

Is Small Beautiful? The Position of Independent Scholarly Publishers in an Environment of Rapid Industry Consolidation

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Is Small Beautiful? The Position of Independent Scholarly Publishers in an Environment of Rapid Industry Consolidation

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Steve Cohn, Director, Duke University Press

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Abstract

The publishing industry continues to consolidate, with large multinational publishers acquiring journals and other content from academic societies and independent publishers. This panel provided candid insights into the challenges facing smaller publishers, including how/why they continue to exist in a business environment increasingly dominated by large companies. The discussion examined the advantages that smaller, independent publishers enjoy and addressed their adaptation strategies, business planning (including open versus paid access models), strategic partnerships, technical infrastructure, production procedures, relationships with libraries, and the work needed to meet the evolving needs of library end users. The impact of industry consolidation on libraries, including that of the intermediaries between publishers and libraries, was also discussed. The panel included speakers from humanities, social science, and science publishers who provided a range of perspectives from across the disciplines.

Background From the Moderator (Charlie Remy)

Media consolidation is ubiquitous these days. It seems like every few months a large media company is announcing a merger with another company—television, radio, newspapers, cable operators, and, of course, publishers and other kinds of library vendors. When I learn about these mergers and acquisitions, I think about the long-term impact they will have on individual consumers, libraries, scholarly communication, journalism, competition in the marketplace, concentration of power, our cultural heritage, and more.

Diversity of ownership is important in the media industry because it facilitates a robust exchange of ideas, innovation, and competition. I worry that having a few large companies control the media and publishing industries may result in a loss of critical voices and scholarship, especially when it comes to certain populations (the economically disadvantaged, ethnic minorities, lesbian, gay, bisexual, and transgender (LGBT) community, and people with disabilities).

The idea for this panel came to me when I read the 2015 article “The Oligopoly of Academic Publishers in the Digital Era” published in *PLOS One* (<http://tinyurl.com/o3cs2oy>). The authors analyzed citations from 1973 through 2013 in Web of Science indexes (admittedly a subset consisting of the most cited and visible journals in scholarly communication). According to the study, in 1973 five large publishers were responsible for approximately 20% of all articles published in natural and medical sciences. By 2013, it had jumped to 53% (likely higher now due to further industry consolidation). From 1973 to 1990, five large publishers were responsible for less than 10% of published articles in social sciences and humanities. By 2013, it had increased to over 51% (again, likely higher now). George has reminded me that just because a title is published by a large publisher doesn't mean it actually owns the journal. It could still belong to the society, which outsources production to the large publisher for various reasons.

I wanted to learn about what it's like to be in this environment first-hand from leaders of small, independent publishers. I chose these three

particular publishers because they represent humanities/social sciences/science, technology, engineering, and mathematics (STEM), I am familiar with them having been their customer for several years/had previous discussions with them about the topic, and believe it's important to limit it to small nonprofits. In my experience, it can be hard to distinguish some very large nonprofits from shareholder-owned for-profits at times, especially when it comes to pricing and a lack of flexibility to work within libraries' budgetary limitations.

Media consolidation is happening at an aggressive pace behind the scenes, yet it seldom receives the news coverage or discussion it deserves, perhaps because it goes against the large media companies' interests to make the public aware of it. I hope this discussion will leave the audience with an understanding of the unique role that small, independent presses have in the scholarly communications environment, the challenges they face, and their hopes for the future.

Background on Each Panelist's Organization

Steve Cohn, Duke University Press

Duke University Press (DUP) is a medium-sized publisher, rather than a small one, with about \$15 million of annual revenues and about 120 staff members, which is about three times the size we were when I became the Press's director in 1993.

When we go to the annual meeting of the Association of American University Presses, we feel like we're pretty large—I think our staff size might be the second-largest of the American presses, behind Chicago, but when we go to the Society for Scholarly Publishing, or come to Charleston, we do feel small, and when we compete with Oxford, Cambridge, or a commercial publisher for a project, we sometimes feel very small.

I think I should make it clear that, for us, the giant publishers we go up against most regularly, when it comes to journals acquisition or retention in particular, are Oxford and Cambridge, not the commercial giants—though we do recognize that they are not the publishers who suck the most juice out of the library budgets for which we compete for a part.

