new technology ventures.
- Evaluating collections and staffing and assessing funding levels and facilities of the County and District law libraries. In 2001 the Executive Director made on-site assessments of 25 of the 48 law libraries and met with Library Committees, Association Executives and/or Library staff on 31 occasions.
- Implementing accounting changes that introduce uniform and consistent financial reporting across all 48 law libraries. (Starting in 2002, all libraries will both receive equal quarterly grants and be required to prepare quarterly financial reports).

- Re-directing funds for the hiring of a Roving Law Librarian. (This added resource will allow LibraryCo to assist library staff with collection management matters and facilitate training opportunities for lawyers and law library staff throughout the Counties.)
- Designating the first of the Local Libraries in order to begin setting the standards for a core collection – characterized as the *Essential Law Library* and devise a blueprint for a block-based funding formula.



The above picture of Susan Elliott “the Mother of LibraryCo Inc.” and Suzan A. Hebditch, Executive Director was taken at the opening ceremonies of LibraryCo Inc. Headquarter Offices on September 25, 2001



2002: COMMITMENTS

OUT OF THE BOX ... AND BEYOND THE WALLS

Early in the new fiscal year, LibraryCo. will finalize its Business Plan *Out of the Box ... And Beyond the Walls: Business Strategies for LibraryCo Inc. 2002-2005*. An important first step in this plan takes place with designating law libraries as “Local”, “Area” or “Regional”. A number of variables such as geographic location, proximity to other law libraries, numbers of lawyers at the local bar and others will factor into the determining the designation.

This plan will then articulate improvements and opportunities for all Regional, Area and Local County and District law libraries to move from the traditional library milieu (“out of the box”) into one using advanced technologies (“... beyond the walls”) to deliver timely, relevant and accurate information to the lawyers of Ontario.

SERVICE, STAFF, COMPETENCIES AND TECHNOLOGY

The changes proposed for 2002 and beyond permit a coordinated approach to the utilization of resources and common goals for organizational planning and operations. They will allow LibraryCo to move swiftly to promote and improve electronic services, build on technologies and address continuing education and competency issues to Ontario’s lawyers.

With a total of 72 library staff statistics show that some 3,500 lawyers engaged in training on electronic information sources, facilitated or provided through the 48 law libraries in 2001. Even more remarkable is this number when it is acknowledged that only 4 of these libraries are staffed on a full time basis with the remaining 44 on average being staffed only 23 hours per week.

In 2002, professional development for lawyers in support of the Law Society’s competence mandate will take on new directions in the *Blended System*. Through County and District Law Libraries, lawyers will find additional training and educational opportunities that will build on these skills and reinforce their research abilities.

Ensuring an infrastructure to accommodate future technology advances will mean building on the funding provided by the Law Foundation in 2001 with the opportunities articulated in the 2002 *Building Blocks for Improved Competencies* submission. By ensuring broad band access in all law libraries we can assure quicker and more diverse options for accessing information in electronic formats.

