

# The Challenge for Ohio Higher Education Providing Access to Scholarly Publishing

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## Setting the Stage

For a number of years the “crisis in scholarly publishing” has been a hot topic among academic librarians and increasingly the scholarly community has become engaged in the discussion and the search for solutions. The background, issues and possible solutions in this crisis have been laid before us by many parties such as the Association of Research Libraries, the Association of College and Research Libraries (a division of the American Library Association), SPARC (the Scholarly Publishing and Academic Resources Coalition), and the Public Library of Science. A set of resource links is provided at the bottom of this document.

The key trends underlying the crisis are these:

- Rising costs and decreasing purchasing power: From 1986 to 2000 the CPI rose 57 percent. In that same period, journal prices rose 227 percent. The typical research library spent 170 percent more on serials in 1999 than 1986, but the number of titles purchased declined by 6 percent. Book purchases declined by 26 percent.
- Increasing volume of information: From 1986 to 2002, the number of journals published increased by 58 percent. During roughly the same period, world-wide production of books increased approximately 50 percent.
- Large commercial publisher profits: Science, technology and medical (STM) publisher profits are in the 20-30% range. A "merger effect" has yielded price increases in the 20-30% range after commercial mergers or acquisitions in STM publishing.

Into the 1990's, across Ohio's 13 largest universities, the result of this system was that on average only 25% of scholarly journals could be purchased on each campus. This rationed access to scholarly journals ranged as a low as 10% on several campuses with 8 campuses less than 25%. Only one, Ohio State, had more than 50%. Independent colleges and community colleges were able to acquire only very small fractions of scholarly journals. Across the state we became accustomed to significant rationing or denying access to needed scholarly materials.

Through the 1980's and early 1990's the trends in Ohio higher education libraries mirror the national and international trends. Either the libraries had to be funded beyond inflation and budgetary growth to maintain collections or each year there was a slow deterioration of the journal collection on each campus. The latter was the prevalent practice.

## Increasing Our Buying Power

The Ohio libraries' reaction to this deteriorating situation has been similar to libraries across the globe. We have raised our voices with the library community elsewhere to the need for a fundamental examination of the current system and the need for changes that will allow for long-term economically sustainable increased access to scholarly

journals and books. Programs such as Create Change, Declaring Independence and the various Open Access initiatives are responses to this call.

But fundamental change comes slowly so far and most academic libraries have banded together through their state or regional consortia to increase their buying power with the existing publishing community and economic system. The advent of widespread electronic journal availability has spurred on these group initiatives and made expanded access practical. Acting as a group has proven a very effective coping mechanism but does not remove the underlying causes of the publishing crisis.

Ohio higher education libraries through the cooperative Electronic Journal Center (EJC) licensing program of OhioLINK have been able to dramatically address the problems of annual rising costs and decreasing title accessibility. As noted above, universities already had limited print collections from major publishers. By combining these existing funds together into a group purchase, we have licensed full sets of publisher journals and made these available electronically to every university, community college, and 38 of 44 independent colleges. We have licensed large and small, profit and non-profit collections in our goal to expand access across the breadth of published journals. This represents an average 4-fold expansion in title access among universities and an almost immeasurable expansion among smaller institutions.

- As a result, while the average annual publisher price increase remains well above inflation and budget growth at about 8%, the annual cost increase for the OhioLINK group licenses have been between 4 – 5.5% for the latest three years. Among our licensed publishers are those commercial giants that account for a very large percentage of our journal expenditures, even if the universities already have limited print subscriptions. By reducing the annual rate of increase on the largest publishers we have improved our overall economic sustainability, while at the same time dramatically expanding access.
- As a result, compared to other libraries and library consortia, we have fared better than most in the results. We started with a unique profile of institutions and print collections with much to gain. We have negotiated as a single body to a common end rather than as a conduit to individual action. We have maximized our economic leverage and title accessibility by acting as a single, sizable unified group.
- As a result, use of the EJC by faculty and students has been widespread and continues to grow. Calendar 2003 recorded 3.8 million downloads. Each university's users access 70-90% of the available +5000 titles on the EJC. Given limited pre-existing university print collections it is not unusual for heavily used titles to be ones not previously held in print. Each independent and community college's users will typically access 20-30% of the titles each year.
- As a result, we have turned uncoordinated, cost inefficient and unsustainable expenditures in individual print subscriptions into more cost effective vehicles through dramatically expanded access. The group investment in large commercial publishers, like Elsevier Science, Wiley, Springer-Verlag and Kluwer, delivered through the EJC, now compares much more favorably with non-profit and society publishers when comparing cost and usage (downloads). We have in the least mitigated the differential prices between

commercial and non-commercial publishers when bought as individual print subscriptions. At most we may have created a more equitable basis for the future.

### Hitting The Economic Wall

The crisis is not over. Through our EJC group licensing we have created a healthier economic environment in which to buy the most access with limited funds. But in the end we are just losing by closer scores. As long as publishers, regardless of their profit status or their average price, continue to increase prices in advance of budgets we have a fundamental problem yet to be corrected. Many commercial and society publishers continue to raise prices 5%, 8%, or more than 10% per year. Through years of practice Ohio libraries have rationed their journal budgets among these publishers based on campus demands. But in all cases the libraries have bought a smaller set of titles than needed regardless of publisher. Thus the argument often heard that libraries should simply transfer funds from high priced publishers to lower priced publishers denies the multi-year rationing and priority setting that has already taken place. Unless there is a fundamental leveling of prices among journals, all publishers who raise prices are part of the short term problem for library budgets. If we were more willing to forego short term subscriptions until acceptable pricing practices were adopted the necessary adjustments might be more forthcoming.