Because we cannot win head-to-head battles against the large publishers, we don't even try anymore in almost all such cases. We made a rule for ourselves a few years ago that we will never respond to a publishing request for proposals (RFP). We have stuck to that in almost every case, and when we have not stuck to it, we have regretted it in the end. No matter what they say in the RFP language about other factors being just as important as money, it always does come down to money, we have found—so we always lose out. Even in the few cases where we've come out first on money initially, we've then been clobbered by a huge offer of extra dollars that seals the deal and seals us out.

This last happened to us in a competition with Oxford over a strong social science journal that would have been a great fit for us, and that we made the top proposal for. Several other bidders were eliminated, we were pretty clearly informed that we had the inside track, and then we and OUP were called in to explain our bids further. We explained our proposal, and I think we did a great job of it. Then OUP walked in after us and offered a bundle of extra cash up front, beyond anything they could hope to recoup any time soon. That move did work, I must say. Not long after that, we decided not to respond to any more RFPs.

Now we work on possible acquisitions only with journals that have a particular affinity for us and know they want to join our publishing program if they can, because in the arena of RFPs, we just cannot compete with the big guys.

How does a publisher like us survive and thrive in the land of the giants? I think the main thing is that we need to know ourselves very well. That means using repeatedly the classic strategic planning set of looking at our strengths, weaknesses, threats, and opportunities:

- What we can do as well as or better than anybody else?
- What will enhance those strengths, and what threatens to diminish them?
- Where the opportunities for growth lie, building our lists in some always tense combination that pushes us further without overstretching us or taking a significant risk of us getting hammered by some

competitor with whom we can't really compete.

- Where the threats to our current strengths lie, and we need to protect ourselves against them insofar as we can—again with the realization that if one of the giants wants to steamroller us in that particular area, they almost certainly can do that.

For scholarly book publishing in the humanities and interpretive social sciences, we do not face the same competition from the behemoths, and we have built a list in these areas that lets us compete successfully with any other publisher. This is an area where we can thrive and grow if we wish to. Duke University certainly does care about the publishing of books in these areas, so by doing great book publishing, we can get credit for doing what Duke wants us to do, for following our mission. But scholarly book publishing in the humanities and social sciences, even with some crossover books included, is definitely not an easy money-making area, which is why the commercial giants mostly stay away from it. In fact, the way we do it, in order to serve our mission as we understand it and to fit our selling practices to the kind of book list we want to have, that program does not cover its costs in full.

Just about every book we publish is available immediately in a low-priced paperback edition, so younger faculty, grad students, and students in college courses can afford it. That makes our book publishing program much less dependent on library purchases and on more-and-more-stretched library budgets than our journals program, but it could not pay for itself without the support of our surplus-generating journals program, because while the Duke Administration loves having a great press, it also expects that press to fully cover its own costs.

We need to cover our losses in book publishing through journals publishing. We do accomplish that in a way that is relatively well protected because DUP owns a substantial set of core journals that can make money for us without being taken away from us by a competitor. We own about half of our journals list, including almost all of our strongest journals. That core set of journals covers the bottom-line losses in our book publishing. It lets us publish those journals we don't own in ways that keep the journals' owners, sponsors, and editors very happy and thus likely to stay with us for the

long-term, and it covers the costs of adding new journals, which these days always requires a long period of investment before they come to cover their own costs and begin contributing, though I know that's different for us than it is for a giant publisher who can throw that new journal into its gigantic package and start making money from it right away.

Strategic planning is very serious business for us at DUP. Every fifth year, we have a planning year in which the whole Press looks at these questions, as well as questions such as how we can best keep our staff happy, developing, and productive. Our latest such planning year was in 2015, and we now have a plan in place—a set of 12 next steps we feel that we need to take in order to survive and thrive—for implementation in the period from 2016 through 2020.

We plan to bring together our book and journal content onto what we call "one big site," so that all our humanities and social sciences content can be searched, displayed, and bought together. We have been careful to ensure that most of that content fits together into a coherent body of work, so that anybody who likes some parts of our content is also likely to be interested in other parts. We do that by expecting our authors to integrate theoretical and methodological thinking into their work on a particular topic, and we do it by publishing and marketing our books and journals in a very interdisciplinary fashion. We expect to be selling combined book and journal products—in collections of various shapes and sizes—by 2018.

