

What's the Big Deal?

Global Trends and Movements Shaping Higher Ed

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Who
am
I?



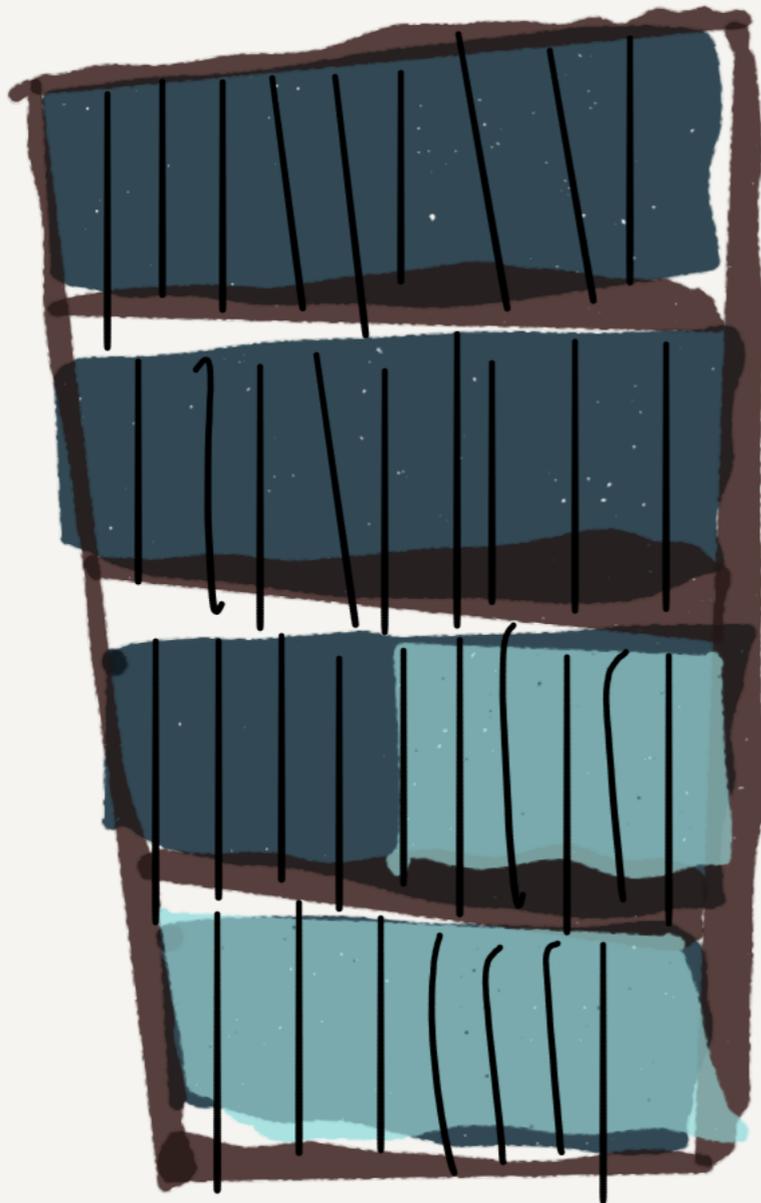
(Not you)

- © lawyer
- Policy guy
- Open Access Fan
- Legal Academic + Clinician

Road Map

- What are Big Deals
- Global Consensus for Change
- Pressures Fueling the Change
 - Rising Price
 - Declining Value
 - Diverging Values
- Life After Big Deals

Big Deals —



In the late 90s/
early 2000s,
journal vendors
offer libraries
EVERYTHING
in digital

→
format, for
the price they
used to pay for
print subscriptions
to a portion.



Global consensus for change



Another 'Big Deal' Bites the Dust

Citing unsustainable price increases, leaders at Louisiana State University have decided to walk away from their comprehensive subscription deal with Elsevier.



NEWS & OPINION MAGAZINE SUBJECTS

Project Deal: Germany's Largest Scientific Organization Announces It Will Terminate Elsevier Contract at the End of 2017

Filed by [Gary Price](#) on August 25, 2017

NEWS • 17 MAY 2018 • CORRECTION 21 MAY 2018

French Universities Cancel Subscriptions to Springer Journals

Negotiations between the publisher and a national consortium of academic institutions have reached a stalemate.

Subscribe

Europe's open-access drive escalates as university stand-offs spread

Sweden is latest country to hold out on journal subscriptions, while negotiators share tactics to broker new deals with publishers.

Sweden cancels Elsevier contract as open-access dispute spreads

Sector's move follows similar rows in France and Germany

May 16, 2018

By [Chris Havergal](#)

Twitter: [@CHavergalTHE](#)

Norway Joins List of Countries Canceling Elsevier Contracts

Florida State Cancels Bundled Journal Deal With Elsevier

University of California boycotts publishing giant Elsevier over journal costs and open access

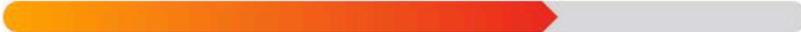
By Alex Fox, Jeffrey Brainard | Feb. 28, 2019 , 7:00 PM

UC faculty to Elsevier: Restart negotiations, or else

Boycott ELSEVIER and support affordable, open-access scholarly publishing



1,005 have signed. Let's get to 1,500!



 Ravindra Thakkar signed this petition

 David Barner signed this petition

First name 
Last name
Email

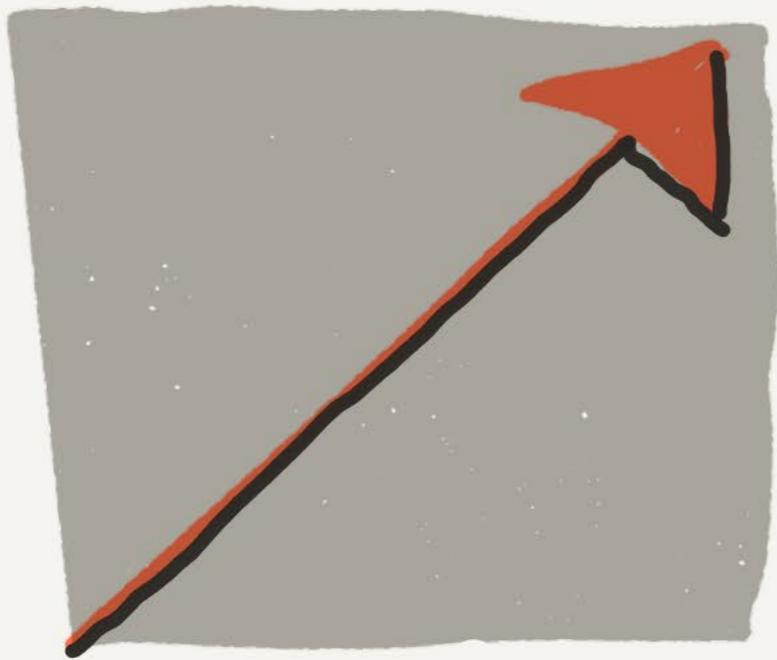
Trend 1: Purely Price-induced Breakups

- Long-running, global phenomenon fueled by serials price inflation, exacerbated by macro-economic factors (2008 recession, state funding crises, currency fluctuation)
- These institutions replace Big Deals with subscriptions to a sub-set of titles—80-20 rule typically applies (top 20% of titles account for 80% of usage)
- Examples: Harvard, Florida State University, CalTech, WVU, U. de Montreal, LSU, IA State, UKansas

