

# All that Shines is Gold: Disrupt the Journal Subscription System

Dr Ralf Schimmer  
Max Planck Digital Library  
Munich, Germany

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MAX PLANCK  
digital library

## Science politics: aligned positioning [DE-EU]

### German Alliance Initiative “Digital Information”

#### Road map 2013-2017:

“The Alliance initiative should respond to these developments and be actively involved in laying the foundations for **the transformation of the current subscription system to a publication cost model.**”

Therefore, a new working group “OA Gold” was brought into operation.

### Science Europe

#### a) Position Paper (04/2013):

“The common goal of Science Europe Members is to shift to a research publication system in which free access to research publications is guaranteed, and which avoids undue publication barriers. This involves a move towards Open Access, **replacing the present subscription system with other publication models whilst redirecting and reorganizing the current resources accordingly.**”

#### b) Roadmap (12/2013):

”Science Europe Member Organizations will cooperate by taking action in areas that include: (...) Defining models that allow the re-direction and re-organization of resources, in order to **replace the current subscription system.**“

*Transforming the subscription system and subscription budgets*

## Further important initiatives and objectives in Europe

**DK** 

- Goal: 100% (green and gold) OA in 2022

**NL** 

- Governmental goal of 50% (100 %) OA within 5 years (10 years)
- VSNU & Springer agreement: OA publishing and access subscription

**UK** 

- Finch report
- Government & RCUK action
- only gold sustainable JISC APC pilot offsetting APC costs with subscription fees
- Royal Society of Chemistry: „in 2015, our flagship journal will move to Gold OA“
- Nature Publishing Group: Nature Communications became fully OA in October 2014

**GER** 

- Alliance supports concrete realizations of OA projects
- DFG supports German universities to establish OA publication budgets since 2010

**NOR** 

- Research Council introduced five-year OA funding scheme

**SWE** 

- Goal: 100% (green and gold) OA in 2025

**EU** 

- FP7 & Horizon 2020:
  - 6/12 months delayed OA mandatory
  - Members States expected to ensure 60% OA by 2016
- Science Europe with strong position statements in favor of OA, OA (and no hybrid) being the ultimate goal

**SCOAP3 (global community)**

- Global community of high energy physics: most journals switched to OA as of 2014

