

LIBRARY COMMITTEE  
MINUTES OF MEETING

March 9, 2011

Morrill Hall room 238A

[In these minutes: journal pricing models and policy; CIC proposal regarding publishing; committee business]

[These minutes reflect discussion and debate at a meeting of a committee of the University of Minnesota Senate; none of the comments, conclusions or actions reported in these minutes represent the views of, nor are they binding on, the Senate, the Administration or the Board of Regents.]

PRESENT:

Neil Olszewski (Chair), Wendy Lougee, J. Woods Halley, Bill Sozansky, Vicki Graham, LeAnn Dean, Mary Beth Sancomb-Moran, Peter Hudleston (for David Fox), Suzanne Thorpe (for Joan Howland), Elizabeth Fine, Danielle Tisinger, Monica Howell, Michelle Englund, James Orf,

REGRETS: Joseph Spanjers, Bradford Clemens, David Zopfi-Jordan, Owen Williams, Jennifer Alexander, John Logie, Rob Muellerleile

ABSENT: Jonathan Binks, Ted Higman, Ronald Hadsall

GUESTS: Professor Edward Farmer

Professor Neil Olszewski called the meeting to order, welcomed those present, and introduced Professor Ted Farmer. He indicated the Professor Farmer would be providing information on journal pricing from an editor's perspective. He then introduced the issue of journal pricing and indicated he wanted the Senate Library Committee (SLC) to focus on how the SLC, the University, and Committee on Institutional Cooperation (CIC) can have an impact on publishing prices.

**Journal Pricing, Models, and Policy**

University Librarian, Wendy Lougee, noted that the inflation in publishing prices is not just a problem for libraries but impacts the entire academe. She provided the committee with a copy of her PowerPoint slides on Journal Pricing and Models, a list of favorite titles identified by Senate Library Committee's (SLC) members and their costs, and a copy of a proposal from the CIC. She then discussed overall trends in the publishing industry including:

- Digital dissemination via license
- Publisher-based licenses
- Publisher acquisitions and mergers, and
- Historic inflation.

She noted that the Libraries default policy is to acquire journals in digital format, with the option to secure print when necessary. When journals are licensed in digital form, the pricing is typically scaled proportionally to the institution's size using FTE's or the Carnegie Classifications of Institutions. Ms. Lougee noted that when the shift to digital dissemination occurred, the primary goal of publishers was to sustain the level of revenue they had with print journals. The publishers utilize a wide variety of pricing models and conditions of use.

Another trend in publishing is publisher-based licenses that include:

- Bundling titles into a single license package,
- Multi-year agreements with a fixed inflationary rate, and
- Restrictions on cancelling multi-year agreements.

The third trend is increased mergers and acquisitions. Over the last three decades, there has been a migration of society publishers to agreements with commercial publishers. Generally, this results in an increase in price. Inflation has also been an issue. In the 1980's it was at double digit levels. It is currently in the range of seven to ten percent per year, and forecasts suggest an increase of four to six percent next year.

Ms. Lougee next discussed the growth in journal titles from 1995 to 2010.

- The number of new titles published has grown from 3,600 in 2005 to 6,067 in 2010
- The total number of electronic titles increased from 39,000 in 2005 to 68,581 in 2010

Professor Woods Halley asked the cause of the increase in journals. Ms. Lougee responded that one cause is the splintering within disciplines creating sub-discipline titles. Professor Olszewski stated he believes publishers may be creating new journals in order to generate more revenue and he cited the increased creation of review journals. Professor James Orf asked if the proliferation of journals was from the United States or overseas. Ms. Lougee explained publisher mergers over time have resulted in a European base for many of the major publishers. Increases in Chinese and Indian publishers were also noted.

Ms. Lougee next turned to current University of Minnesota Collections statistics

- The 2011 allocation for serials (journals and data base subscriptions) is \$11,070,100. The projected inflation is approximately 7.8% and the title count is 110,000 titles received.
- The 2011 allocation for books and media is \$2,737,000. The projected inflation is approximately 5%. And 36,210 monograph titles were added in 2010.

Ms. Lougee then referred the committee to a slide showing the "big three" Science/Technology/Medical journal publishers (Elsevier, Wiley/Blackwell, and Springer), and the amount the Libraries spend on journals from each of these publishers. She noted that the Libraries spend \$4,044,00 for 2,266 titles from these publishers. This represents 37% of the serials budget for two percent of the serial titles. Professor

Olszewski asked what percentage of individuals use the journals published by the big three publishers. Ms. Lougee stated she believes it is substantial, but that it does not correlate to the 37%.