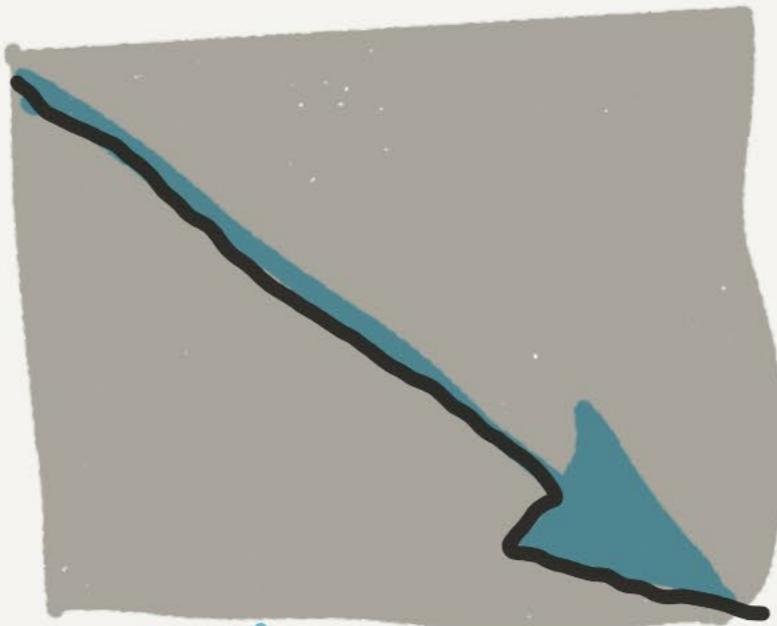
Trend 2: Price+OA Walkaways

- Much more recent phenomenon, spurred by EU policy aspiration of “flipping” all academic content to open access by 2020
- Seeing APC model as unsustainable, inst’ns seek to bundle subscription and open publishing charges into one package - “read-and-publish,” “offsetting,” or “OA Big Deal”
- Elsevier has not accepted these terms, leading to complete cancellation:
 - Projekt Deal (Germany), Sweden, Norway
 - France, later struck a deal with prices going steadily *down*
 - The University of California system walked away from Elsevier in February, lost access in July

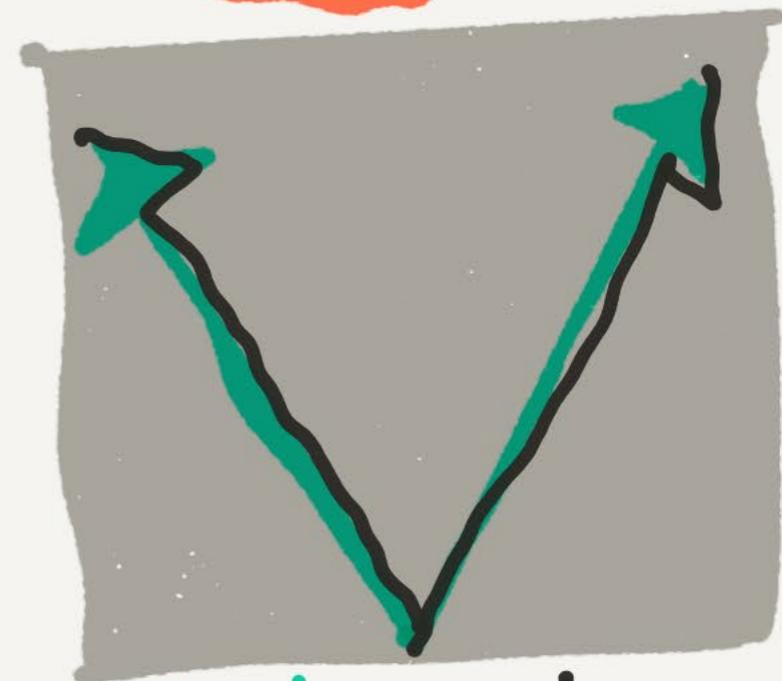
BIG IDEAL PRESSURES:



Price increases
at an unsustainable
rate



Value is
declining,
rapidly

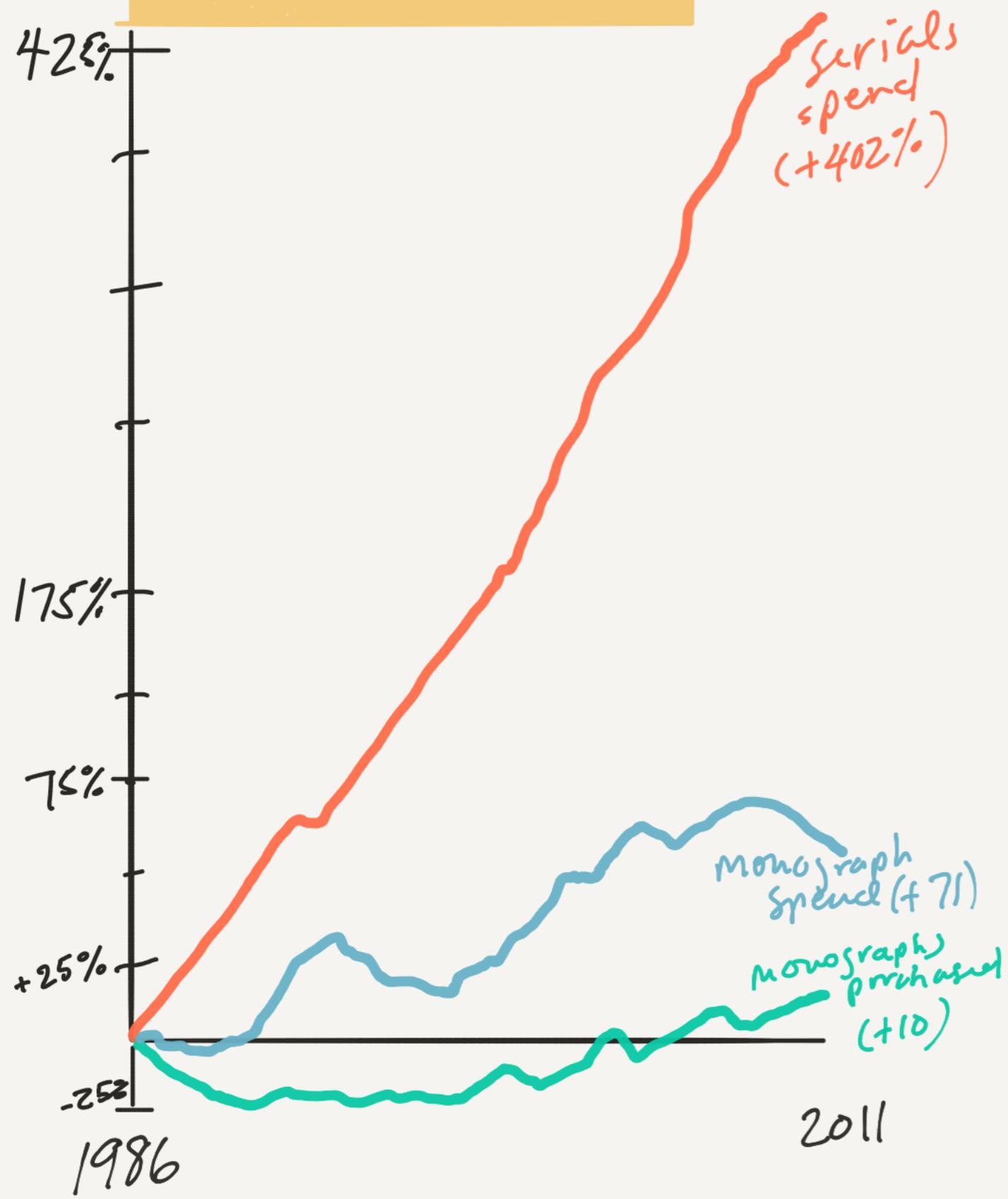


Values have
diverged b/w
academy,
funders, & vendors

Unsustainable Price Inflation

- Long-running “serials crisis” in libraries
- Fueled by profit-taking among the biggest commercial vendors
- Crowding out everything else in our budget
- Concentrating power in a few big vendors
- Facilitated by sharp practices
- Completely divorced from cost/value/use of publisher’s contribution