We will focus our expansion efforts, both in terms of the content we attract and where we put our main sales efforts, internationally. For us, the domestic market is flat at best, but our lists are increasingly international. We have seen considerable growth in our international sales, and we see more potential for that. This puts us in the odd position of appearing at an international library meeting where the only other vendors who have booths might be JSTOR, Oxford, Cambridge, and Wiley. One of my staff likes to say we need to "punch above our weight" to make our internationalization efforts work. So far, we have been able to pull this off, but it is an expensive effort in terms of both money and time, so we really hope to see steadily increasing payoffs on it over the coming years.

What we see happening in the library world is, on the one end, more and more of the funds being sucked up by the huge publishers who are very good at sucking up library funds, as they should be because that's at the core of their businesses. On the other end, more and more of the library funding is being devoted to open-access efforts of various sorts. That leaves an ever-thinning middle, as the funds stretch further at both ends, over which publishers like us compete.

If that means libraries will not be supplying everything their faculty and students want or need, then maybe there will be growing room for publishers like us to sell to consumers, perhaps in new ways. Once we bring all our book and journal content together, we want to experiment with many of those ways. Perhaps people would be willing to buy access to our entire humanities and social sciences collection—about 3,000 books and 40-some journals outside of math—for a small monthly fee, somewhere between \$5 and \$10 per month, we imagine.

To thrive as a math publisher and distinguish more clearly our publishing in mathematics and related fields from our other publications, since this is the one set of our content that does *not* fit closely with everything else we publish, we feel that we will need to establish and grow a separate math imprint.

While we have not yet made much noise about it in the way that some other university presses have, we do want to do a better job of letting the world know about our open-access publishing and then make efforts to attract more of that. We publish the Letters of Thomas and Jane Carlyle that are available totally free online. In a joint venture with the Cornell Library, we publish Project Euclid, a math and statistics site hosting both journals and books, which has over 70% of its content open. We have a number of our books—probably more than any other publisher, if the current pilot set of books unlatches successfully—in Knowledge Unlatched. We have also made many of our older books openly available in HathiTrust, ones that are not selling strongly enough to justify putting into digital form for e-book sales, and we will continue to do more of that.

In addition, and perhaps most especially, we are proud to be the publisher of *Environmental Humanities*, a really great online open access (OA)

journal, under a model where it is funded with modest annual amounts by five centers around the world that focus on the growing area of environmental humanities scholarship. This is an OA model we would love to publish other journals under, since in the humanities and social sciences (and in mathematics, too) gold OA just does not work the way it does in areas that are heavily grant-funded, and it never will.

Finally, I want to say that, while Charlie focused his remarks on the consolidation among publishers, for us—and I think for libraries too—there may be an even larger threat in the drastic consolidation that has occurred among the intermediaries between libraries and publishers. EBSCO almost totally dominates the space of intermediary for journals transactions and now also owns in Yankee Book Peddler (YBP), the primary intermediary for print books transactions between publishers and academic libraries, and ProQuest increasingly dominates the space of intermediary on e-books transactions.

We have experienced the ability of a near-monopoly intermediary to put on nearly irresistible pressure for better terms, so they can extract even more money out of the scholarly communication system. I'm betting at some point, unless something can be done to reverse the trend toward monopoly or oligopoly power in these areas, many other publishers and many libraries too will have similar experiences. This is an area where library and publisher interests could be well-aligned. We both have an interest in fostering some good and viable alternatives to the huge commercial intermediaries.

Richard Gallagher, Annual Reviews

The reason for *Annual Reviews'* (AR) existence is summarized in this quote: "Most of us find ourselves buried amidst piles of unread papers. To keep abreast of the literature has become a Herculean task." This contemporary point of view was written in 1932 in the introduction to Volume 1 of *The Annual Review of Biochemistry* by Murray Luck, and it summarizes the 80-plus-year task of my organization.

Our goal is to publish compelling review articles that impact knowledge production and transfer in four ways:

- Capturing current understanding of a topic, including what is well supported and what is controversial;
- Setting the work in historical context, to reveal where it sits within the wider corpus of knowledge;
- Highlighting the major questions that remain to be addressed and the likely course of research in upcoming years; and
- Outlining the practical applications and general significance of research to society.

