THE UNIVERSITY OF RHODE ISLAND

University of Rhode Island
DigitalCommons@URI

Technical Services Department Faculty Publications | Technical Services

2004

19th Annual Conference Reports, Strategy Sessions. Economics of Society Publishing: Through a Glass Darkly

Andrée Rathemacher
University of Rhode Island, andree@uri.edu

Follow this and additional works at: http://digitalcommons.uri.edu/lib_ts_pubs

 Part of the Scholarly Publishing Commons

Terms of Use
All rights reserved under copyright.

Citation/Publisher Attribution
Rathemacher, Andrée. "19th Annual Conference Reports, Strategy Sessions. 'Economics of Society Publishing: Through a Glass Darkly.'" *NASIG Newsletter* 19, no. 3 (September 2004): 23-25. Available: http://tigerprints.clemson.edu/nasig/vol19/iss3/1.

This Article is brought to you for free and open access by the Technical Services at DigitalCommons@URI. It has been accepted for inclusion in Technical Services Department Faculty Publications by an authorized administrator of DigitalCommons@URI. For more information, please contact digitalcommons@etal.uri.edu.

NASIG NEWSLETTER

Vol. 19, no. 3	eISSN 1542-3417	September 2004

TABLE OF CONTENTS

PRESIDENT'S CORNER

Steve Savage, NASIG President

Well, I would have hoped that after seven years as a member of the *Newsletter* Editorial Board, I would have made dead sure that I turn in all of my president's articles by their submission deadlines. But even my first article is late, so I guess I'll just have to try to save face by saying I now understand why many of my predecessors' articles were late, too. At least now I can say that I am beginning to truly understand just how much work is required to keep such an active organization as NASIG running.

I had thought that the first few weeks after the Milwaukee conference would be a downtime. Was that ever naïve! From the Board meeting, brainstorming session, town hall meeting, many scheduled and impromptu meetings during the conference, and the ensuing NASIG-L discussion, the list of new ideas, projects, and concerns for the Board and committees to consider and possibly implement is immense—over 150 items altogether! A handful of these are very small-scale issues. Several dozen items are huge, conceptual policy or technological scenarios. The remainder fit anywhere between those two extremes.

Several task forces have been established in recent months to address some of the newer or larger-scale ideas. Charges and rosters of the groups appointed so far are included elsewhere in this issue. One new group is the Anniversary Task Force. It will recommend ways to celebrate our upcoming twentieth anniversary and will also implement adopted ideas which are not assigned to standing committees. The recently announced History Task Force is another anniversary-related activity. The Online Registration Team will implement several enhancements to make our online registration process

Misinformation continues to appear on e-mail lists and discussion boards, which harms both publishers and libraries.

Publishers are attempting to improve the situation by developing new business models in terms of consortia pricing and providing more flexible subscription options. Elsevier is also working on improving authors' rights. Authors may now post articles on their personal homepages, institutional repositories, and pre-print servers. This allows authors to better share their research with colleagues. Elsevier is also investing in author tools that will provide faster dissemination of information.
Tagler also spoke on commercial publishers' investment in the future through their investment in technology, particularly in terms of product development. Ultimately, technological innovations will lead to more access. Publishers are starting to collaborate with each other to keep technology moving. One example of this is the recent products that provide linking between publisher resources, such as CrossRef. Tagler also pointed out that open access is not free, and open access publishers will need to find ways to recoup publishing costs. Although commercial publishers welcome the experimental processes of alternative scholarly publishing, Tagler cautioned that the existing model shouldn't be endangered in the blind hope of something better. Tagler concluded with his belief that collaboration, not fragmentation, is essential as new publishing models are examined, and that libraries and librarians must play a key role in helping to raise awareness about these new initiatives.

STRATEGY SESSIONS

Economics of Society Publishing: Through a Glass Darkly

October Ivins, Consultant, Digital Content and Access Solutions, and Member, Board of Directors of the Society for Scholarly Publishing; Bill Kasdorf, General Editor, Columbia Guide to Digital Publishing and President, Impressions Book and Services, Inc; and Keith Seitter, Deputy Executive Director, American Meteorological Society
Reported by Andrée Rathemacher

The first speaker was **October Ivins**, who has a broad background with vendors, publishers, and libraries. Ivins' major point was that the diversity among scholarly publishers is at risk. In a study she did in 1999 of titles in Ulrich's and PubList, Ivins found that 25 percent of publishers published 7-1,400 titles, another 25 percent published 2-6 titles, while 50 percent published only 1 serial title.