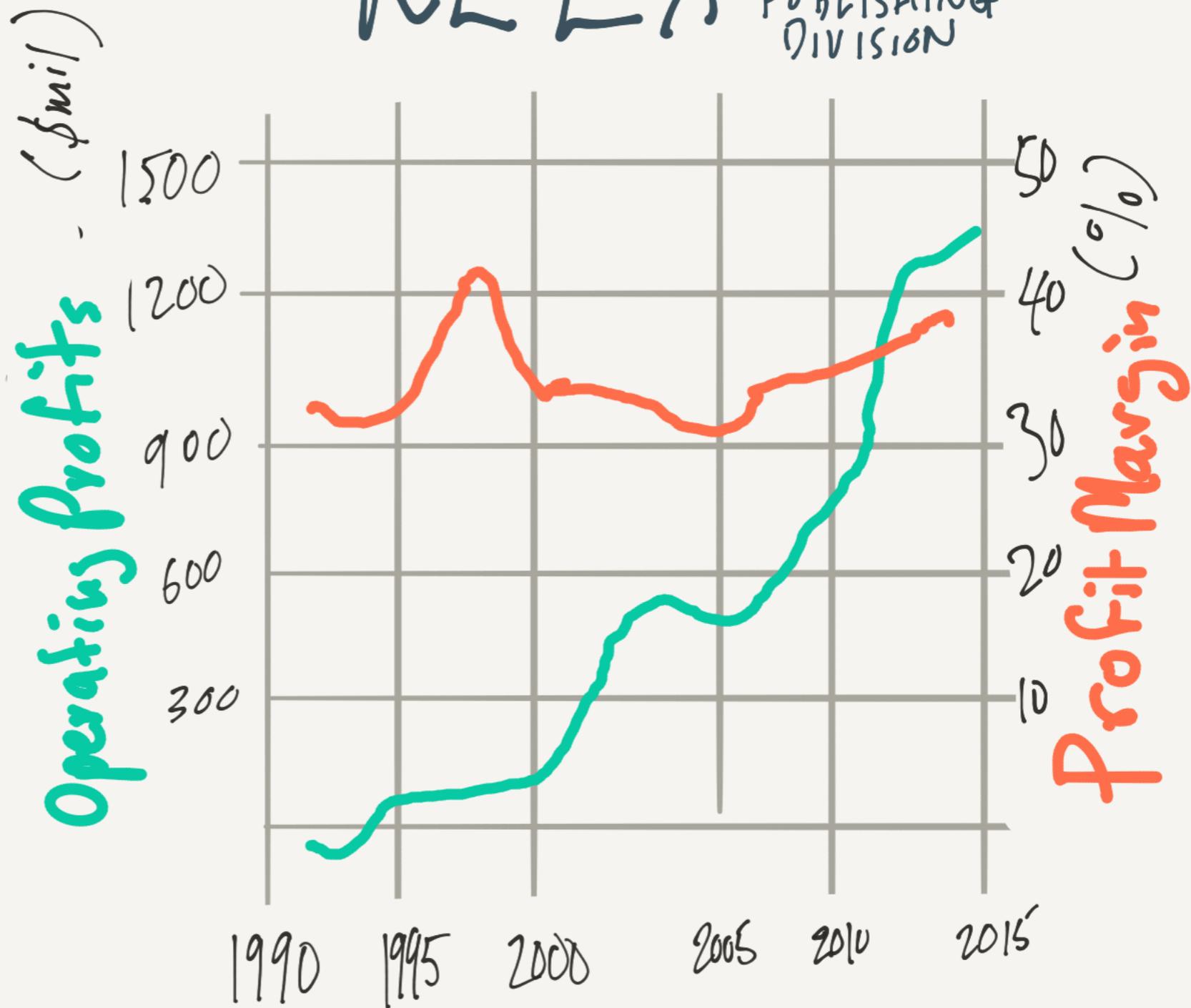
It seemed like a pretty sweet deal. Until...



ARL Stats show an **EXPLOSION** in Journal cost - outpacing inflation & cannibalizing the rest of Libraries' budgets

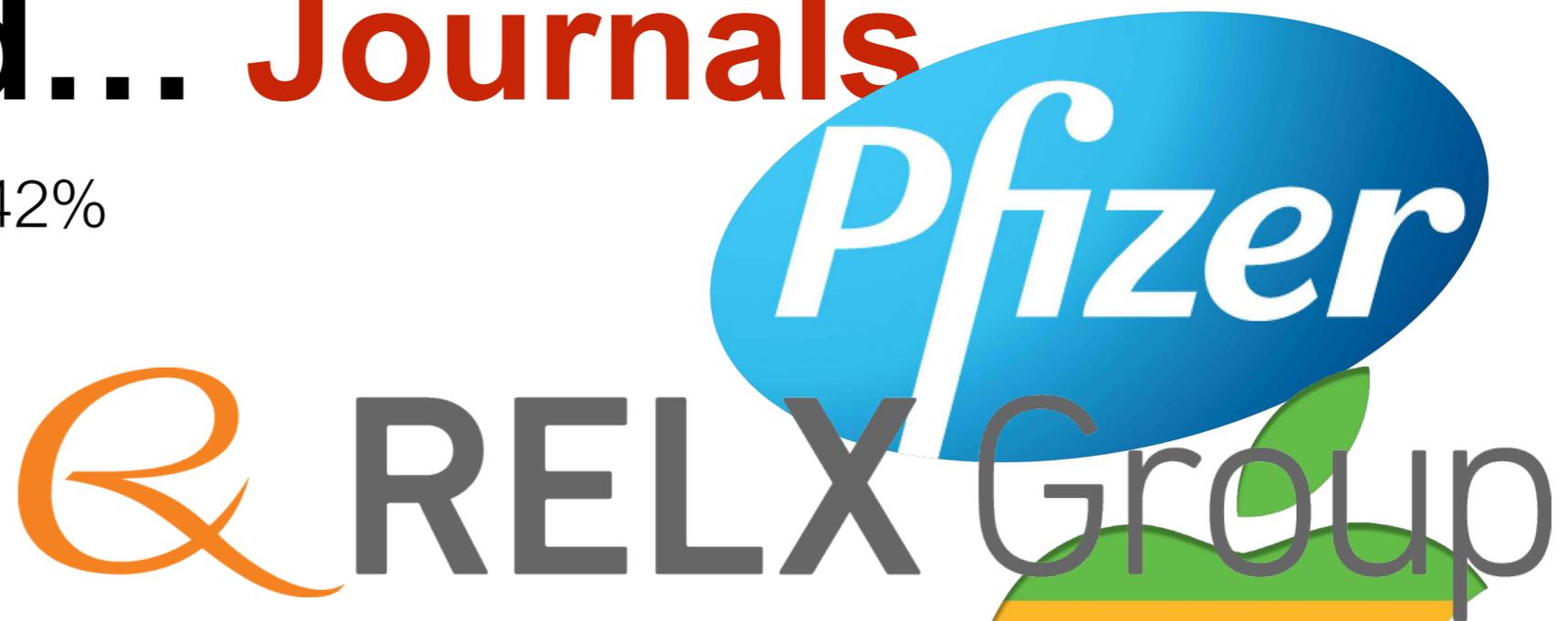
This trend in cost worked out quite nicely for the biggest journal conglomerates.