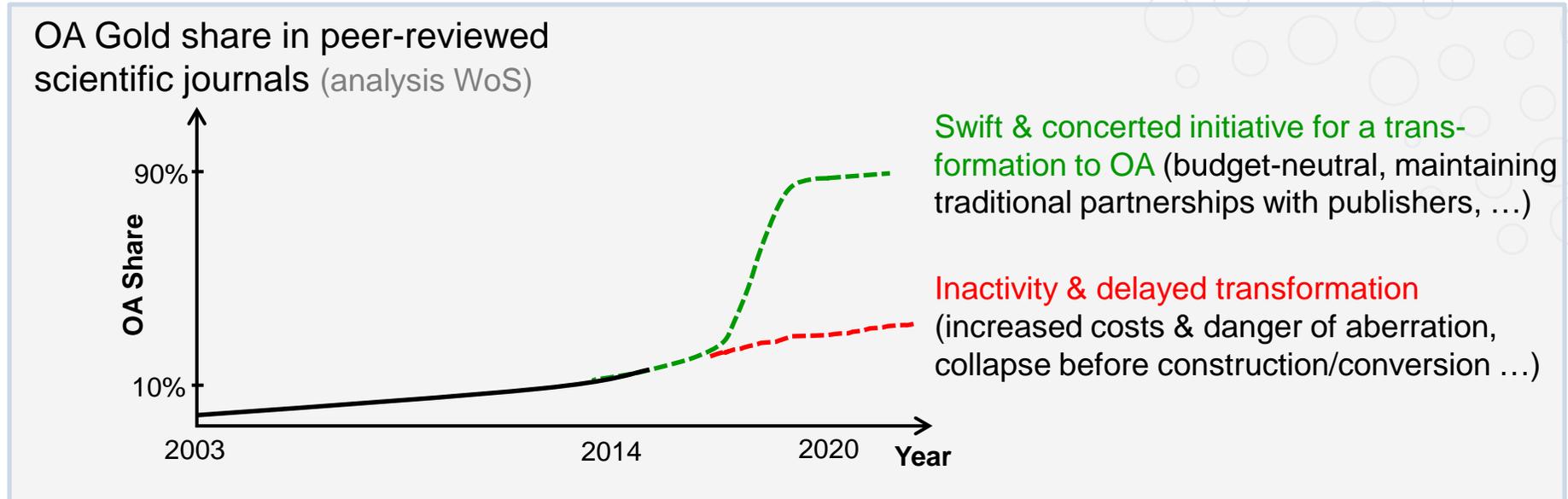


**AUT** 

- FWF & Austrian library consortium piloting offsetting model with IOPP since 2014

*Impressive – but no common goal and no coordination*

# Open Access at a crossroad



- OA as well-established publishing model with substantial market share (currently ~13%)
- Traditional publishers increasingly open to OA
- Politics is paying attention and gives support (currently)
- Successful transformations in sub-areas, e.g., SCOAP3, AT-IOPP, NL/UK et al.-Springer,...
- Inactivity may lead not only to delay but also to aberration (e.g., predatory publishers...)

# Changing the journal business model and the library acquisition budgets

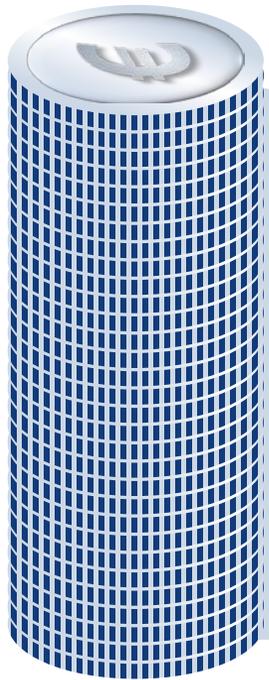


**Then MPS President Peter Gruss under the impression of the 10<sup>th</sup> anniversary Berlin Open Access conference in October 2013:**

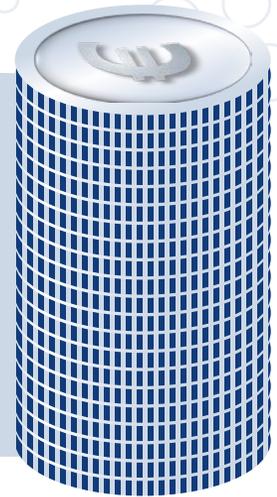
“Instead of the black box of subscription price calculations, we need models based on actual publication costs and characterized by transparency and sustainability. The money from existing subscription budgets must be transferred to publication budgets from which the authors’ publications can then be financed via open access.”<sup>1</sup>

<sup>1</sup> Peter Gruss, The unstoppable rise of Open Access, in: Max Planck Research 4(2013), p.7 ([http://www.mpg.de/7644861/S002\\_Spotlight\\_006-007.pdf](http://www.mpg.de/7644861/S002_Spotlight_006-007.pdf))

## Enough money in the system – savings to be expected



- There is already sufficient money in the system of scholar communication
- Additional resources won't be necessary
- De facto, savings can be expected (technical simplifications, distribution & sales, etc.)