I like to compare the contribution of AR with another publisher, an outstanding publisher, Springer Nature. They have a staff of 13,000, while we have 77. Their turnover is \$1.5 billion, and ours is \$15 million. They publish 2,900 journals, while we publish 46. Springer Nature has 14 journals ranked #1 in their field. AR has 15. This shows that small, independent nonprofit publishers can have a big impact.

AR's 46 titles cover the biomedical and life sciences, the physical sciences, and the social sciences. In each area, an expert editorial committee identifies topics and authors. The whole process is done by researchers, for researchers; our job as publishers is to ensure that the process is as effective and efficient as possible.

The top of my list of challenges is maximizing the impact of AR. This is a storehouse of knowledge from the world's leading researchers accumulated over eight decades. Much of it is relevant beyond the academic community, to professionals, educators, legislators, patients, and amateur enthusiasts. Want to know about the environmental costs and benefits of fracking, the role of habit and compulsion in drug addiction, or any of thousands of other topics of wide interest and importance? We have published the best overview.

To make AR's content known and accessible, we will launch an online magazine with videos, podcasts, journalist-written articles, and even graphic novels that cover some of these topics. The site will be free, and the content can be re-purposed. Every item will link to full reviews that will be open for a period of two months. This ambitious project is supported by grants from the Alfred P. Sloan Foundation and the Gordon and Betty Moore Foundation. We are excited to get it underway.

The second challenge is rather more prosaic but is even more crucial: to ensure the long-term financial sustainability of AR. In 2018, we will introduce tiered pricing for our products, with two goals in mind. The first is fairness. We believe that larger institutions, which use our products more, should make a greater contribution than smaller institutions that have less usage. The second task is to increase overall revenue. AR's expenditures exceed income and have done so for the last four years. To rectify this situation, we shall introduce a one-off price realignment in association with tiered pricing. I commit to being as transparent about our finances and our plans, and we look forward to working with the library community in challenging times for all of us.

The third challenge is exploring open access options for AR. Personally, I am a supporter of the OA movement, but I am frustrated by its exclusive focus on primary research and data. Review articles could play a hugely important role in opening up research progress to everyone, and we are actively exploring options. Article publishing charges are not a natural fit for us, as we can't invite contributions with one hand and present a bill with the other hand. We are, therefore, looking to develop collective models, and this is another area where we are keen to tap into the expertise of librarians.

Five years from now I hope that we will be in a period of financial stability. I expect that we will have moved two or three of our journals to be fully open access and that these will be enjoying greatly increased usage, providing a blueprint to take many more of our titles open access. I believe that the digital magazine will be providing condensed knowledge to cancer physicians, schoolteachers, amateur astronomers, politicians in this and other countries and many, many other groups as well as to researchers and students. AR has a role to play in creating the science-literate society that we need to ensure equity and opportunity for all and protect the future of our planet. These are challenging times, but more importantly, they are exciting times.

George Leaman, Philosophy Documentation Center

The Philosophy Documentation Center (PDC) is a specialized academic press focused on philosophy, religious studies, and applied ethics, with some

projects in area studies. The organization was established in 1966 as a home for a philosophy indexing service, and in its early years, it published a range of reference publications. Our publishing operation grew from this work, as we helped independent publications and learned societies solve production and distribution problems. In 1995, the indexing service became a separate business operated by the editor. Our other projects continued and grew, and PDC focused on full-text publishing in print and electronic formats. Today we are an independent, nonprofit publisher, not affiliated with any university or other institution. We generate all our income each year ourselves and do not rely on an annual appropriation, grant income, or subsidies.

With eight employees, we are the smallest of the publishers represented today. Our work is focused on specific areas of humanities publishing where margins are thin and library budgets are limited. We don't expect the budget realities to change, but we will maintain our focus on these areas. While we share many of the same challenges faced by all publishers, our publications cost a fraction of what libraries pay for science, technology, and medicine (STM) publications. The annual cost of everything we provide, about 200 publications with complete back issue archives, is less than the annual cost of some science journal subscriptions.

Our business model is based on subscription publications, membership management, and print and online publishing services. We specialize in the production of journals, book series, conference proceedings, and other serial publications, and we host over 150 of them on our own publishing platform. We also manage memberships for two dozen professional associations and online access to publications as benefits of membership. We have approximately 15,000 customers worldwide, and our customers include research libraries, members of learned societies, and individuals. Our primary institutional customers are libraries at universities in many countries that have degree granting philosophy departments.