RELY STEM PUBLISHING DIVISION

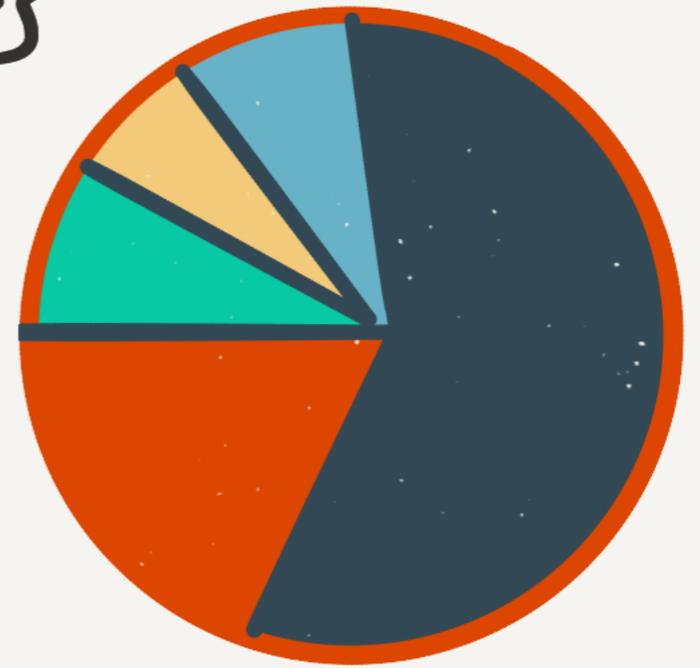


Banks, Drugs, Cars, iPads, and... Journals

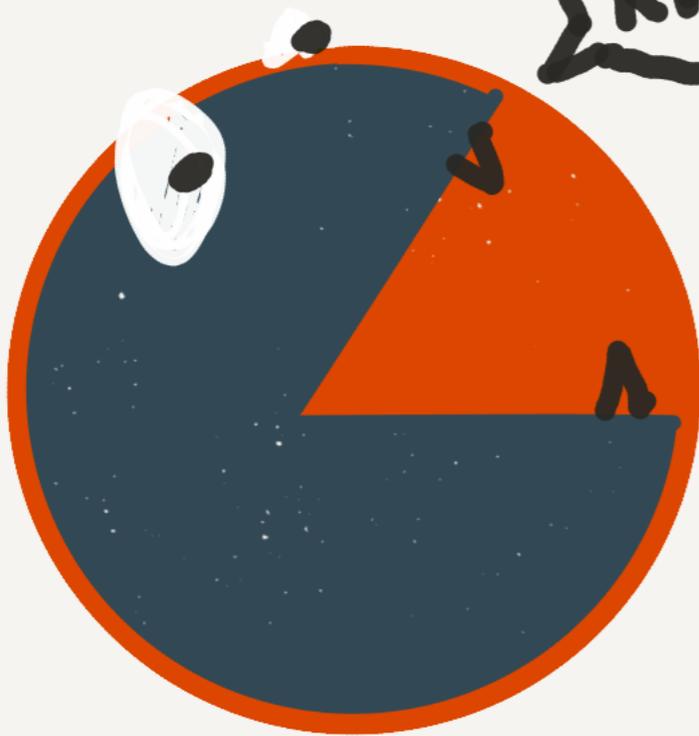
- Pharmaceuticals (Pfizer): 42%
- **RELX (Elsevier): 39%**
- Apple: 37%
- **T&F: 36%**
- **Springer: 35%**
- Banking (Industrial & Commercial Bank of China): 29%
- **Wiley: 28%**
- Automotive (Hyundai): 10%



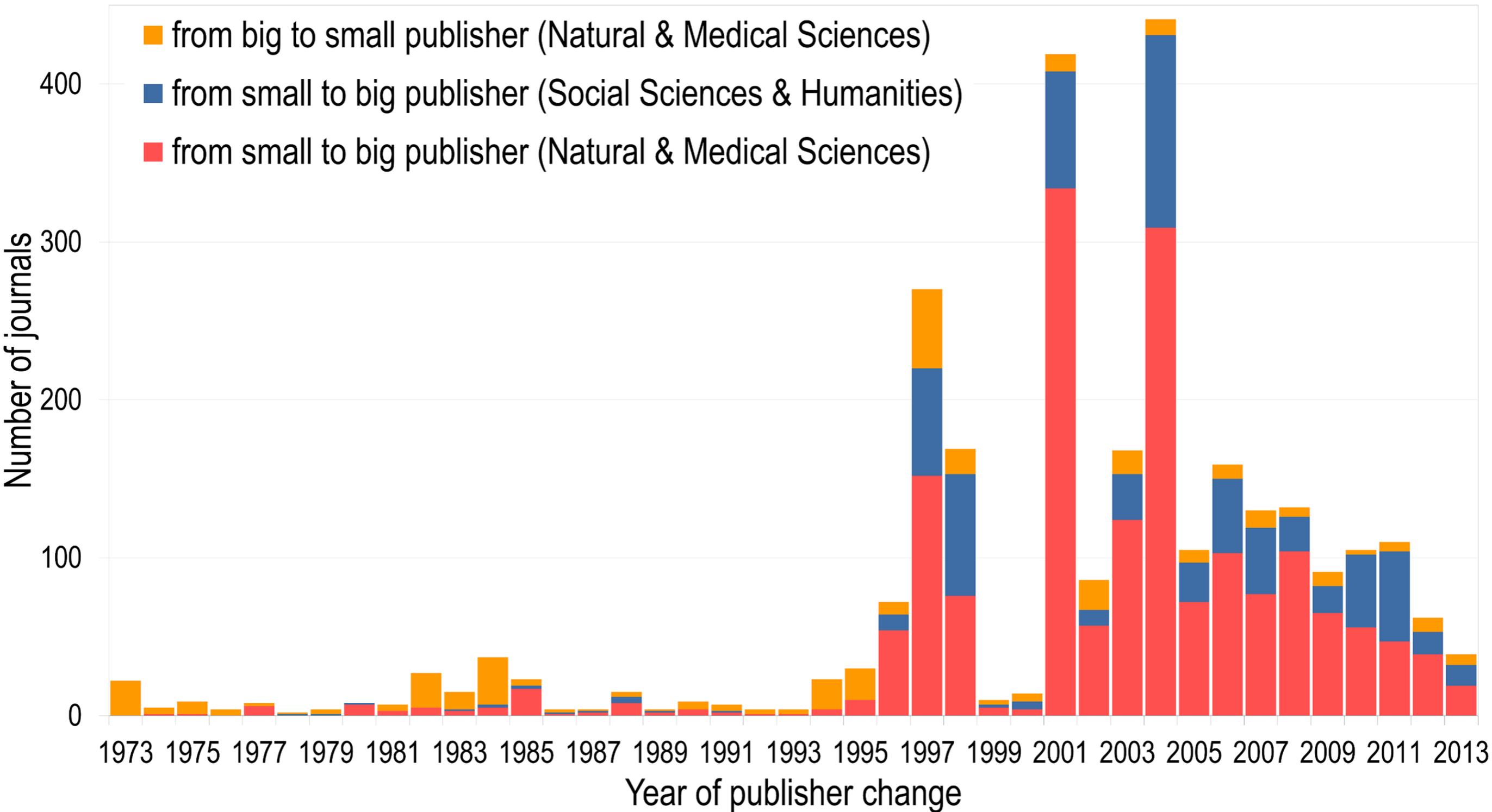
Big Deals w/ the top 4 vendors
account for ~46% of all
journal / database spending
ca. 2017. (Trending upward.)



RAR!



Journals & Databases
account for 83% of
collections spending @
UVA; Monographs = 17%.