*The transformation of existing journals can be organized on the basis of the current subscription spending*

# The global journal market and its financial dimensions

## Scenario of transformation based on current operating numbers per year

### Subscription market today

Market volume  
7.6 bn €

1.5 M research papers (WoS);  
up to ~ 2 M overall

5,000 €/article WoS;  
3,800 €/article overall

### After an OA transformation

Basis volume  
4 bn €

2 M research papers

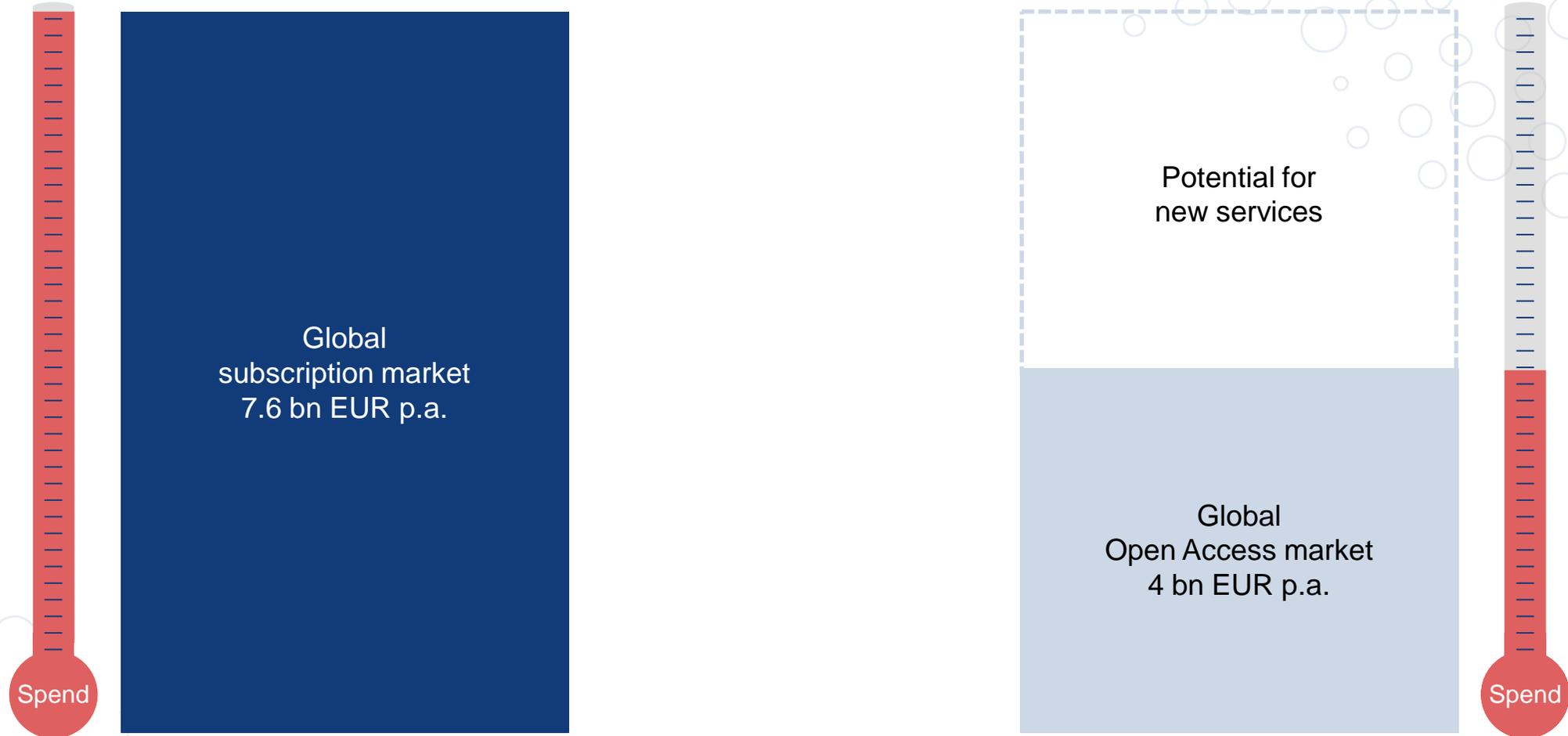
2,000 €/article<sup>1)</sup>

**Clear potential of savings & development based on realistic APC expectations<sup>1)</sup>**

*An OA transformation seems to be possible without financial risks*

<sup>1</sup> The empirical values of SCOAP3 are ~ 1,000 €/article; for MPG and DFG funded universities they are ~ 1,200 €/article