With such a focused niche, we have to be very careful about costs. We're not primarily a technology business, so we continually make decisions about what technical work should be done in-house and what should be farmed out. After much trial and error, we've concluded that having our own

online platform is more cost-effective than paying a third party. This may seem odd, but we successfully manage the platform with support from a programming team in Germany. We can control updates and planning for new functionality and don't have to pay for bells and whistles we don't need. We also do all our digitization of print archives in-house to control the pace and quality of the output. All of this helps us keep our costs predictable. Our experience has been that libraries prefer more content and stable pricing over platform functionality, so control of the cost of adding new content is essential for us.

While our discipline specific focus limits the scope of our work, it is an advantage overall. Commercial publishers are not interested in the modest returns of most philosophy projects, and we maintain our income by building new collections of relevant materials and bringing more content online. We have an incentive to meet specialized needs as quickly as possible, and this also helps us generate new projects and new income.

The top challenges we face are all related to costs and income, and I'm sure some of these are shared by my colleagues. First, we must continue to manage the costs of changing technology. This includes development and expansion of our online publishing platform, as well as the investments required to meet changing user expectations. Each new operating system or browser brings new challenges for us all, and we have to manage these costs as effectively as possible.

Second, we must manage changing needs and expectations in our market. Some publications we work with rely on every penny generated from subscriptions and sales to sustain their operations. Others need income to support the work of a society or provide research stipends for graduate students. Still others want to make as much material freely accessible as possible. We do the planning to help them meet their needs. This is a continual challenge because libraries want more content at the same rate or less, and users want everything for free. Meeting the increasing expectation of free access in the humanities is difficult because open access funding options are limited. For example, unlike STM or the social sciences, it's not possible to charge author fees in the humanities. We're open to all sustainable models, and this is an evolving challenge.

Third, we must manage the complexity and the time required for permissions negotiations. Acquiring rights or permission to host materials that aren't yet online can take years. In many cases, the publications themselves don't know who is authorized to sign agreements, a committee has to make a decision at an annual meeting, and committee members change from year to year. These discussions can start from the beginning, again and again. The longest permissions discussion that we successfully concluded with a university-based publication took 18 years. This is one of the drawbacks of the discipline-specific focus that is otherwise a source of strength for us.

For the next three to five years, we project slow but continuing growth from increased usage of our publications among researchers, students, and faculty, as well as a wider range of publications on our site. In addition to more serial publications, we expect to offer online access to archival collections, multivolume book collections, and more international (i.e., multilingual) content. We already host relevant publications in other languages and expect to build on this. The expanded range of publications should help us diversify our income and prepare for whatever shocks may be coming from Google in the future. We're also expanding the scope of our publishing and membership service work with the same goals in mind.

What do smaller, independent publishers provide (to researchers, libraries, etc.) that's unique to the scholarly communications environment?

Cohn: I don't think we provide anything unique. It's a matter of degree, not a matter of being entirely different, and the dimensions that matter most here are attention to quality and willingness to allow idiosyncrasies.

Every publisher claims quality, of course, but small, independent publishers that focus on particular areas know their authors and their fields much more intimately. We can do better and more serious peer review of our books, for example, because our editors know just whom to send a manuscript to in order to get a serious and challenging review, and peer review should be much more than thumbs-up or thumbs-down. Authors come to us because they know our review processes will make their books significantly

better—if they don't want that, just want a book in a hurry, they go elsewhere. It's the same for journals. If their sponsors want efficiency and money, they go to a large publisher. If they want close attention and understanding of their audiences, they come to us. We can pay more attention to things such as design and copy-editing because we don't have an assembly-line process that focuses primarily on cost-efficiencies—outsourcing, offshoring, etc.

Gallagher: The focus on mission should mean high-quality products and outstanding customer service, the same as a small independent baker or a butcher compared to a big box store. Small publishers have a commitment to traditional publishing standards and a long-term undertaking to serve the needs of the community. Take the example of our first publication, the *Annual Review of Biochemistry*. Today it has an editorial committee of 10 members, all of whom are actively engaged, and three of whom are Nobel laureates. It's a deeply personal type of publishing that can only be done by a small company. This closeness to the research community is replicated in interactions with library customers. We aim to be responsive to needs and opportunities that they bring to us. One example is a new project in which AR is working with librarians to create and collate Creative Commons materials to support information literacy among early career researchers.