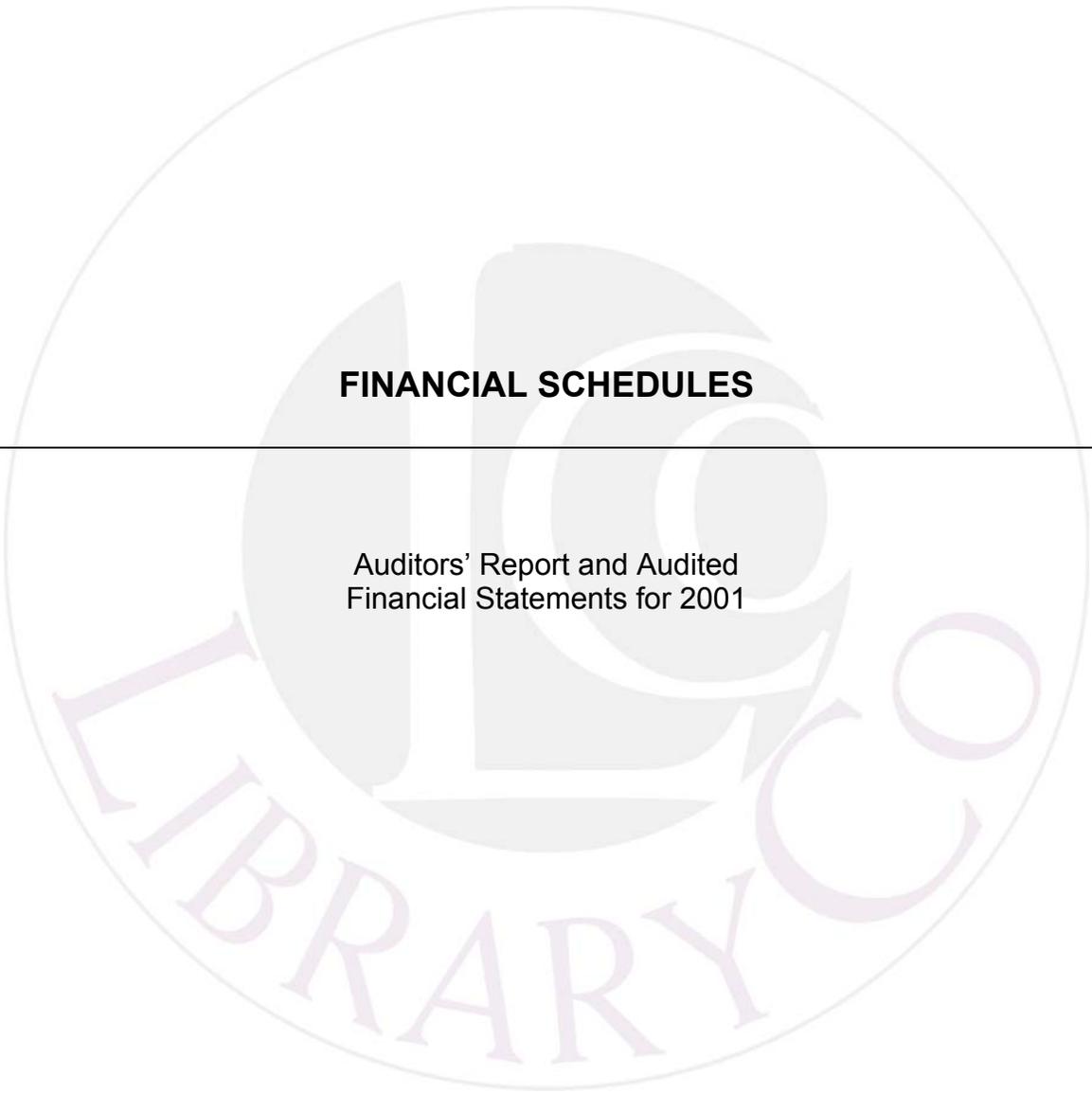
DEVELOPING STANDARDS

Standards will ensure lawyers throughout the province that they can enter any law library in the system and have a reasonable expectation of what services that law library will provide. The standards will take into account the size and location of the libraries, as well as their categorization as Regional, Area or Local.

Unlike the past ad hoc arrangement for County and District law libraries, the *Blended System* will allocate the funds to achieve expectations set by the new standards. Among other, these standards will afford users best, cost-effective opportunities for: access to legal research training; access to comprehensive law and law-related information sources; access to highly capable library personnel; and access to innovative and creative technology solutions.

VISITS TO COUNTY AND DISTRICT LAW LIBRARIES BY EXECUTIVE DIRECTOR IN 2001

Algoma Law Association	AGM May 3
Brant Law Association	
Bruce Law Association	
Carleton Law Association	July 4
Cochrane Law Association	
Dufferin Law Association	
Durham Region Law Association	April 10; October 15
Elgin Law Association	April 6
Essex Law Association	February 23; AGM April 28
Frontenac Law Association	
Grey County Law Association	
Haldimand Law Association	September 12
Halton Law Association	December 13
Hamilton Law Association	March 14; AGM June 27
Hastings Law Association	April 10
Huron Law Association	
Kenora Law Association	
Kent Law Association	February 22
Lambton Law Association	April 5
Lanark Law Association	
Leeds & Grenville Law Association	
Lennox & Addington Law Association	
Lincoln Law Association	March 20
Manitoulin District Law Association	June 3
Metro Toronto Lawyers Association	March 5
Middlesex Law Association	April 5
Muskoka Law Association	November 29
Nipissing Law Association	AGM April 23
Norfolk Law Association	AGM March 20
Northumberland Law Association	March 28; May 14
Oxford Law Association	
Parry Sound Law Association	
Peel Law Association	March 13; April 1
Perth Law Association	September 6
Peterborough Law Association	April 11
Prescott & Russell Law Association	
Rainy River Law Association	
Renfrew Law Association	July 5; August 27
Simcoe Law Association	AGM February 13; November 29
Stormont, Dundas & Glengarry Law Association	
Sudbury District Law Association	
Temiskaming Law Association	
Thunder Bay Law Association	
Victoria Haliburton Law Association	
Waterloo Law Association	
Welland Law Association	March 20
Wellington Law Association	
York Region Law Association	

The page features a large, faint watermark of the LibraryCo logo in the background. The logo consists of a stylized 'L' and 'C' intertwined, with the word 'LIBRARYCO' written in a serif font below it, all enclosed within a circular border.

FINANCIAL SCHEDULES

Auditors' Report and Audited
Financial Statements for 2001