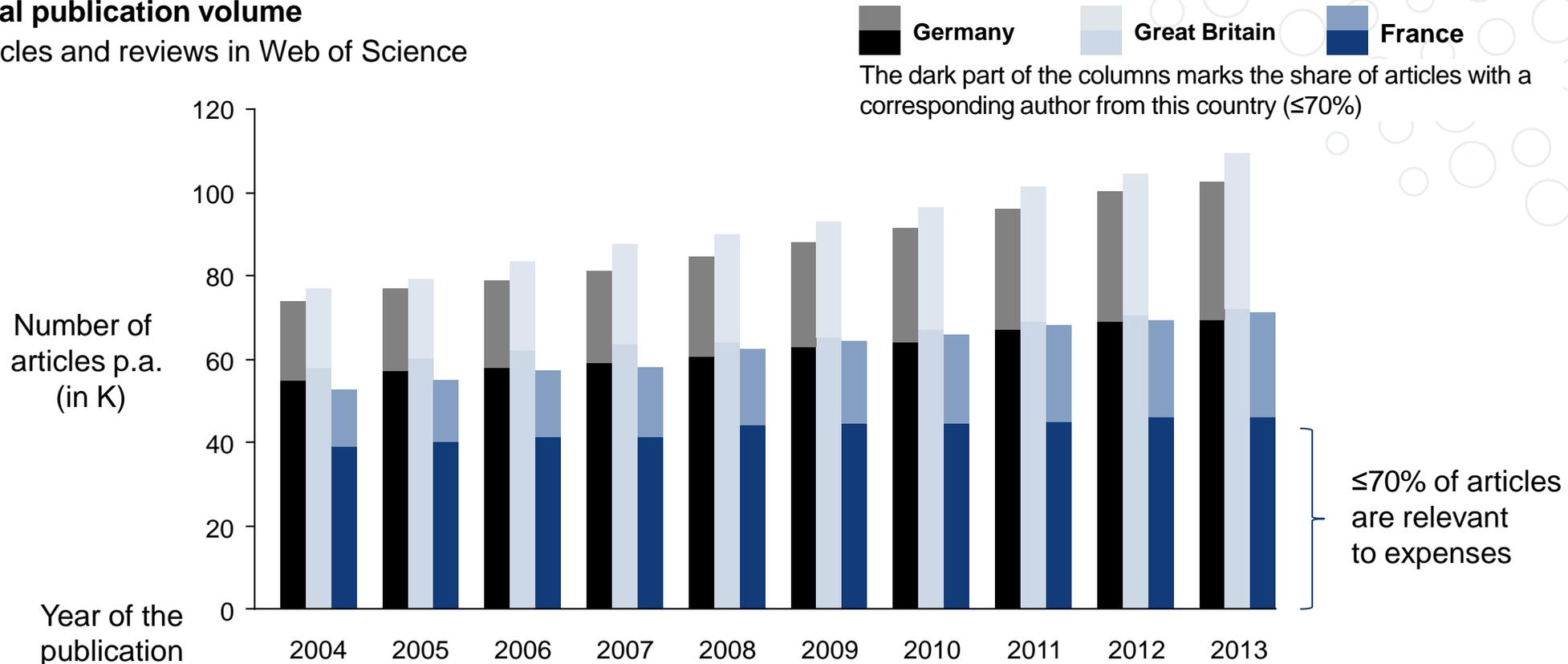
## Transformation means re-allocation of budgets and processes