Leaman: Focus. We bring discipline-specific knowledge to our work, and this helps us succeed. For example, significant portions of the secondary literature in philosophy are not yet available in electronic format because there is very little commercial interest in doing so. We have an interest in tracking this literature and are expanding our coverage of this material because it fits our profile. We will also take on relevant projects by request. We negotiate the permissions, do the work, and provide access quickly. Our focus on philosophy and related fields has its drawbacks, but, overall, it is a competitive advantage.

How do you believe you can meet the evolving needs of libraries and end users with reasonable prospects for success? What are some of your organizations' important adaptation strategies?

Cohn: First, I think we can meet those evolving needs by understanding them. It helps that we're located in a university, since faculty and students are our primary

end users, but still we need to make efforts to talk to them and learn from them about how they use and want to use the materials we publish. We have a library relations team whose job it is both to represent us to libraries and also to represent library views to us, meaning, in part, that they advocate for library needs and wishes within the Press. We have staff right here in Charleston this week who have been asking librarians about what they want and need.

Second, because we're not large enough to create all our own technological solutions, as a huge publisher can do if they wish, we need to be excellent partners with the suppliers of our technology solutions, treating them like partners, not like vendors. We make adaptations to fit with their capabilities as well as expecting them to adapt in cases where they are not fully meeting our needs.

Gallagher: Firstly, we must have closer links to librarians to better understand their needs. This is a priority for me. Second, while it is essential, it is not sufficient to simply continue to publish products that are valuable to the research community. We must maximize access and the usefulness of the products for other audiences, starting with students. We maximize access to our products by keeping our prices as low as possible, which means constantly looking for efficiencies without compromising on quality. We are also exploring routes to open access and see librarians as partners in achieving that as well as in educating early career researchers in information literacy.

Leaman: We will add more content and functionality to our site to meet evolving needs. We're currently adding about 30 to 40 titles per year, including both serial publications and archives. We're also working to increase access options for everything that we offer. In some cases, increasing access requires approval from the owner or sponsor, so our pace can depend on third parties. This is a continuing challenge. The functionality needed by most of our authors and editors is less involved than that required of most STM publications, and this gives us time to plan what is truly needed without having to pay for what we don't need.

What could the library community do to better support smaller, independent publishers?

Cohn: First, give us useful feedback. Charlie Remy is a great example of a librarian who is willing to spend

the time to tell us what he thinks about our publications, our ideas, our prices, and library needs and desires. That's very valuable to us.

Second, *put your money where your mouth is!* You say you love small publishers who have reasonable prices and library-friendly practices, but then, all too often, you leave us until the last, when you give out your budget dollars and when you give out your attention. If you want us to survive, you can't just give us the crumbs. Sometimes you need to put those you love first, not last.

Gallagher: The combination of library budget pressure and ongoing commitments to the "big deal" journal packages makes it feel like we small publishers are fighting among ourselves for the crumbs off your table. Having paid tens or even hundreds of thousands of dollars for journals, many of which librarians do not want as part of their collections, they are obliged to haggle with us over increases of a few hundred dollars on products that are incredibly reasonably priced and of immense value. This is an outcome of the publishing oligopoly that extracts hundreds of millions of dollars from the research system for private gain.

What would help us, and librarians, is transparency in these big deals. What do you pay and why? What is your overall cost per download, and what other criteria do you use in decision-making? Are you getting what you want?

With regard to AR, I'd like librarians to better understand the value of our products and what goes into creating them. We would also like you assess price increases in dollars rather than the percentage increase. Failing to do so penalizes the very publications that have kept their prices as low as possible over many years and rewards those who have high prices to make fat profits.

Leaman: I think librarians should more clearly distinguish between the market for STM publications and the market for humanities publications. Our pricing and terms are generally more generous than the STM equivalents, and this has always been the case. For example, a library can purchase access to everything that we host, over 200 publications, with complete back files, for less than the cost of one high-end STM journal. With this in mind, and in agreement with Richard, I'd ask librarians to focus on the total amount of money involved in an

arrangement with us and not on percentage reduction or increases.

How does nonprofit status affect your focus, business, and operations?