- from Larivière V, Haustein S, Mongeon P (2015) The Oligopoly of Academic Publishers in the Digital Era. PLOS ONE 10(6): e0127502. <https://doi.org/10.1371/journal.pone.0127502>

Sharp Bargaining Practices

- Punitive a la carte prices
- No discounts on smaller packages
- Punitive fees for exiting Big Deals
- Resistance to consortial bargaining
- Negotiations deferred to the last minute

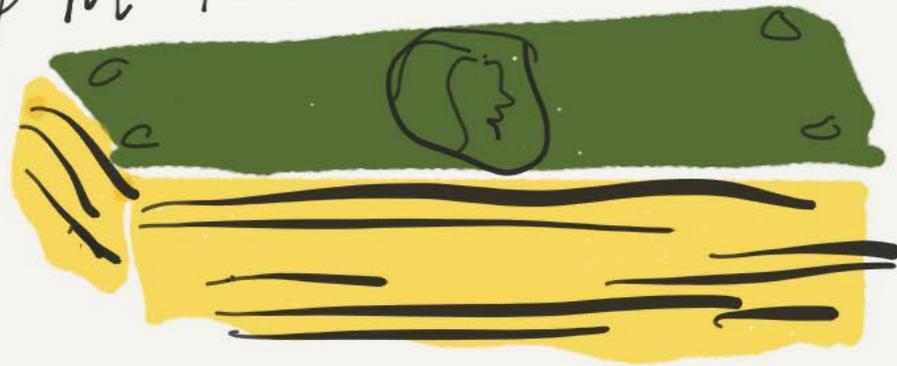
VALUE IN DECLINE

Big Deal Value in Decline

- **Adjusting Cost Per Use**
- **Other problems with CPU**
- **Alternative access on the rise**

"Cost per use"

\$ Millions



Thousands
of
"uses"

=

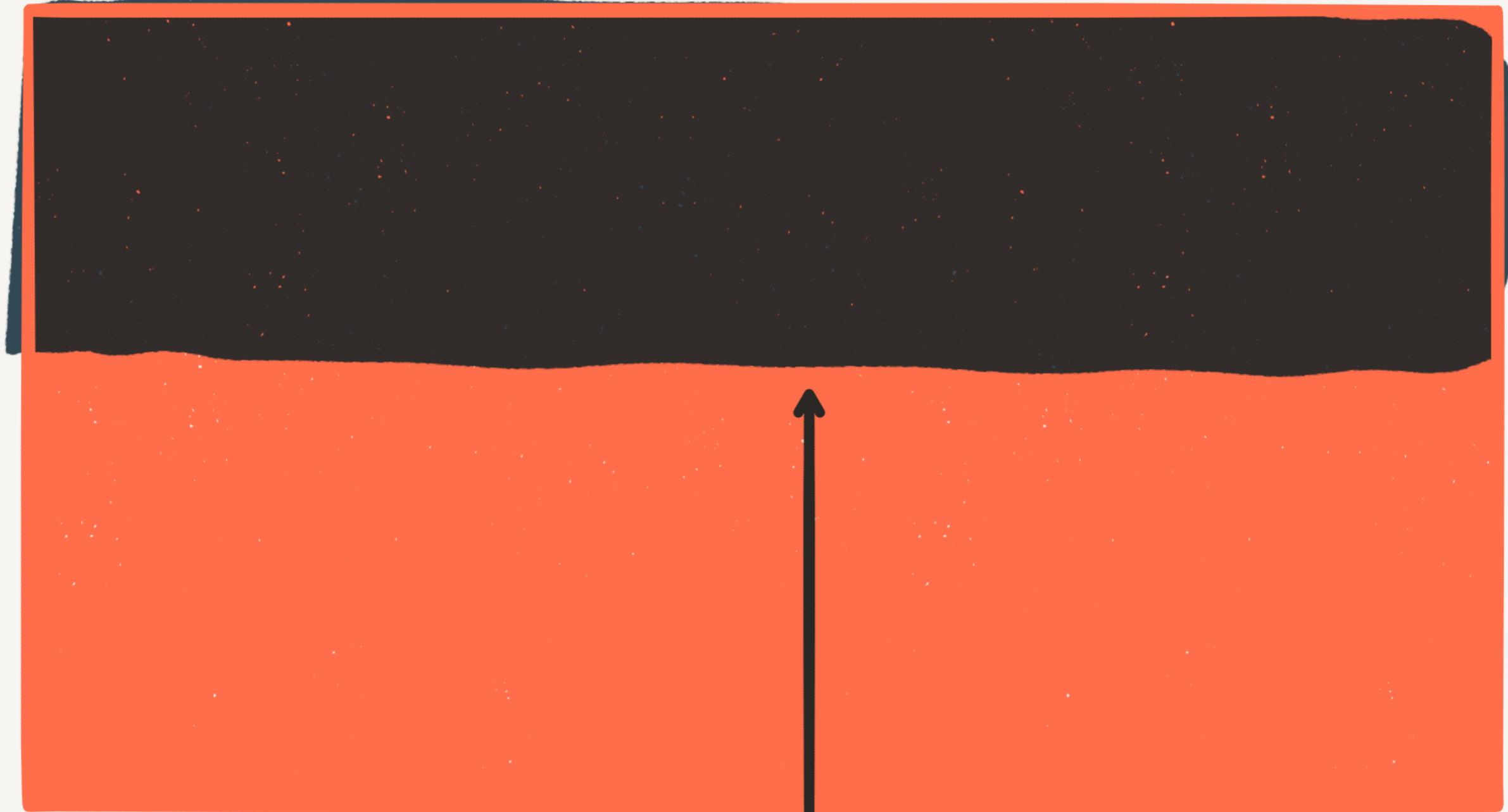


"per
use"

Bundle Uses / Year



Bundle Uses / Year

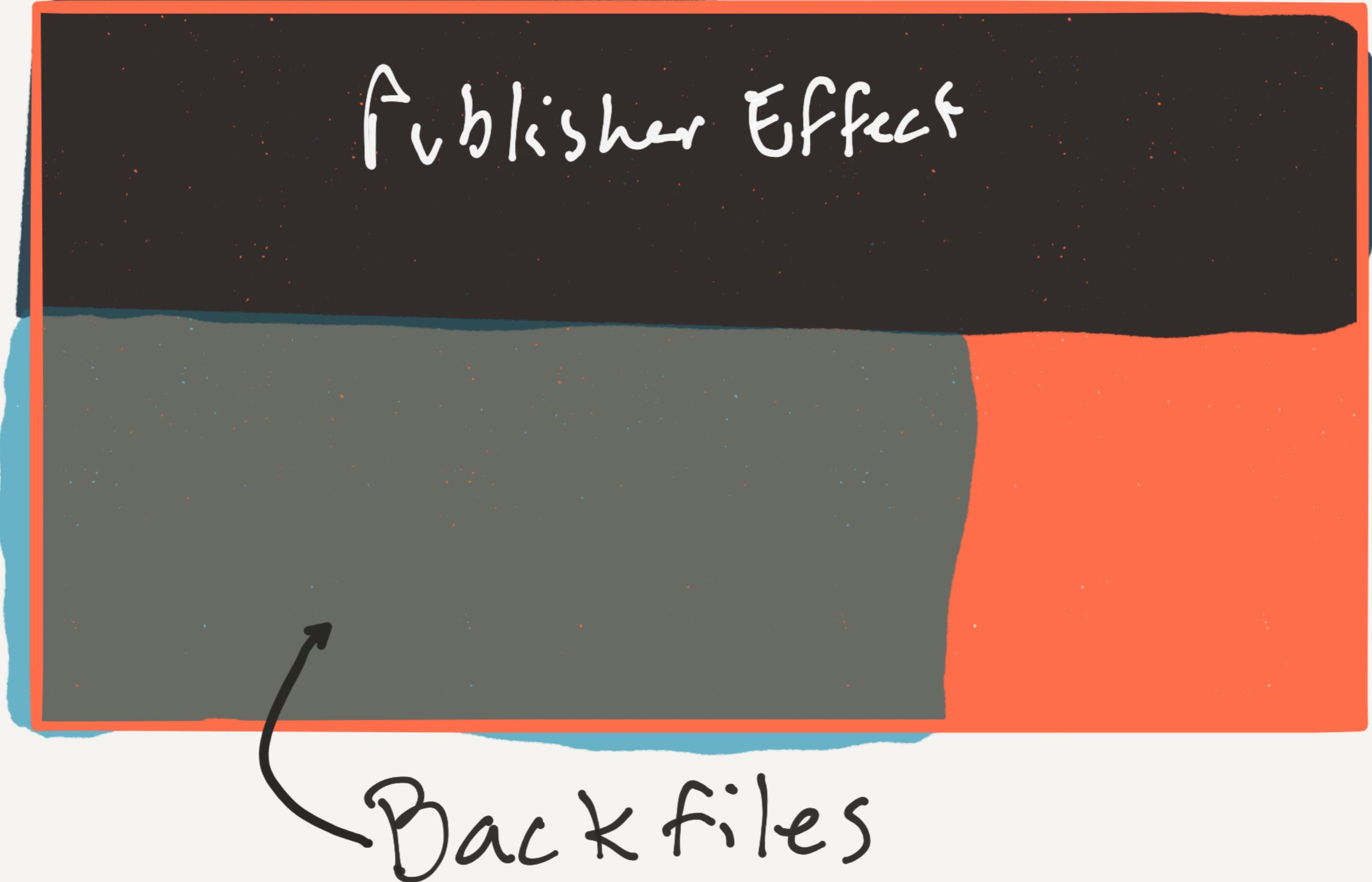


"Publisher Effect"