Ms. Lougee next walked the committee through a matrix for four publishers (Wiley/Blackwell, American Chemical Society (ACS), Ecological Society of America (ESA), and Nature). Data were provided on:

- Consortial affiliation
- Package pricing
- Number of titles
- Library expenditure
- Average amount spent per title
- Usage –articles used annually
- Cost to use ratio
- Contract term
- Price basis
- Inflation cap
- Cancellation option
- Author rights
- Inter-library loan options
- Perpetual access provisions

Professor Halley asked Ms. Lougee to provide him with the pricing model information for Elsevier as well. Professor Peter Hudleston asked Ms. Lougee to explain “usage.” Ms. Lougee stated that the number represents how many articles are used by the campus user community.

Ms. Lougee went on to discuss the contract terms for each of the publishers. She noted that the Libraries receive a substantial discount on Wiley/Blackwell titles because the contract is through the CIC. Wiley’s cost per use is \$10.93. It has a four percent inflation cap, and provides perpetual access. She also noted that Wiley’s market strategy includes acquiring journals. It added 34 society titles last year and the prices increased for each of these after their acquisition. She went on to state that when Wiley created its license model, it based the license cost on all previously existing print subscription, including duplicate copies (i.e. even if the duplicate print was cancelled).

She noted that the pricing for ACS is very inelastic because it is highly used. The price has increased by eight percent annually. Ms. Lougee noted that ESA is a “green” publisher meaning that authors can post pre and post publication versions of journal articles on the web. It has also frozen its prices for the last two years, and emphasizes that their price per page is one-tenth of the commercial publishers.

She noted Nature is a prestigious high-demand journal. It is licensed through the CIC. It has a high cost per use, a high inflation cap, and there is no cancellation of titles allowed. She also noted that Nature has imposed price increases when it acquires other journals, and has twice sought “price corrections” from the CIC.

Next, Ms. Lougee discussed the goals, strategies, and rewards of scholarship from the perspective of the author/creator, institution, and publisher. She stated the authors' goals are recognition and bringing attention to the results of their scholarship. Rewards include promotion, tenure, visibility and recognition. Some of these rewards also flow to the institution. The strategies the institution uses to affect these goals include: policy, faculty support, and infrastructure. Publishers' goals are to maximize prestige and revenues. They gain prestige as scholars gain reputation. They maximize revenue by controlling the asset (intellectual property) and access to articles.

She next referred to the slide titled "Scholarly publishing: a circle of gifts." It demonstrates the relationship between libraries, author/readers, and publishers. The authors (researchers/ scholars) create the works, publishers publish it following review and editing by researchers/scholars, and libraries buy back the work on behalf of the academic community. Ms. Lougee asked the committee to consider what that circle should look like.

Ms. Lougee also highlighted a statement from Wiley's 10K and a statement from Elsevier executive Jeff Voci. She noted Wiley stated its ability to achieve success and continued growth is based on:

- Protecting its intellectual property rights
- Developing new products and adding functionality, and
- Attracting new authors and professional societies

She also noted that in its negotiations with Elsevier, the Libraries asked the publisher to document how it arrived at five percent annual inflation. It responded that it offers a growing volume of content and a premium platform. Elsevier also noted increased readership and an increased number of titles. Ms. Lougee's final slide presented a quote from the Ithaka Research Group stating that institutions do not view publishers as mission centric, and the result is a scholarly publishing industry out of step with the values of the academy.

Professor Hudleston asked if individual subscriptions have gone down as electronic publications have increased. Ms. Lougee responded that they had decreased as individuals can often access journals through campus licenses. She also noted that studies in the last two decades suggested roughly 25 to 30% of all content purchased on campus was purchased outside the campus libraries; that number has also decreased.

Ms. Lougee also noted major publishers are looking at new publishing models that take into account usage, size of institution and some measure of impact. The issue is how they set the base level, and this typically aligns with the historic spending level of an institution. One model being developed by Springer credits universities for contributions from the campus: authored articles, editors, and peer review.

### **Publication from Journal Editor's Perspective**

Professor Olszewski informed the SLC that he invited several editors of journals to speak to the committee about their publishers' pricing policies; however, none were available.

Their general response to his e-mail questions about the publishers' pricing policies was that they are providing increased content, more titles and a higher impact factor.