Cohn: We are mission-driven, meaning the success of the scholarly communication system in the areas we publish in is always what comes first for us. That's why Duke University bothers to support a publishing operation. We are very aware of that. My boss, Duke's provost, is also the boss of the Duke Library and the Duke faculty.

Of course, Duke also expects us to cover our own costs, so that means we're always walking a tightrope between mission and the need for money. When we set a price, we need to think both about what will be affordable for a wide audience and what will bring us enough money to hold up a share of covering our costs, a majority of which are costs for staff salaries and benefits, since we are a very labor-intensive operation. The question is not simply what price will make us the most money, as it would be for a commercial publisher. It's what will make the money we need while still allowing those who want the product to be able to get access to it.

The attention to mission allows us—even requires us, as I see it—in all our operations and all our practices to focus on quality, on author and editor needs and desires, and on the needs of our audiences.

Gallagher: It affects us profoundly and mostly positively. In selecting fields for coverage, we are driven by the ongoing significance of the topic and the contribution that an AR volume makes to it, rather than by the return on investment. In setting prices, we have aimed at maximizing readership rather than profit. As a company, we aim to provide a nurturing and satisfying workplace where staff members feel appreciated and can develop. On the other side of the coin, I believe that the small nonprofits are somewhat risk-averse and inward-looking. We should embrace partnerships, including with for-profit organizations where appropriate, and develop research and development (R&D) programs to bring innovation to the market.

Leaman: Nonprofit status is essential for us. We are recognized as colleagues on a special mission, not a

vendor providing a payout to investors. We are, therefore, more easily trusted, and this contributes to our success in all kinds of ways. Also, since we don't have to worry about a payout to investors, it is easy for us to make decisions about specialized projects that are important in the field but that don't have an immediate sales potential.

What kinds of strategic partnerships exist among smaller publishers, and how are they beneficial?

Cohn: There's a lot of cooperation among university presses. Our community is very collegial and candid. We share information, and the larger and stronger of us often provide services to the others. Project MUSE is an example you all know. Chicago provides distribution services to many university presses. UNC provides services to other press through its Longleaf operation.

Sometimes the partnerships are between publishers and others who might be thought of as semi-publishers. Many university presses distribute books for museums, for example. At DUP, we partner, oddly but wonderfully, with the Cornell Library on Project Euclid, an electronic hosting and distribution system for journals in math and statistics, many of which are run out of math departments or small societies.

Gallagher: This is an area where I think we could learn a lot from commercial publishers. At AR at least, we tend to isolate ourselves too much from collaborations. Why? One is that we are not driven by a profit motive, which provides a powerful incentive to innovate. Another is that we don't make the upfront resources of time and money available. I am very much in favor of exploring mutually beneficial partnerships with other small publishers. For instance, I think that AR could collaborate with an educational publisher on teaching materials. Larger cooperatives of nonprofit publishers are also something that we would consider being a part of, and these are beginning to be discussed.

Leaman: In the philosophy world, ownership of the literature is fragmented among many companies, learned societies, university philosophy departments, and other entities. We are, therefore, required to have strategic relationships with many different organizations to make it possible to bring

new publications online. Our nonprofit status makes this somewhat easier, as do the modest acquisition budgets for philosophy publications. The more money there is in any field, the harder it is to get different organizations to cooperate. The competitive pressures are greater because the potential benefits are more obvious. The situation is reversed when there is less money. Also, the consequences of making mistakes are smaller, and this always makes it easier to get other organizations to agree to something new.

For smaller publishers, what's the role of paid versus open access? Print versus electronic? How beneficial to your organizations has the continued transition from print to electronic been?

Cohn: Though we have not trumpeted it as much as some university presses, at Duke we are very open to open access, as long as there is some way to cover the costs. We publish the Carlyle Letters as an open database because the National Endowment for the Humanities covers most of the costs. I discussed earlier our journal *Environmental Humanities*, which has its costs covered by a small set of international environmental humanities centers. We have a lot of books—as many as any other publisher and maybe more if the 2016 collection unlatches successfully, in Knowledge Unlatched, and we have opened up a number of our books at HathiTrust in cases where they are not selling enough to justify the cost of digitizing them ourselves.

But in the fields we publish in—math as well as the humanities and interpretive social sciences—author-pays open access just plain does not work because these fields are not primarily grant funded.