Based on an article by Born and Van Orsdel in the April 15, 2004, *Library Journal*, Ivins presented three "tiers" of scholarly publishers:

- Tier 1, the "Group of 7," which consists of several large commercial publishers who each publish many titles (Elsevier, Springer, Kluwer (which has since been bought by Springer), Taylor & Francis, Blackwell, Wiley, and Lippincott.
- Tier 2, large society and university presses, such as Cambridge, Oxford, Harvard, MIT, AIP, ACS, IEEE, Sage, and Nature.
- Tier 3, a diverse network of publishers with one or more title each. They are international in nature and tend to be small publishers, with little or no budget for marketing and few staff. A little over 20 percent of Tier 3 publishers consist of scholarly and professional associations which usually offer a quarterly refereed journal, a newsletter, and perhaps a directory or conference proceedings. Other Tier 3 publishers are university presses; independent non-profit publishers, often run by academic departments or institutes based at universities and managed by one or two faculty members; and independent for-profit publishers whose offerings are inexpensive. There are perhaps 20,000 Tier 3 publishers.

Tier 3 publishers are "at risk." They are facing fierce competition by the large, for-profit publishers. Furthermore, some of the decisions libraries are making are hurting them, thus threatening the very publishers that offer the most affordable information. For example, by signing up for "Big Deals," libraries have less money left for non-Big Deal publishers. They often cancel the publications of Tier 3 publishers and are very unlikely to add any subscriptions from them. To make matters worse, libraries often decide which journals to cancel based on percentage—not dollar—price increase and usage measures. Both tend to favor larger publishers: Percentage increases tend to be higher for low-cost journals, especially for journals that have kept their prices low for as long as possible and then increase their prices as a last resort, and usage tends to be higher for Big Deal services with federated searching capabilities that provide access to many journal titles. Libraries are also favoring journals that are available in online format and have extensive online backfiles, both of which are costly propositions for small publishers with little capital.

In this environment of corporate consolidation, increasing serial prices, a weak dollar, and flat library budgets, all publishers are facing heightened financial pressure. Tier 3 publishers, however, are in the weakest position to "ride it out," and become destabilized more easily. To make

matters worse, Tier 1 and Tier 2 publishers, recognizing the limited market for new titles, often set their sights on taking over established titles, many of which are published by Tier 3 society publishers. In fact, journal titles from society, association, and other non-profits now make up 17-45 percent of the titles published by Tier 1 publishers. A comparison of the prices of journals "before" and "after" moving from small/non-profit publishers to the large commercial publishers reveals immediate price increases of 12-398 percent.

Following Ivins, **Bill Kasdorf** revealed the "hidden" technological processes and costs that go into producing print and electronic journals. At the beginning of the publication process, journals need to acquire manuscripts and shepherd them through the peer review process. Commercial publishers and big society publishers tend to use MS Tracking/Peer Review software systems, such as RapidReview from Cadmus or AllenTrack from Allen Press. Small societies do without them.

After the manuscripts have been reviewed, they must be edited, which is a very detailed and time-consuming process. For example, articles must conform to the journal's editorial style, must use proper units and nomenclature, must use clear, consistent language, and references and figures must be in acceptable formats. Some editing is still done on paper, usually by freelancers, as well as in Microsoft Word, using styles. More advanced systems use XML "tags" to structure elements of the document.

The next step is composition and page layout. This is more complicated than many people realize, as the article must be laid out in justified columns, with proper hyphenation and formatting of tables, figures, and equations. Updates from the author once the process has started often require time-intensive reworking of the layout. For composition and layout, the large publishers use high-end systems that require large investments to acquire, learn, maintain, and update. They engage in extensive setup and coding in order to automate the process as much as possible, often using XML tagging. The labor that is required is increasingly done offshore. Such systems are beyond the reach of smaller publishers, who tend to use less-automated desktop publishing software, either in-house or contracted out to freelancers. Their process is much more labor-intensive and requires a concerted effort to keep staff and systems up to date. Furthermore, the advanced capabilities of XML tagging, which is still unavailable in most desktop publishing packages, is forcing a re-evaluation of desktop publishing methods altogether.

The final step in publishing a journal is the printing and mailing. Despite the advent of online publishing, the demand for print is still high. Therefore, publishers have to continue to create print journals while creating online versions as well. Unfortunately, each format requires a different publishing process. Print versions of journals must have professional-quality typography and layout; simplistic page output (as might result from using the online version as the source for the print version) is not accepted. While Adobe's PDF format (easily produced from the print version) is commonly used for online publishing, it is not ideal. An XML-based format is better, since it allows for complex tagging that will enhance online searchability and linking capabilities and meets archival standards. Unfortunately, few systems or vendors provide advanced XML capabilities at this time.

The third speaker was **Keith L. Seitter**, who provided a case study of a nonprofit publisher by showcasing the publishing activities of the AMS. The mission of the American Meteorological Society is the dissemination of knowledge. To this end, the Society publishes nine scientific journals and a magazine in both print and online formats. The AMS earns a net revenue of 5.8 percent on their publications, which they use to support K-12 education programs, public awareness, student travel to meetings, and other educational activities.

