The Future of Consortia with the ‘New Springer’

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Springer Science + Business Media

Springer

- One of the world’s leading publishers for scientific and specialist information
- Consolidated sales: 833 million euro
- More than 5,000 employees world wide

Springer consists of:

- B2B
  - Business and Technology
  - Transport
  - Construction
  - (Clinical) Medicine
- STM
  - Springer
Merger between Springer Verlag and Kluwer Academic Publishers
1,150 STM journals in 12 (Online) Libraries on Springer Link
3,500 new book titles per year
2,000 + employees world wide
Consortia Business Models

• The history of Journal publishing
  – Journal model fine as organizing principle
  – Consistent growth in scientific research
  – Paper delivery increasingly inefficient
  – Issues with price & visibility
Consortia Business Models

Growth in research and library spending 1976-1995

Index (1976=100.00)

Year

US Total
Academic R&D

Avg. ARL Library
Expenditure
Consortia Business Models

• Electronic Publishing 1996 - 2004
  – Technology matured
  – Penetration increased
  – Product line expanded
  – Usage exploded
  – Customer Interaction
• Business Models
  – Initially electronic pricing built on paper spend
  – More for the same
  – Unit costs falling
  – Long term agreements with price caps
  – Increasingly value based: differential pricing
Consortia Business Models

- Some general benefits of the developments in the business models:
  - Lower overall costs for libraries
    - Storage
    - Cataloging
    - ILL
    - Photocopying
  - Some services moved partly to the publishers
    - Storage (electronic)
    - Searching
    - Fulfillment
Consortia Business Models

- The Database Licensing Model
Consortia Business Models

- End Goal: Unlimited access
  - Every end user to have unlimited 24 hour a day access, to enhance the role scientific literature plays in the research process.

Paper subscription model

Database licensing model
Alternative Business Models

Author opinion on current access to journals*
(n=3,787)

Alternative Business Models

- **Author pays or Open Access**

- Open Access is now possible because of the cost structure of electronic publishing:
  - High (fixed) infrastructure costs
  - Low marginal distribution costs
Alternative Business Models

- Over 90% of surveyed libraries are familiar with Open Access
- 90% of those who are familiar support Open Access as a medium for content in the future
- There is a large discrepancy in support of Open Access between librarians (90%) and authors (25%).

Only 1 in 20 authors feels adequately informed about Open Access.

Almost half of all authors would not pay anything for Open Access. The average an author would pay is $247.

Author knowledge of Open Access
- (n=3,787)

Author willingness to pay for Open Access
- (n=3,787)

Alternative Business Models

- Springer **Open Choice** is a new service which enables authors to make their articles freely available through all Springer journals.
• Why Open Choice?

– Authors are our partners, and the current environment may require them to have this option

– Springer is open to new ideas and business models

– Springer is neutral to whether the subscribers or the authors pay for the costs of publishing
Alternative Business Models

• Springer Open Choice articles are treated no differently
  – Must pass the usual peer review process first
  – Receive all services and features normally provided
  – Appear in both the print and the online editions of our journals
  – Same copyright protection policy
  – Green self-archiving policy
Alternative Business Models

• **Costs**
  
  – The price for Springer **Open Choice** is $3,000 per accepted article
  
  – Covers paper and electronic
  
  – Subscription income to continue to pay for non-open choice articles
  
  – Journal prices to be adjusted annually for percentage of articles paid for by authors
Alternative Business Models

• Evolution
  – Database licensing models, unlimited access
  – Does not require complete shift of the money flows.
  – Active scientists feel they have ‘good’ or ‘excellent’ access to journals

• or

• Revolution
  – Requires a shift of billions from library to research department budgets
  – An order of magnitude more transactions
    • 2,000,000 articles vs. 30,000 libraries
  – Still have (geographic) disparity in funding
  – Corporate market (e.g. Pharmaceutical) will have a free ride
Alternative Business Models

• Conclusions:
  – No right or wrong
  – No good or bad
  – No moral issue or value judgment
  – It is a debate about business models and feasibility
  – Let the customer decide
  – Springer allows experimentation
Standard Springer Models

• The Springer Models:
  – Print + Electronic at a surcharge
  – Electronic + Print at Deep Discount
  – Electronic Only

• These models are applicable for:
  – An article: Pay Per View, Document Delivery
  – An individual journal
  – A subject area or Springer Online Library
  – The whole Springer journal collection or Total Access

• Springer Key words:
  – Flexibility
  – Availability
Other New Springer initiatives

- Springer Link and Kluwer Online integrated on MetaPress
  - Unified Platform – Goal: December 2004
- License Agreement integration
  - All existing contracts will be honored to expiration date
  - Renewal into 1 new Springer contract
- Usage Stimulation Programs
  - Investments in Marketing and After Sales Support
Other New Springer initiatives

- Online Journal Archives
  - Volume 1, issue
  - More than 12 million pages
  - More than 1,5 million articles
  - 11 Online Libraries (subject packages)
  - One off price, conform market level
  - Perpetual access
Other New Springer initiatives

• Springer supports author self-archiving with our “Green” self-archiving policy:
  – Authors are allowed to post their articles on pre-print servers
  – Authors are allowed to post their own version on their personal website or in their institution’s online repository, with a link to the publisher’s version
Other New Springer initiatives

• Not for Profit Initiatives in developing countries
  – Springer participates in:
    • INASP
    • INTAS
    • HINARI
    • AGORA
    • TEEAL
    • Association of Commonwealth Universities DDP Initiative
ICOLC Fall 2004 Issues:

• “Consortium headaches”
  – Springer is a consortium **partner**:
    • From Total Access to individual articles
    • From print+E to E+print to Database access to Open Choice
Questions?

• and

• Answers!