

RESEARCH INFORMATION COSTS AT THE UNIVERSITY OF VIRGINIA

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The **Financial Model** and **Collective Planning for Library Costs**

- Library costs are unevenly distributed across disciplines and colleges, and true innovation will often mean that we need new information resources.
- Our financial model assesses much of the cost of library collections to the units that earn tuition and generate research. In principle, that's a fine model, **as long as appropriate feedback loops exist**.
- **They don't**—though we're starting to build them in for new academic programs.
- I need your help in creating systematic opportunities for consultation--between you and me, with your faculty, and with your associate deans, so we can work together to **control costs** that are going up at **several times the rate** that central service costs are supposed to increase, in our financial model.
- I also need the library to be part of planning for new research and teaching, new pan-university centers and institutes, new external collaborations.

The Big Deal

- Through mergers, acquisitions, and growth in new journal titles, [a few global publishing conglomerates now control the majority of academic journal literature](#)
- They sell this literature in multi-title bundles referred to colloquially as “Big Deals”
- The original Big Deal value proposition was electronic access to a publisher’s entire catalog at the price previously paid for a portion, with commitments to a steady rate of price increase
- Libraries shed staff/expertise in selection and accessioning of serials, no longer needed in Big Deal era—part of the “savings”
- Big Deal price growth quickly outstripped both inflation and library budget growth, leading to reduced investments in every other part of library collections.

Publisher **Profit Margins** Rival Apple, Big Pharma

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

An International Struggle to **Liberate** Research

- **The German Front: Projekt Deal** German Universities demanding a new, nationwide deal, German faculty pledge to resign editorial positions in protest if deal isn't struck.
- **The UK: “The Cost of Knowledge” Boycott** Led by Fields Medalist Timothy Gowers, 17,000 scholars worldwide have pledged not to review, edit, or publish in Elsevier journals.
- **Finland: “No Deal, No Review”** Finnish academics threaten to boycott peer review for Elsevier pending better deal for Finnish library consortium FinELib.
- **The US: Harvard’s Warning, and Big Deal Walkaways on the Rise** Harvard Memo 2012; 31 US Libraries have walked away from big journal bundles in the last 5 years.

The Cost of Information at UVA

- Electronic resources make up **over 80%** of our acquisitions budget
- Of that percentage, Elsevier, Wiley, Sage, and Springer-Nature (primarily STEM content) consume **more than half**.
- Their slice of our collections budget has **doubled** in less than a decade – from 21% in 2009 to 43% today.
- Electronic subscriptions consume **100% of our state funding**; all other resources have been acquired using local funds for the past several years, and those funds are not replenishing fast enough to support appropriate collection-building.

Unsustainable Growth

- From **2017-2021**
 - E-licensing costs projected to grow **33%** overall, And there are important research resources that we don't have access to, already
 - Total spend on e-resources will grow **from ~\$8mil to ~\$10.7mil**
 - Elsevier deal alone **grows 16%** over this time, a contractual commitment we cannot change
- At this rate, spend will be **\$14.25mil by 2025, \$19mil by 2029** (more than doubling over ten years).

Ballooning Bundle Commitments Crowd Out:

- Physical collections, books, non-text materials (images, A/V), smaller publishers, independent voices
- New resources to enhance existing research priorities
- New resources to support university research initiatives, centers, and programs (e.g. Global Studies)
- And in the financial model, they would eventually crowd out resources for new faculty, who bring new research interests and directions

Many Dysfunctions in Publishing

- Universities, gov'ts, and grant funders **pay three times** for research:
 - **We pay authors** to conduct research and draft papers, which they transfer *gratis* to publishers
 - **We pay faculty** who volunteer their time to peer-review and edit journal submissions
 - **We pay publishers** for access to the final, published articles, written and edited by our faculty

Information Asymmetry

- The **primary consumer** of these products, the researcher, doesn't pay directly for these resources and has no sense of what they cost, or what tradeoffs and sacrifices are involved in acquiring any particular item
- The **primary purchaser**, the Library, doesn't know enough about how resources are used, which ones are most valuable to researchers, and which trade-offs would be acceptable to users, to make the best decisions about acquisition
- This leaves the Library **unable to challenge publishers' arguments** about the "value" of a big deal, based on publisher "cost-per-use" data and a series of assumptions connecting use to researcher value

We need to **share information** and **build consensus**

- The users of journals need more information about costs and trade-offs across resources, so they can understand (and support) hard choices.
- The Library, in turn, needs more information about how campus communities value and use these resources, so that we can make the right hard choices and, in the negotiation context, be confident of the campus support we need to make credible threats of fundamental changes in our collections, going forward.

If we have to walk away...

- **Breaking up big deals** is possible—31 US libraries have done it in the last five years, usually under budget pressure, and many report positive results
- **Annual savings** in absolute dollars (depending on how a la carte pricing is negotiated)
- **Flexibility** to adapt collections to new priorities, invest in innovative models, new resources
- **Better relationships** and deeper understandings of campus needs

What we need to get started

- Identify **allies and champions** in your schools and departments, especially at the **chair and associate dean** level.
- Empower and support allies to work with the Library in a serious effort to **establish consultative channels and feedback mechanisms** that do not now exist, so that in the future the library's choices are more directly informed by faculty.
- **Help us share information** about deals, tradeoffs, alternative modes of access and the like, working with your communications staff

To Glimpse a Possible Future...

- Check out **CalTech's** site seeking campus input on the value of journal deals: <https://collections.library.caltech.edu/>
- The UC System also has a page highlighting “**Challenges to Licensing with Some Publishers**”:
<http://www.cdlib.org/services/collections/current/challenges.html>
- Ithaka S/R Report: “**Red Light, Green Light**” - on evaluating Library investments, and making those evaluations transparent and useful to campus communities - <https://doi.org/10.18665/sr.304419>