Seitter provided a detailed financial picture of the AMS's journal-publishing activities. The figures he presented reinforced Kasdorf's point that publishers cannot save money by publishing their journals online unless they eliminate the print format altogether, since publishing both online and in print costs more than publishing in print alone. However, while publishing online is not without significant costs (for example it costs the AMS about $250,000 a year just to host their journals online), on the expense side of the balance sheet, it does achieve cost savings, because reprint expenses, postage, and print expenses are eliminated (although salaries and benefits, support to volunteer editors, back-issue storage, and overhead remain the same). All in all, eliminating print and publishing only online would lower expenses for the AMS by about 25 percent.

However, it is not enough to look just at expenses. On the income side, a society publisher faces significant risk in making a decision to publish only online. Most significantly, the publisher risks a decline in overall subscriptions that might result from a decision to cease publishing in print format. Even among institutional subscribers to AMS journals, 59 percent still subscribe to print-only, and an additional 15 percent subscribe to print plus online. Only 26 percent of institutional publishers purchase AMS journals online-only. If the institutional subscribers who currently subscribe to print format only were faced with the discontinuation of the print journals, they might decide to convert their subscription to online

format, but they might also decide to drop it altogether in favor of pay-per-view or ILL access. If that happened, the AMS would lose income to the extent that any savings in expenses by publishing online only would be cancelled out. Furthermore, if the subscriber base of the AMS were to decrease overall, even if income continued to exceed expenses, the AMS would not be fulfilling its mission as a non-profit organization, because their journals would not be available in as many places, and their lower overall income would not support as many educational activities.

The goal for the AMS, like other society publishers, explained Seitter, is to make the transition gradually from publishing in print and online to publishing only online over the next two to four years. This will allow print-only institutional subscribers to shift to online-only at their own pace instead of being forced into a decision. As the percentage of print-only subscribers becomes smaller, it becomes less of a risk for publishers to go online-only. The scientific community has already decided that it doesn't need print, however a significant part of the library community will not be able to accept online-only until a dependable system for retaining a permanent print archive exists. On their part, publishers need to develop a pricing structure that encourages online-only subscriptions while still allowing print-only as an option. This would involve separating out the cost of producing the print from the price for online subscriptions. And, since there is a distinct probability that print will never quite go away, print should be made to "pay for itself" by making print subscribers pay a premium so that publishing in print format is financially neutral to the publisher.

A brief but spirited discussion concluded this session. One idea that caught the attention of those present was suggested by a member of the audience. This was to create a pricing model in which the content of the journal is priced separately from the delivery options. Thus, all subscribers would pay the same content fee, with online subscribers paying one amount for online delivery while print subscribers paying another amount for print delivery.

E-Resource Management: the Quest for Systems and Standards

Timothy D. Jewell, Project Director for the DLF Electronic Resource Management Initiative; and Head, Collection Management Services, University of Washington Libraries
Reported by Dalene Hawthorne

Tim Jewell began the session by providing the following context for electronic resource management (ERM):

- Demand for 24/7 access to information
- Increased spending on electronic resources
- Restricted budgets that have driven a shift to electronic-only journal access
- Dynamic nature of the marketplace with shifting business models
- "Google-ization" of searching for information (make it easy or forget about it)
- Complexities of e-resource acquisition
- Impact of licensing agreements

Jewell explained that e-resource management tasks such as generating and maintaining alphabetical and subject lists of e-resources, loading aggregator holdings information, tracking license negotiation, license terms, and the communication processes involved in negotiating licenses, problem tracking, and systematic usage reporting are not supported by current integrated library systems. This has led to the creation of many separate documents and/or applications to support this data.

Jewell provided a list of institutions that have instituted ERM initiatives or systems. Of those, he highlighted Yale, MIT's VERA, the Colorado Alliance's Gold Rush, Johns Hopkins' HERMES, UCLA's Erdb, and Penn State's ERLIC^2.

Jewell showed Yale's lists of databases and screen shots of Yale's license terms of use that are presented in a tabular format that is easy to read and interpret. He also demonstrated how the database links to the general license terms at the publisher's website.

MIT's VERA electronic resource management system generates public webpages that provide access to databases and e-journals by searching or through alphabetic or subject lists. It describes availability of e-resources by location, manages and generates URLs, provides access to license information, and provides status and user support information.

The Colorado Alliance ERM system summarizes license terms. The package is available for purchase.

Johns Hopkins' HERMES system includes a full workflow to support selection through implementation. It dynamically generates public webpages, automatically notifies staff about renewals, provides link management, and manages access and use restrictions by user group. It is also interoperable with the ILS. The system is SQL and Cold Fusion-based and has been available on an open source basis since December 2003.

UCLA's Erdb provides public webpages where users can search by title or subject. The system allows staff to enter and track data that describes the title, type of resource,