Bundle Uses / Year

Publisher Effect

Backfiles

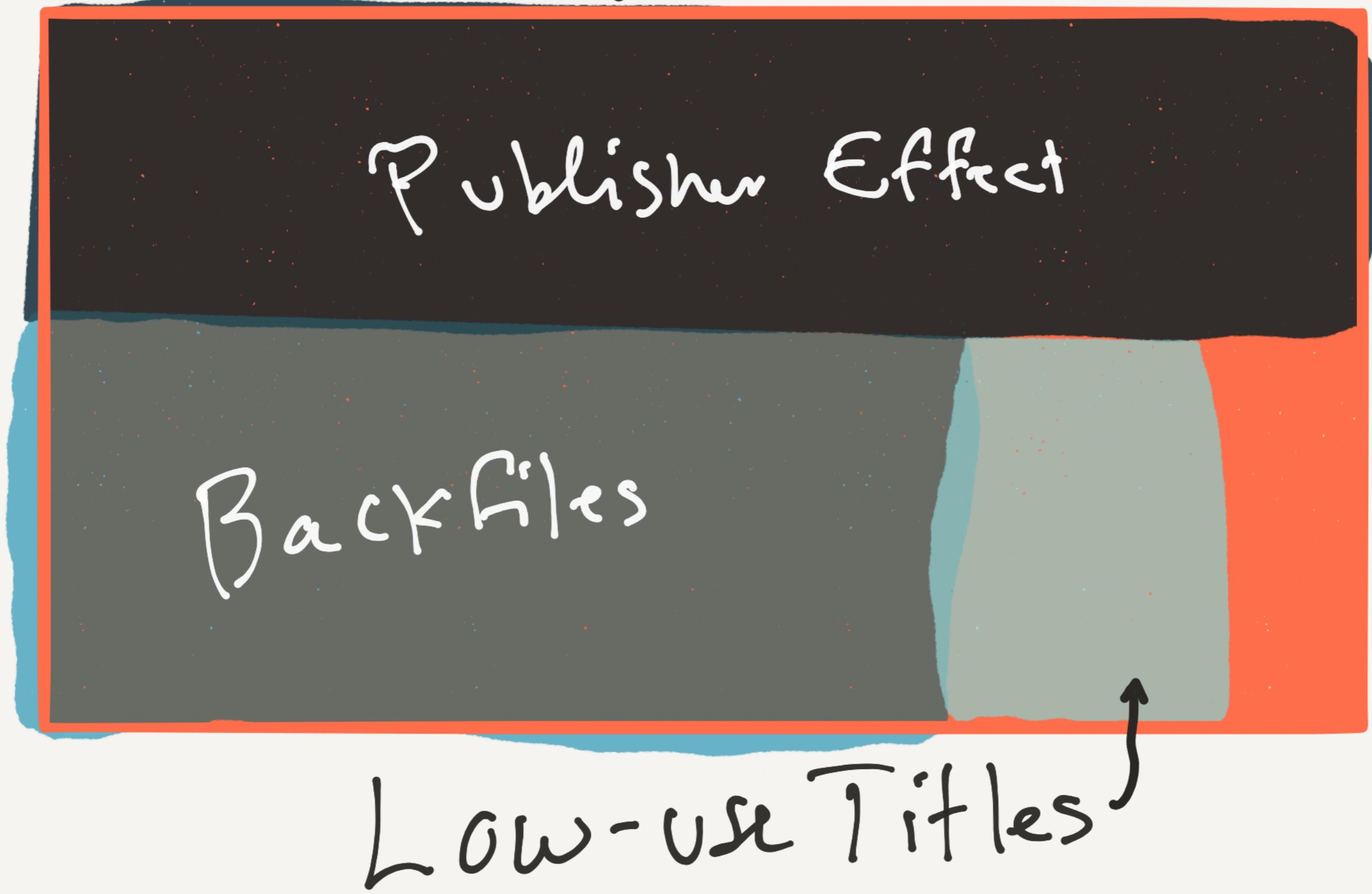
A hand-drawn diagram consisting of three horizontal sections. The top section is black and contains the text 'Publisher Effect'. The middle section is grey and contains the text 'Backfiles' with an arrow pointing to it from below. The bottom section is orange and is empty.

