Description

With the growth of the Internet in the 1980s and 90s, academic publishing businesses found it difficult to stay afloat. Newspapers had a difficult time keeping paid subscriptions when the news was readily available on the Internet free of charge. The music industry also felt the crunch after music could be downloaded free, and some small journal publishers faced the same fate. A 1995 article by John R. Hayes in *Forbes* suggested that the big academic publishers of scholarly journals would be wise to heed the writing on the wall (or on the Internet) when it comes to printed articles being replaced by digital formats. Hayes maintained that the cost of subscriptions to the top scholarly journals, paid mainly by libraries, was becoming too prohibitive. Jump to a 2016 article in BloombergView by columnist Justin Fox, who brought up the open-access movement of the early 2000s as yet another challenge to big publishers because it provides a way by which to get around paying them for access to research results and data.Although some of the major publishers are still going strong, some compromises have been made.

Top Publishers

Most early scientific journals were originally owned and run by nonprofit scientific societies to provide research information to as many people as possible; however, in the late 1940s, the "production of and demand for academic research outstripped the capabilities of the scientific societies, and commercial publishers stepped into the breach." Commercial publishers filled a need and continue to reap the benefits even after the onset of free Internet repositories. Some of the world's top publishers, such as Elsevier, Springer Nature, and Wiley-Blackwell, are still going strong.

Elsevier, the largest publisher of academic research, is also the "most profitable division of RELX." In 2015, this industry had an annual income of $25.2 billion, and in 2013, Elsevier alone "had a higher percentage of profit than Apple, Inc." In 2014, Elsevier boasted $684 million in operating income on $2.0 billion in revenue. Springer Nature has an "annual revenue of about $1.75 billion" and John Wiley & Sons had sales of $1.73 billion at the end of its 2016 fiscal year.

Some major book publishers, such as Harvard University Press (HUP), are also finding that printed book sales are down in favor of digital versions, yet they remain strong because of university support. Although HUP offers digital versions of major efforts, such as the Emily Dickinson Archive, “90 percent of its income still comes from selling physical books.”

Who’s Paying?

Most major prestigious journals do not rely on advertising revenue; most comes from subscriptions paid by university libraries, the cost of which is a huge part of a library’s annual budget. For example, an individual pays $145.00 for an annual subscription to the Journal of Financial Economics, part of the RELX group, while a library must pay $4,274.40 for that same subscription, and a library subscription to the New England Journal of Medicine in 2015 was as high as $5,040. These top publishers also bundle titles so that libraries have little choice about where to purchase individual titles. In 2012, journal subscriptions were costing these libraries about 69 percent of their overall budgets.

Although library administrators complained about paying huge sums to access research that was actually financed by their own universities, the large publishing companies continue to attract scholars. One reason might be that the quality of the research must still be certified, and certification “informs hiring and tenure decisions and provides information on the relative quality of university academic departments.” Published papers are also important to those who want to cite others’ works because citations must include the volume and page numbers, something not available in digital versions.

As the smaller publishing companies were bought by major publishers after the onset of open-access publishing, these companies were able to receive monopolize the market and receive even more money from institutional libraries. Not only could they get the universities to “produce their content” (because the researchers are staff), they could require that they then buy it from them after it’s published.

For some, such as RELX’s Journal of Financial Economics, open access has had little effect because their annual subscription payments and fees from anyone accessing the articles continue to roll in. The acceptance rate for these top journals is now only about 6 percent, which doesn’t sit well with writers who depend on publishing in a prestigious journal to further their careers.

Changes in Publisher Business Models

Although many big publishers find it difficult to agree to open access, they also find that it might be prudent to at least take a look at the business model. The National Institutes of Health (NIH) is the “world’s biggest funder of medical research.” Many prestigious journals, such as Science and Cell, would not accept articles that had already been published in a free repository. NIH then fought back by insisting that all those who receive their grants submit their manuscripts after they are accepted by other journals, which they would post in the PubMed repository the following year. Harvard’s Faculty of Arts and Sciences created a similar rule but also gave authors the right to waive the requirement. Although Elsevier and others attempted to block the NIH rules, some publishers are finding a middle ground. Springer has bought BioMed Central and is now the biggest open-access journal publisher in the world.

Other major publishers should consider hopping aboard the open-access train while still seeking high-profit margins. They are, after all, for-profit businesses and there's nothing wrong with making money; however, as open access and free online databases become more accessible to researchers, these large publishers will need to adjust. We might find that authors will, unfortunately, be charged to submit their articles; however, if so, the funding organization would most likely foot the bill to ensure no delay in publishing their research and to get the information out there, which is, ultimately, the goal.

Category

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Date Created
2017/04/26
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