We don't see it as print versus electronic. Almost everything we publish is available both in print and in electronic form. We think both are valuable, especially in the case of books, and we have set up our e-books collection model so that print books can be acquired along with the electronic versions for only a small increment: just \$750 for more than 100 printed books per year. Where else will you find a price like that? We think for scholarly books electronic versions are great for finding and for reading small bits but not great at all for reading the whole thing, so libraries really need to give their users access to both.

Gallagher: I believe in open access, but I am not a big fan of it being driven by article processing charges. It takes away a crucial role for librarians in building collections, and it entrenches the status quo of domination by large, commercial publishing houses. We are exploring alternatives, including working with librarians and library consortia to develop collaborative models. We also wish to identify direct funders. For instance, a philanthropist who is passionate about criminal justice might be interested in funding the upcoming *Annual Review of Criminology*.

A huge benefit for us, and I believe for librarians, would be transparency in all aspects of academic publishing, especially on the financial side but also on usage. Then there could be collective decision making taken in the interests of knowledge curation.

The transition from print to electronic has been hugely beneficial to fulfilling the mission of AR. We still have demand for print for many of our titles, but it is slowly eroding, and we will at some point move to print on demand. The only downside I see is the perception of the volume as an entity. Readers seeking a particular article in a print volume are much more likely to browse through a volume and come across something that intrigues them than they are to browse an electronic volume. We need to find a way to capture that serendipitous moment of stumbling over a captivating article.

Leaman: Like all publishers, we must balance the evolving expectation of free access to everything, at least among younger scholars, with the need to generate the income needed to cover costs. We support several open access experiments and provide free access to a number of journals and book collections.

But we are limited in our ability to experiment by the fact that we cannot charge author fees in the humanities. There is virtually no institutional money to support this, unlike STM and some social science publications, and research funds generally don't include a publication budget. In this context, it's wrong to ask authors to cover publishing costs. We're watching this closely and may yet adopt this if it becomes generally accepted.

Most of our income comes from online access to publications, so this is essential for us, but we continue to have a strong print publishing program

and expect this to continue for the foreseeable future. It is slowly declining, but membership organizations and many libraries outside North America still prefer print. As long as they do, we'll continue to produce in print format. The general transition from print to electronic format has helped us attract membership organizations, on whose behalf we provide online access for their members. This has helped us grow, even though it has increased the complexity of our accounting work.

Concluding Thoughts From Moderator (Charlie Remy)

I appreciate the panelists' insightful and candid remarks about their organizations in an era of industry consolidation. All three publishers focus on important areas where they're successful and are unlikely to face much direct pressure from large for-profit publishers since the revenue potential is rather limited. Their goals of serving their disciplines via nonprofit missions can perhaps make them more nimble and responsive to industry changes.

Increasing the impact and expanding the audiences of their content is a top priority for these publishers. It's both a financial and mission-driven imperative. They produce high-quality scholarship that can be useful to those beyond higher education in the United States. Expanding audiences to include intellectually curious consumers and scholars abroad could diversify their revenue streams and help them continue to fulfill their missions. Given all the misinformation present on the Internet, carefully vetted scholarship is perhaps more valuable than ever.

It's clear that the author-funded open access model is not a viable one for these publishers. Humanities, interpretive social sciences, and review scholarship are often not grant-funded like the science, technology, engineering, and mathematics (STEM) disciplines, and authors don't have the budgets to pay publication fees. In the case of invitation-only review articles, it would be awkward to ask an author to write one while at the same time demanding they bear the cost to publish it. This OA challenge poses an opportunity for these kinds of publishers to collaborate more closely with libraries and explore alternative funding models. All stakeholders should be encouraged to actively experiment with the goal of achieving long-term financial sustainability. Some financial support may be available from foundations, nongovernmental organizations, and individual philanthropists committed to advancing scholarly communication, but it will likely require a multipronged approach. The current system of academic publishing was created by publishers, libraries, and authors, and any alternatives will require their partnership.

I hope this panel has provided attendees and readers with insight on the current realities at these organizations. Small, nonprofit publishers continue to play a pivotal role in scholarly communications, particularly in non-STEM disciplines. They will likely face more challenges in the future but will hopefully strategically adapt to a constantly changing marketplace and thrive.