Bundle Uses / Year

Publisher Effect

Backfiles

Low-use Titles



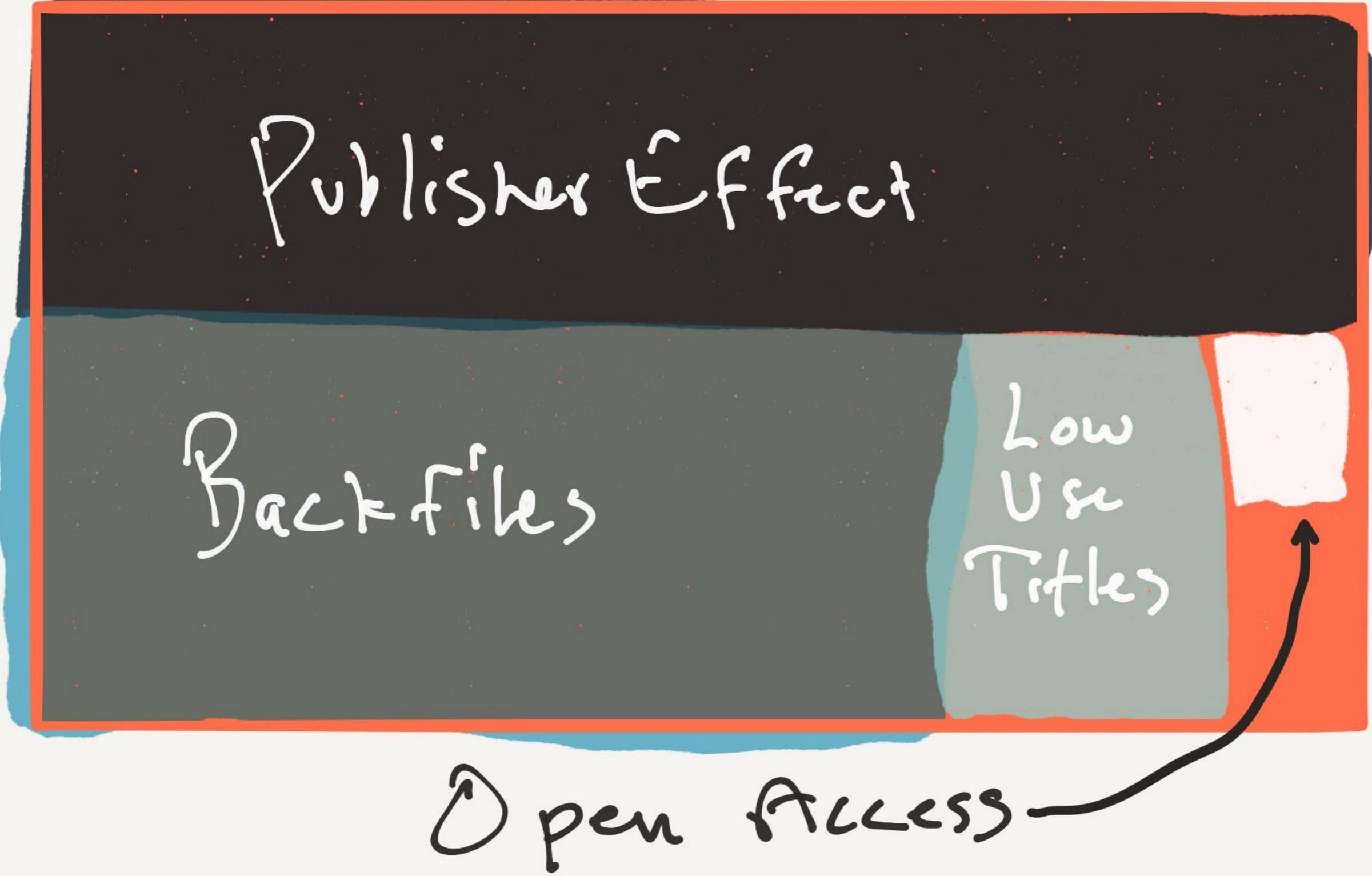
Bundle Uses / Year

Publisher Effect

Backfiles

Low
Use
Titles

Open Access



Bundle Uses / Year



\$ Millions

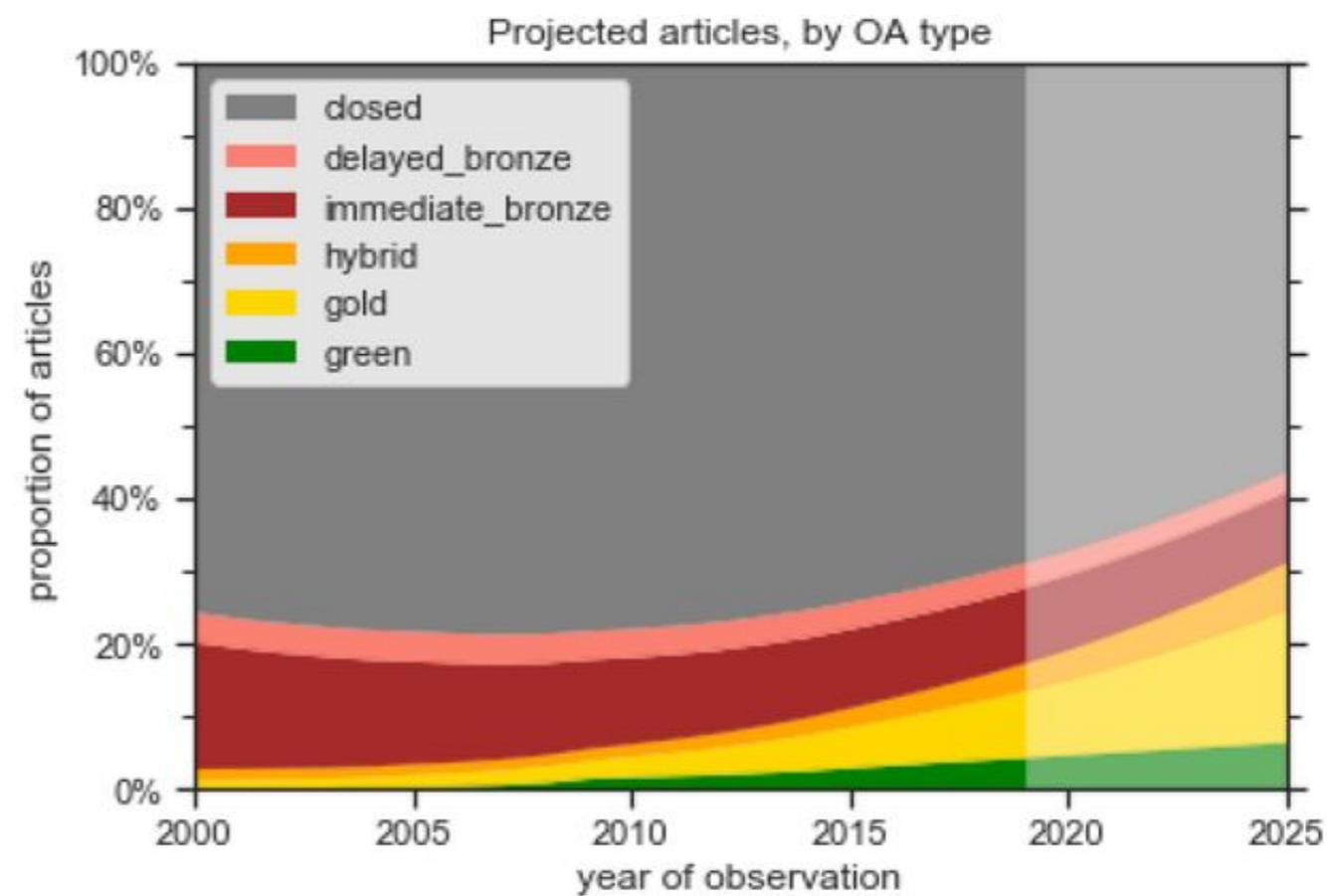
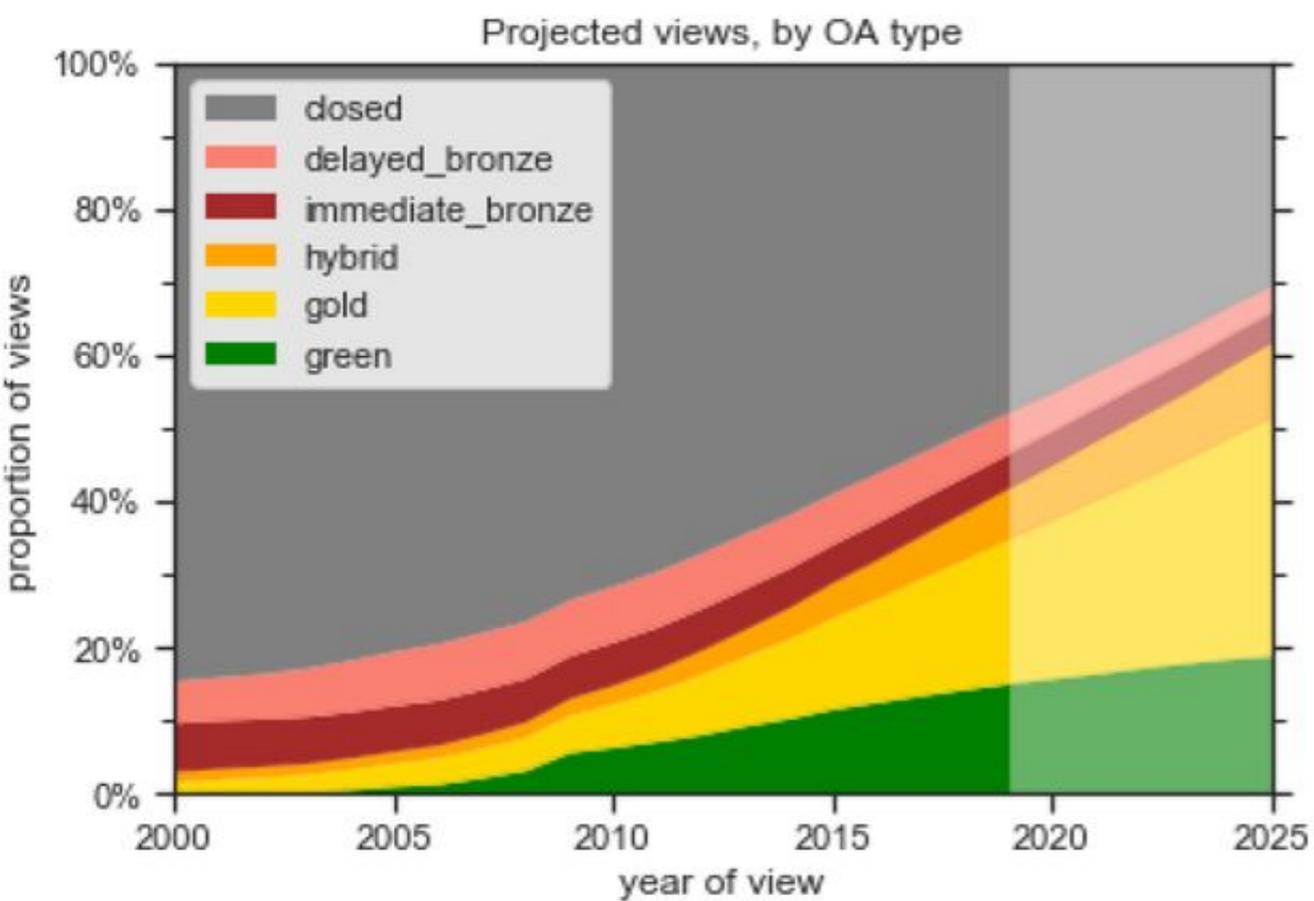