# Publication volume of selected European countries

## Total publication volume

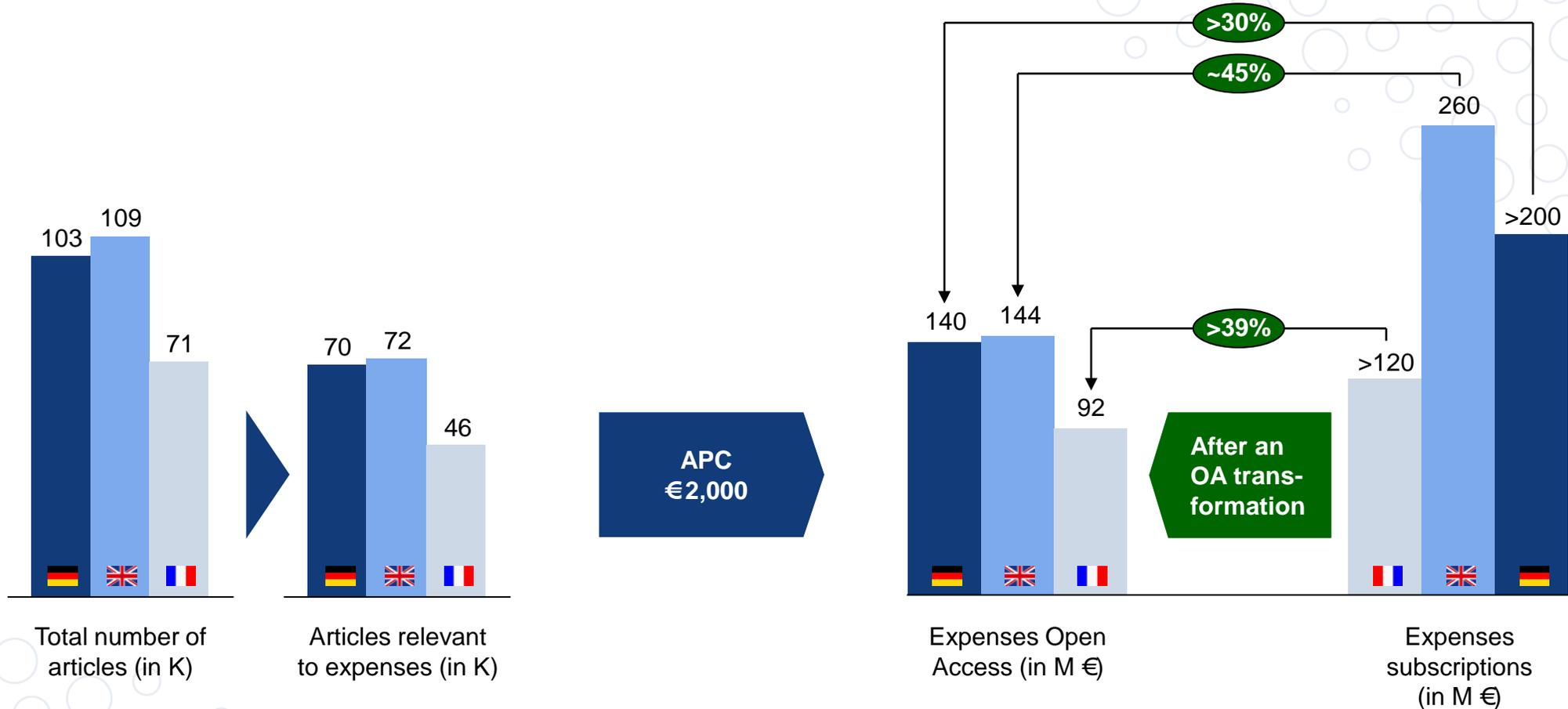
Articles and reviews in Web of Science



*De-duplication of data needed since not all publications are cost relevant in an OA world, but only those of corresponding authors*

# Output volume and expenses in DE, UK, and FR

## Publication data 2013:



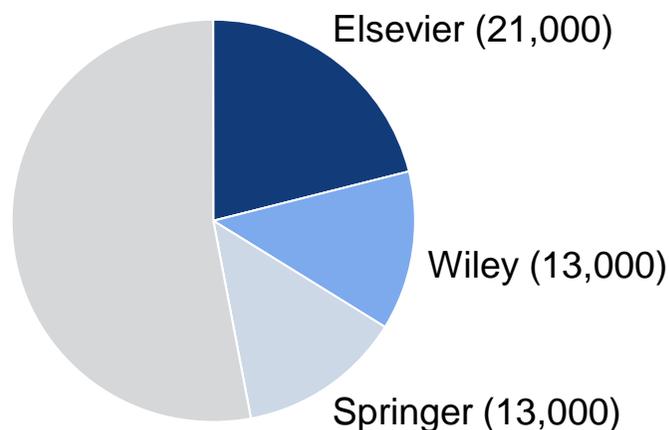
*Compared to the current subscription spending, substantial savings are to be expected*