Professor Olszewski next introduced Professor Edward Farmer, editor of the Ming Studies journal. Professor Farmer provided a society journal editor's perspective on the changes in the publishing industry. Professor Farmer stated that he began publishing the Ming Studies journal at the University of Minnesota in the 1970's, but for the last two years it has been published outside of the University. Initially, the journal charged libraries the same subscription price as it charged individuals. However, in the 1990's costs of publication increased and the society doubled the subscription price charged to libraries. The increase was due to the rise in operating costs and a decrease in institutional support. Two years ago, a British publisher, Manning, took over publication of the journal. The journal signed a contract with Manning setting the subscription price at \$25 per year for individuals and increased the institutional cost from \$50 to \$190.00 per year. There is both an on-line and a print version of the journal. Professor Farmer expressed concern that this will cause the individual subscriptions to collapse. Professor Olszewski asked if the \$25 subscription price covers the costs of publication. Professor Farmer replied that it did not. The price was subsidized by the sale of back issues to libraries. However, since 2000 the market for back issues has collapsed. Ms. Lougee noted that many publishers have converted back files of journals to digital form and are selling those to the libraries.

Professor Hudleston asked how the society benefits from its publishing contract with Manning. Professor Farmer responded the society receives a percentage of the overall profits and the publisher handles the work of publication. Professor Olszewski asked about the cost per article for production. Professor Farmer stated the publisher holds this information.

Professor Orf noted that many undergraduate/graduate majors are being cancelled at universities and asked if publishers make allowances for this. Ms. Lougee responded that the cancellation of majors does not necessarily impact the campus need for the journal, as other programs may still find the content relevant..

### **CIC Proposal Regarding Scholarly Publishing and Communication**

Ms. Lougee stated that the CIC Provosts asked the CIC Library Deans and Chief Information Officers to recommend how to effect change in publishing. One of the recommendations was to engage CIC campuses in articulating principles to guide publishing relationships. In response, Mark Sandler, Director of the CIC Library Initiative drafted the following proposal for a process to pursue principles.

#### **A CIC proposal to reconsider and reaffirm the scholarly norms that shape campus-wide participation in systems that manage scholarly publishing and communication.**

The CIC Universities, individually and collectively, are delicate ecosystems that support a balance of activities intended to advance the interests of the larger society by catalyzing such virtues as creativity, discovery, understanding, and enrichment in the present, while reproducing the antecedents needed to assure their continued vitality in the future. Often referred to

summarily as “research and instruction,” our universities are petri dishes for germinating knowledge—environments in which ideas are born, refined and exponentially reproduced.

In the aggregate the CIC universities support 30,000 of the best scholars in the world, 80,000 up-and-coming graduate students, and 320,000 undergraduates; all of the above with unimaginably diffuse interests and expertise. Their activities are sustained by an aggregated operating budget approaching \$30 billion a year, supplemented by 6.8 billion in federal research dollars. These universities have helped to create the Salk vaccine, build an atomic bomb, send astronauts to the moon, map the human genome, and make America the most productive food source in the world. Collectively, CIC scholars publish some 50,000 research articles a year, with median impact factors well above the norms for all published articles.

All this is to say that the CIC universities, and the region/country/world they serve, have made some big investments to support world-class—and world changing—research. Commercial and society publishers also have a well-entrenched role in the research and instructional activities that sustain world-class scholarship. As is the case for the CIC universities, these publishers and societies have outstanding personnel, bold visions, and extensive resources to realize their ambitions. They play important roles in the ecosystem of scholarly communication, including, but not limited to, the evaluation and dissemination of outstanding scholarship, the enhancement of research productivity, and the continued improvement of pedagogical methods.

Scholarly publishers and universities share a number of common goals and interests, like enhancing scholarly productivity, accurately reporting research findings, enabling the widespread dissemination of the scholarly record, archiving the scholarly record, and monitoring the social impact of these endeavors. Despite these common interests, there are inherent market tensions between commercial publishers like Elsevier—or even non-profit associations like the American Chemical Society-- and the universities to which they sell products and services.

#### Principles of Engagement

The CIC universities are proposing to assess the value attached to component elements in the chain of scholarly communication. In the aggregate, our universities pay something on the order of \$125 million annually for journal content, and these licensing costs have been inflating at rates higher than CPI or increases to university and library budgets. Obviously, this isn't a sustainable model for our universities, so it is increasingly important that stakeholders from all corners of the academy help take stock of the exchange of value between universities and scholarly publishers.

Nobody denies that commercial and society publishers add value to current modes for evaluating, publishing and distributing research reports. In an environment of fiscal scarcity, however, it becomes important to give closer attention to the extent of value added by commercially motivated publishers, as well as quantifying the individual and collective value contributed by our universities and researchers in the form of editorial leadership, peer review, and authorship. Less directly, but equally important, our universities make substantial investments in training future generations of authors, editors, and peer reviewers; scholars and researchers that are poised to perpetuate current norms for publishing and sustain its profitability well into the future.