Other problems with “Cost per use”

- Site design influences “use”
- Deep catalogs have an advantage
- Usage practices vary by field
- Diverse content types in some (v. prestigious) journals
- Usage spikes (e.g. from course use) can hide in annual data
- Portfolios can be volatile as titles move around
- Aggregators like Ebsco, ProQuest, Hein, Gale offer alternatives
- Year-to-year fluctuations in quality - blockbuster issues vs. duds
- Untethered to publishers’ value-add, or their cost (marginal=0!)

OA on the Rise

- Plan S
- OA 2020
- Funder Initiatives (ORFG)
- Federal and state policies
- Nat'l Academies roundtable — "aligning incentives for open science"
- Preprints on the rise (Biorxiv report, e.g.)
- Open data, open science decentering the article



Diverging Values



“An old tradition and a new technology have converged to make possible an unprecedented public good. The old tradition is the willingness of scientists and scholars to publish the fruits of their research in scholarly journals **without payment, for the sake of inquiry and knowledge**. The new technology is **the internet**. The public good they make possible is the world-wide electronic distribution of the peer-reviewed journal literature and **completely free and unrestricted access to it by all scientists, scholars, teachers, students, and other curious minds.**”

–Declaration of the Budapest Open Access Initiative, 2/14/02

“Springer Nature was one of the first academic publishers to actively embrace the opportunities offered by open access, which **provides us additional opportunities to generate revenues**, as open access publications are funded by authors and/or their funders or the relevant research institutions, not libraries. Accordingly, **revenues stemming from APCs are in the short- to medium-term supplementary to the subscription business**, not cannibalistic. Some of our journals are among the open access journals with the highest impact factor, providing us with the **ability to charge higher APCs for these journals than for journals with average impact factors.**”

–SpringerNature, in its Prospectus for a (failed) IPO

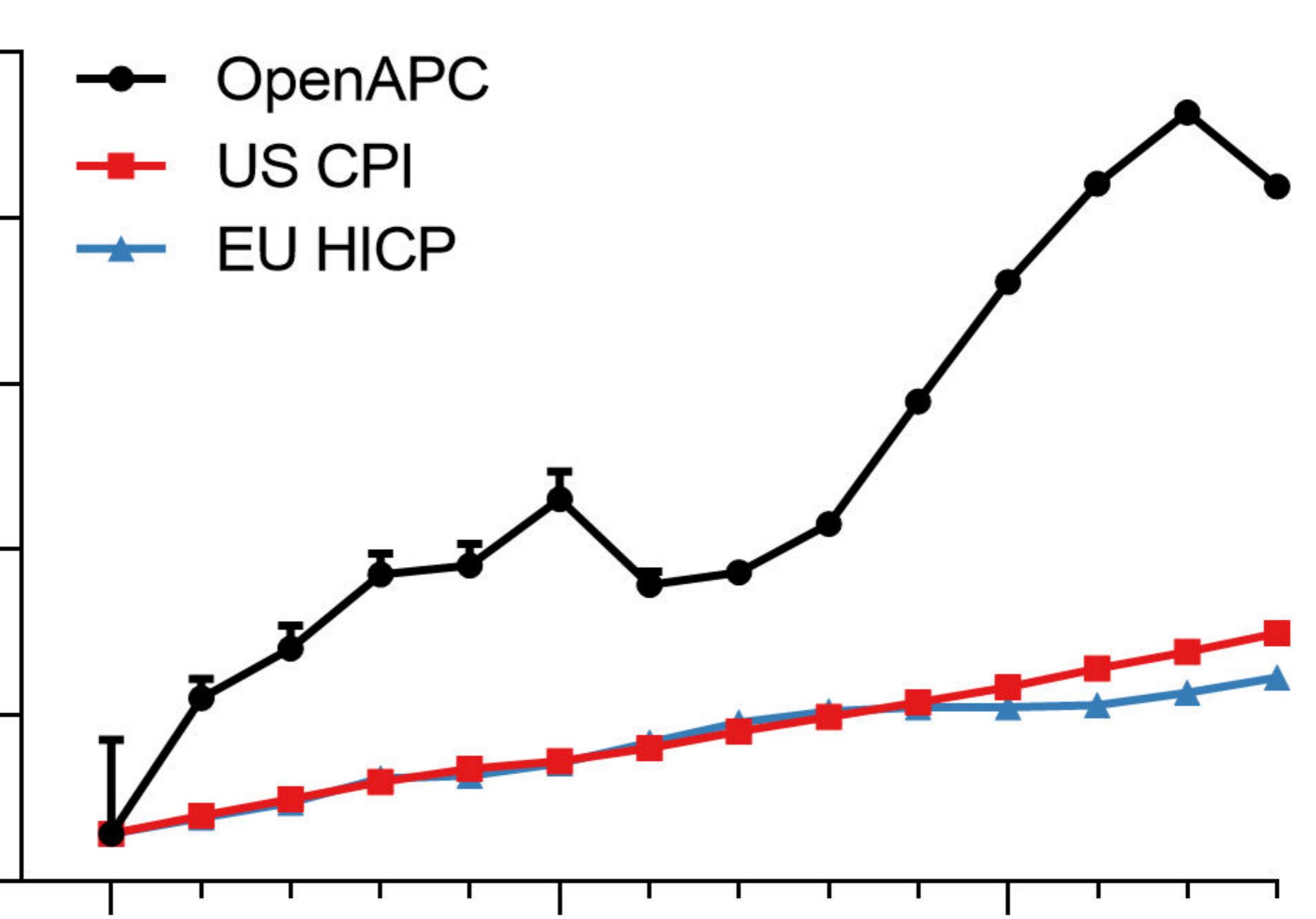
Article Processing Charge (Euros)

1800
1600
1400
1200
1000
800

- OpenAPC
- US CPI
- ▲ EU HICP

2005 2010 2015

Year



Life After Big Deals

- Instant access via:
 - subscriptions to essential titles
 - open access (via integrated search tools)
 - document delivery
- Delayed access via
 - interlibrary loan
 - author requests
- “Soft turnaways”

Recap

- Big Deals are journal bundles sold by the biggest journal vendors
- A global consensus favors Big Deal reform
- Big Deals are expensive, and they're taking over our budgets
- Their value is in decline, and alternative access has never been easier
- The values of the biggest vendors are misaligned with the academy
- Life goes on after Big Deals

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