## Close-up country view: share of major publishers in Germany 2013

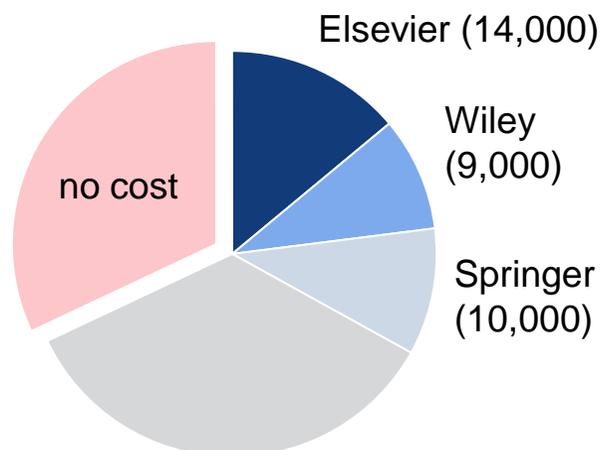
### Publications

#### Share of overall publications

N = 103,000 journal publications

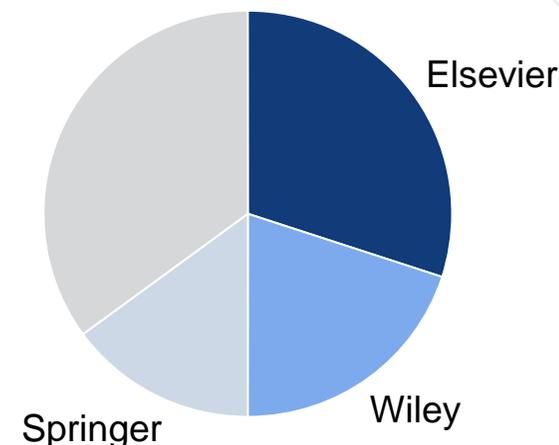


#### Share of publications with corresponding author



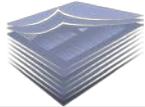
### Library expenses

#### Typical shares of journal expenses



*Assuming OA conditions, especially the expenses for the major commercial publishers would be substantially lower than in the current subscription market*

# The financial formula of the Max Planck Society



## Total paper output

- 10,000 research articles per year



## APC relevant share

- Maximum of 6,000 (between 40-60% corresponding author papers)
- This pattern is persistent across the various OA publishers and stable over time



## Average APC level monitored

- Current average APC of €1,258, based on 1,046 APC invoices with a total spend (including taxes) of some €1.3 million [as of April 2015]
- Our invoices documented on github: <https://github.com/OpenAPC/openapc-de>