As our campuses interact with the commercial publishing sector, it is increasingly important that campus administrators, research faculty, and librarians come together to consider their respective interests vis-à-vis commercial publishers in the context of the strategic goals of individual universities and the academy writ large. A set of common principles should be asserted—or perhaps reaffirmed—about the goals of scholarly publishing, and the ultimate commitment of our universities to advance the public good. Toward this end, we would expect that publishing systems supported by our universities would be those that:

- Assure the broadest dissemination of scholarship
- Maintain the integrity of scholarly inquiry

- Entrust primary control of an intellectual resource to its creators
- Manage the costs of publishing, distributing and archiving research outcomes

#### Proposal

The CIC Provosts propose to convene a blue ribbon panel of campus leaders to articulate and promote strategies for affirming the foundational principles of scholarly communication. We would expect this discussion of principles and values to be informed by a underlying analysis of the economic interests that incentivize or undermine our purported principles. Our campuses interact with outside publishing enterprises in many ways, and it is increasingly important that we work together to understand, respect and support the interests of our colleagues in the context of our broader institutional interests. It is expected that catalyzing this dialogue will trigger an updated peer affirmation of the norms and values that inform scholarly behavior, encourage personal introspection about our roles and obligations as scholars and university employees, and set in motion policy enactments that reinforce and advance academic norms in the publishing space.

Professor Olszewski noted he liked the document because it sets out the problems with the publishing industry and proposes principles of engagement. He stated he would like the SLC to endorse it and assist the CIC in implementing the proposal. Professor Halley opined that it is an abstract proposal and it does not very clearly identify the problem. Professor Olszewski stated the document establishes a group that will investigate the issue and come up with concrete suggestions. He noted the importance of the contributions by faculty editors in the publishing process and hoped the proposal would help the faculty to think about for which journals they provide review services. But he noted the problem is that universities are captive markets for the publishing industry. Professor Halley suggested an alternative approach to the CIC initiative would be lobbying the federal government for a change in the publishing system via open access requirements. Ms. Lougee noted that to date, the federal relations push for open access has had very little effect on pricing, and neither have university efforts to boycott publishers. She hoped the statement of publishing principles might have more impact on publisher behavior related to pricing and policies.

Professor Olszewski commented on an author pay-model of publishing with immediate open access. He stated this is not free it just shifts the costs to the authors and the University. Professor Halley noted that this model could work if the funding comes from federal grants. In this model, the federal government pays for the open access, and authors have an incentive to keep costs down. Danielle Tisinger noted that not all research is grant-based. Professor Orf noted that prestige also impacts where authors publish and must also be taken into account.

Professor Olszewski asked the SLC for input on the most effective way to support the proposal. Professor Orf suggested forwarding it to the Senate Consultative Committee and University Senate. Ms. Lougee noted the proposal has not yet been reviewed by the CIC Provosts and it will be on the agenda for the CIC Library Deans in May. She stated that if it moves forward from this group, a recommendation would be made to the provosts to implement the proposal. Professor Olszewski asked who represents the University at the CIC. Ms. Lougee responded that Provost Tom Sullivan is a member of the CIC Provost's Executive Committee. Ms. Lougee suggested informing the CIC that the SLC supports the proposal. The SLC agreed that Professor Olszewski should inform

the CIC Library Deans of the SLC's support, forward the proposal to the Senate Research Committee for their input, and forward it to the chair of the SCC, and to the Provost Sullivan. The SLC voted to support the CIC Proposal.

**Old Business:**

Ad hoc committee on open access

Professor Olszewski reported that the SCC had not yet constituted an ad hoc committee on open access. He stated he would send an e-mail on behalf of the SLC urging the formation of an ad hoc committee by the end of spring.

Letter to the Provost

Professor Olszewski stated he would draft a letter to the Provost regarding the need for increased funding for preservation, and bring it to the April SLC meeting for committee comment.

Preservation

Professor Olszewski asked the committee members if there were any other topics they would like the committee to discuss. Professor Halley suggested the SLC return to the issue of preservation. Professor Olszewski asked Professor Halley to send him copies of any literature he had regarding the quality of digital copies. Ms. Lougee stated that the University is currently taking part in a research project at the University of Michigan that will evaluate the quality of mass-digitized works and the impact on functionality and usage. She stated that while document quality is relevant, it only impacts a small proportion of the items being digitized. The majority of the digital content the University is acquiring is high quality commercially produced material. Professor Halley indicated he is more concerned with the hardware being used for preservation. Ms. Lougee noted the Libraries are managing preservation in three ways: (1) through coordinated preservation efforts with other institutions, (2) through digitization, and (3) by increasing storage space. Professor Olszewski asked Professor Halley to forward to him any specific questions regarding preservation so they could be addressed at the April meeting.

Hearing no further business, Professor Olszewski adjourned the meeting.

Dawn Zugay  
University Senate Office