Background
– Why did the UK pursue offsetting agreements?

Evaluating offsetting agreements
– Why is transparency important?

Progress

Challenges

What next?
The total cost of ownership

![Bar chart showing the total cost of ownership from 2013 to 2018, with separate bars for APCs and Subscription.](chart_image)

- APCs
- Subscription

08/11/2016
The Government “....looks to the publishing industry to develop innovative and sustainable solutions“:

“....a meaningful proportion of an institution's total [article processing charges] with a publisher to be offset against total subscription payments with that publisher".

"Government welcomes efforts by Jisc Collections to develop sustainable funding models that establish a relationship between the payment of APCs (and the costs of administering them) and subscription fees for an institution."

*Letter from Rt Hon David Willetts MP to Dame Janet Finch, 23 January 2014*
Continued support for Gold OA, with caveats

“Although there is a broad consensus about the benefits of Open Access in the UK, financial challenges remain. This is particularly acute in relation to Gold OA. Research for this report shows a consistent and steep increase in the average cost of purchasing Gold OA, without a commensurate fall in subscription costs. Consequently, the overall costs of publication are increasing beyond those projected in the Finch Report. This has largely resulted from the growth of, so-called, ‘hybrid’ journals which remain based on subscriptions but, for an additional fee, will publish papers on the Gold model.”
Dear Professor Tickell,

Thank you for responding to my request for advice regarding open access to research publications. I have considered your report and am encouraged by the positive progress across the UK which it shows. The UK research community has responded admirably in stepping up to the challenges. As we see science increasingly opening up, the opportunities for the
“I am also keen to see progress in offsetting arrangements and better value obtained for higher education institutions”

Jo Johnson MP
Minister of State for Universities and Science
11th February 2016
Evaluating offsetting agreements

Priorities in our negotiations

1. Contributes to transition to open access
2. Affordability
3. Ease of administration
4. Transparency
5. Facilitates compliance with funder policies

» There are potential tensions between these priorities
Why was transparency important?

» Offsetting intended to be transitional models
» Promotion of effective market mechanisms
  › Avoid unwelcome features of the Big Deal subscription model
» Hidden costs in mix of subscription and APCs
  › Impacts reporting to funders
  › Artificially reduce cost of hybrid APCs
» Support price sensitivity and visibility of costs to authors
Transparency is essential to the integrity of offsetting
More information published on expenditure than ever before:

Shamash, K (2016) *Article processing charges (APCs) and subscriptions - Monitoring open access costs*

[https://www.jisc.ac.uk/reports/apcs-and-subscriptions](https://www.jisc.ac.uk/reports/apcs-and-subscriptions)
The journal market

*Article processing charges (APCs) and subscriptions - Monitoring open access costs* May 2016
Katie Shamash
https://www.jisc.ac.uk/reports/apcs-and-subscriptions
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Number and cost of APCs

*Article processing charges (APCs) and subscriptions - Monitoring open access costs* May 2016
Katie Shamash
https://www.jisc.ac.uk/reports/apcs-and-subscriptions
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Balance of subscription and APC spend

- APC expenditure, 12%
- Subscription expenditure, 88%

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**Balance of subscription and APC spend**

<table>
<thead>
<tr>
<th>Publisher</th>
<th>APC Revenue</th>
<th>Subscription Revenue</th>
</tr>
</thead>
<tbody>
<tr>
<td>Royal Society of Chemistry</td>
<td>22%</td>
<td>78%</td>
</tr>
<tr>
<td>Cambridge University Press</td>
<td>7%</td>
<td>93%</td>
</tr>
<tr>
<td>Institute of Physics</td>
<td>14%</td>
<td>86%</td>
</tr>
<tr>
<td>Oxford University Press</td>
<td>32%</td>
<td>68%</td>
</tr>
<tr>
<td>Sage</td>
<td>4%</td>
<td>96%</td>
</tr>
<tr>
<td>Nature Publishing Group</td>
<td>17%</td>
<td>83%</td>
</tr>
<tr>
<td>Taylor &amp; Francis</td>
<td>11%</td>
<td>89%</td>
</tr>
<tr>
<td>Springer</td>
<td>10%</td>
<td>90%</td>
</tr>
<tr>
<td>Wiley-Blackwell</td>
<td>19%</td>
<td>81%</td>
</tr>
<tr>
<td>Elsevier</td>
<td>8%</td>
<td>92%</td>
</tr>
</tbody>
</table>

*Article processing charges (APCs) and subscriptions - Monitoring open access costs* May 2016
Katie Shamash

https://www.jisc.ac.uk/reports/apcs-and-subscriptions

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Author publication decisions

2014

78%

22%

2015

71%

29%

Full OA

Hybrid

“Article processing charges (APCs) and subscriptions - Monitoring open access costs” May 2016
Katie Shamash
https://www.jisc.ac.uk/reports/apcs-and-subscriptions
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Detailed reporting on Springer Compact

Date refers to online publication date and in scope articles
Transparency in the Springer agreement

» Since last October APCs with a price tag of over €5 million have been published under the scheme

» Provides basis for the move away from Historical Print

» Spend

» 100% of articles have CC-BY licence

» Service levels and penalties for failure

» Consortiaums meeting together and with editorial to review workflows, critique implementation, agree development

08/11/2016
Progress?
Information on subscription spend still inadequate

- Reliance on Freedom of Information
- Don’t have information for all institutions or publishers

APC data is still inadequate

Where is transparency occurring?

- Institution/consortium/sector

Can we evaluate these agreements?

- Too much of the “bigger Big Deal”
Challenges

» Is transparency the first casualty of negotiations?
  › Administration & Cost more attractive in practice
  › Economic impact of BREXIT
  › Move to more ‘database’ models
  › Persistence of historical print spend

» Relationship between transparency and:
  › Affordability
  › Local context
  › Price sensitivity and author decision making
What next?
Thank you

Liam Earney

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08/11/2016