## Expected total expenditure

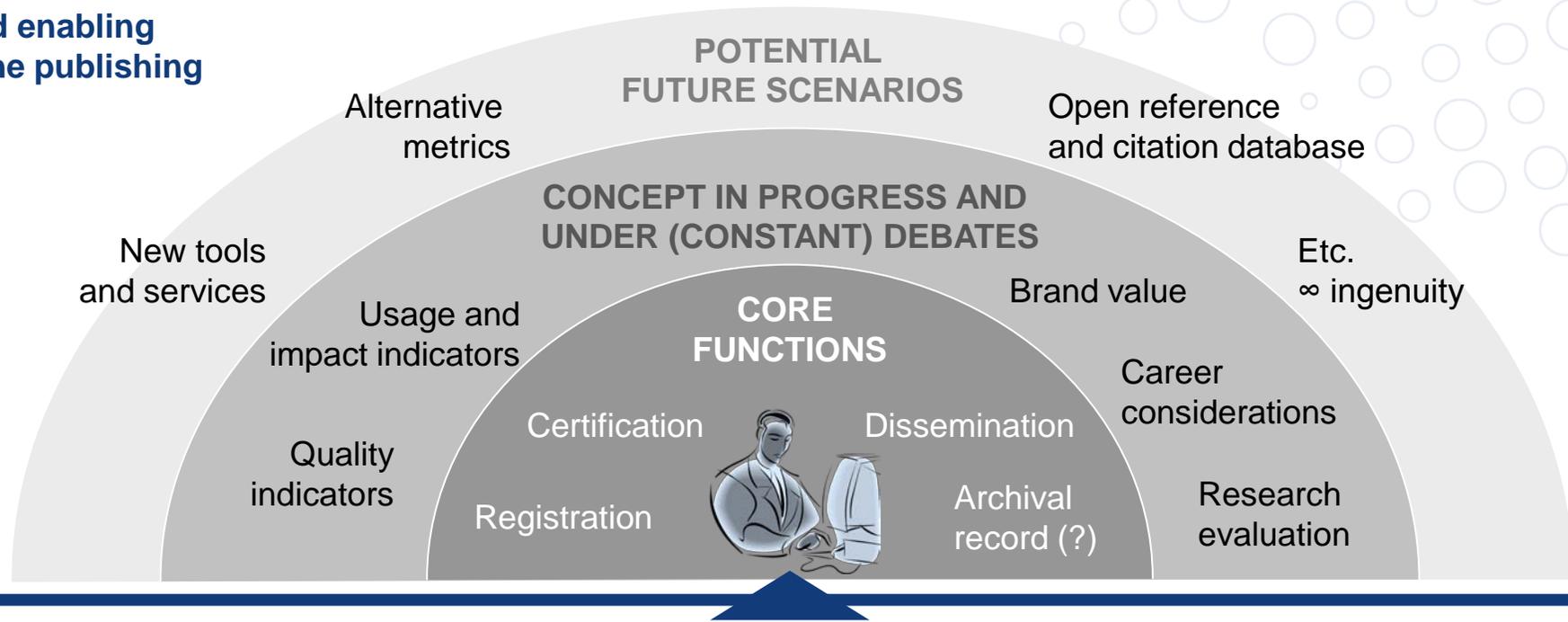
- 6,000 x average APC + safety margin ≤ €12 million
- These anticipated costs are very comfortably within our current spending levels

## Conclusion

**The Max Planck Society as a heavily output-oriented research organization is able and committed to make the transformation**

# The underlying business model of publishing is detached from its functions

Functions and enabling elements of the publishing system



Underlying business model of the publishing system

- Read-access cash flow
- Toll-access system
- Inherently restricted in use

*The cash flow can be changed without impacting the functions of publishing*

# Conclusion

**“The time is ripe for the global research community to accelerate the transition to open access. We have the crucial opportunity to transform the underlying business model of journal publishing while protecting the financial viability and core functionalities of the publishing system at large. Ultimately, all subscription spending must be stopped: this is the simple culmination of the incremental steps of the past decade. The significant savings can then be reinvested for the co-creation of a range of publishing services that will truly serve the scholarly endeavors of the 21<sup>st</sup> century.”**

taken from: Max Planck Digital Library Open Access Policy White Paper: “Disrupting the subscription journals’ business model for the necessary large-scale transformation to open access”. <http://dx.doi.org/10.17617/1.3> (28 April 2015)

accompanying data publication: “Number of scholarly articles per country. Data on Web of Science listed articles and reviews 2004-2013”. <http://dx.doi.org/10.17617/1.2> (28 April 2015)

*Thank you very much for your attention!*

Dr Ralf Schimmer

mailto: [schimmer@mpdl.mpg.de](mailto:schimmer@mpdl.mpg.de)