The crisis is not over. All of us are well aware of the economic downturn of the past several years, its impact on higher education funding, and the still dismal prospects for the next several years. Coupled with years of journal price rises in excess of budget increases, libraries across the U.S. are running out of coping mechanisms. Even the various library consortia group licensing programs are not immune because they still require an annual increase to sustain. Not surprisingly library consortia with the heaviest traditional print collections from major commercial publishers have hit the economic wall first. There have been recent announcements from the University of California system and Triangle Research Libraries Network and from major individual libraries, Harvard and Cornell. These libraries that have used electronic licenses in one form or another to expand access beyond their traditional print collections will pull back their current expenditure levels due to budget pressures. As a result they will also see reduction in electronic journal access from their current levels.

Ohio is not immune to these pressures as reflected in the recent and current state budgets with the impact on campus budgets and the OhioLINK budgets. Ohio libraries have been more effective in leveraging our collective funds and we have reduced the rate of rise in annual costs for major publishers. Nonetheless, with most libraries facing continued reductions or flat budgets even a 3% or 5% annual increase from major publishers along with larger annual increases from society publishers creates an unsustainable scenario for at least 2005 and 2006.

We do not expect to be able to negotiate more reasonable increases from societies. They continue to note their lower average journal prices and high perceived use value, increased page counts, and need to cover technology and society costs. Commercial publishers also do not necessarily have higher prices and have many high quality titles and also must cover operating coats. But, in as much as they represent a significant number of titles and percent of library journal budgets, and traditionally have been

higher priced overall, they remain a focal point in making necessary economic adjustments.

### Actions That Need To Be Taken

We have concluded that, for 2005 and 2006, we must have pricing relief that enables us to balance the OhioLINK operating and capital budget with expenses and recognizes that library budgets, which provide the bulk of funding, cannot sustain our current electronic journal licenses into 2005 and 2006. For these next two years, we need to hold flat at the 2004 annual expenditure for our major commercial publisher licenses. We must also look carefully at the increases for our society and non-profit publisher licenses. We must deal with the short-term realities of our budgets as well make decisions that move us closer to long-term sustainability across the breadth of our necessary journal needs.

We can accomplish these requirements under our group licenses either through a publisher's agreement to lessen its annual price increases with no change in expected content delivery or by reducing our ongoing content package in exchange for a reduction to an acceptable annual cost. A third option is to cancel the license outright leaving every institution on its own to license its own selected set of titles.

Of course, we prefer the first option in that it focuses on maximizing the long-term relationship with the publisher and looks beyond the current financial struggles. The second option is less desirable but still results in an advantageous scenario compared to where libraries started before the advent of the EJC licensing program. We now may license 100% of a publisher's collection. Even if we reduce that to 70%, for example, it still will compare favorably with the 25% we started with. Any reduction we make in content can be as measured as necessary to achieve our financial objective. We have the benefit of multiple years of electronic access to identify consistent low use titles as a point of departure.

The worst alternative in the short term is abandonment of the group license but, we must be prepared to use it if a publisher insists on adopting a position that is both untenable in the short-term and clearly will not help us achieve long term sustainability. This alternative will result in the most lost access and economic efficiency to campuses and the publisher will see the lowest revenue.

We are now focused on negotiations with Elsevier Science, Wiley, Springer-Verlag and Kluwer. Springer and Kluwer will soon complete a merger and become one contracting entity. It is not clear which of our three options will materialize for each publisher. Regardless, we ask for the support and understanding of the Ohio higher education administrations and faculty with the ultimate decisions reached by the university and college library deans and directors and OhioLINK governing board towards achieving our goal of long-term economically sustainable increased access to information for all campuses.

### Looking Ahead

We ask that the Ohio community of libraries, faculty, and administration work actively within the scholarly and publishing communities to create a healthy, long-term system

for the production and dissemination of scholarly research. It is critical that in some way the current dysfunctional system be corrected. To that end, we will distribute in the future additional information and action items that administrations and faculty can consider.

Thank you for your consideration of these vital issues.

On behalf of the OhioLINK Governing Board  
Anthony Perzigian  
Senior Vice President and Provost for  
Baccalaureate and Graduate Education  
University of Cincinnati  
Chair, OhioLINK Governing Board

On Behalf of university and college library deans and directors  
Julia Zimmerman  
Dean of University Libraries  
Ohio University  
Chair, OhioLINK Library Advisory Council

Tom Sanville  
OhioLINK Executive Director

Resources and perspectives on scholarly publishing

SPARC  
<http://www.arl.org/sparc/home/index.asp?page=0>

CREATE CHANGE  
<http://www.arl.org/create/home.html>

Declaring Independence  
<http://www.arl.org/sparc/di/>

Open Access Now links to players in Open Access movement  
<http://www.biomedcentral.com/openaccess/www/?issue=old>

An economic analysis of scientific research publishing, published by the Wellcome Trust  
<http://www.wellcome.ac.uk/en/1/awtpubrepeas.html>

"Reforming Scholarly Publishing in the Sciences: A Librarian Perspective", Joseph J. Branin  
Director, The Ohio State University Libraries  
<http://www.ams.org/notices/199804/branin.pdf>