

UK PILOT SITE LICENCE INITIATIVE: IS IT GUIDING LIBRARIES AWAY FROM DISASTER ON THE ROCKS OF PRICE RISES?

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The article examines the impact of the recent HEFCE journal pilot site licence on library budgets. The background to the current journals funding crisis is examined - including the role of government in influencing library budgets. The extent of the impact of cash savings is discussed as is the enhanced access to electronic journals. The outstanding question which cannot be answered, as yet, is whether there will be any long-term benefits from the pilot scheme.



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The single most important influence upon library budgets for the past twenty years has not been government policy but the action of publishers in setting prices for scientific, technical and medical journals. Governments have influenced our budgets. There has been occasional largesse, as when Kenneth Baker while Minister of Education allocated £9 million over three years specifically for university libraries. More consistently government action has led to reductions in the unit of resource, as we are expected to provide for additional students without a corresponding increase in funds. But the actions of government pale into statistical insignificance by comparison with the actions of publishers in raising journal prices. In a perverse way the actions of publishers could be said to have benefited libraries, in that neither the Kenneth Baker grant nor the recent Follett grants would have come our way had it not been for the journal price rise problem. The Kenneth Baker grant was given to university libraries specifically to protect book purchasing in the face of the rape and pillage of book funds caused by meeting higher journal prices. The non-formula funding grants as a result of the Follett Report have a similar purpose, to protect vulnerable special collections in a situation where journal expenditure consumes an ever increasing proportion of university library budgets.

Also in a perverse way I admire publishers for their skill in exerting such influence upon universities. What other group of providers could raise prices by 10% per annum in a low inflation economy and get away with it for so long? If the suppliers of photocopiers or stationery had tried similar tactics, they would have been forced out of business long ago. It is a constant source of amazement to me that publishers have been able to get away with high price rises for so long. In my opinion there are two reasons for the success of publishers. The first is that there is no true competition. Once a publisher secures ownership of a successful title, the price can be raised without fear of competition on that title. Journal publishing is different from monograph publishing in that respect, except for successive editions of the same monograph title, for which there may also be a secure market. The second reason for publishers' success in raising

journal prices is that they have been aided and abetted by academics and by the educational establishment. Not consciously, of course, but through the regular supply of articles submitted for publication. If academics stopped submitting articles for publication, even the most enterprising journal publisher would face bankruptcy and would certainly not be able to raise prices at will.

Although one might express admiration for publishers who have been able to get away with high price rises for so long, such admiration is tempered by what is happening in university libraries as a result of those price rises. The title of this paper in referring to 'disaster' is, of course, deliberately provocative. University libraries will not close their doors for good as a result of high journal prices, but they may close their doors earlier in the evening than they would wish because money for staffing is being diverted into the journals budget. In addition, they may allow the paper in nineteenth and twentieth books to rot away because the money they would have allocated to conservation is needed to pay for price rises in journals. The University College London (UCL) binding budget has been cut from £90,000 in the current financial year to nil in the next financial year. Why? Because the £90,000 is needed to meet an anticipated 10% rise in journal subscriptions in 1997. When the 1996/97 budget was discussed with the College administration, surprise was expressed that the additional sum requested represented no improvement in library services. Why? Because people still find it difficult to understand that libraries are running to stand still, driven on by the apparently inexorable rise in prices. So, although 'disaster' may be too strong a word, journal price rises are still changing the nature of the services provided by university libraries.

What is the answer? Publishers, of course, may not wish us to find an answer, but I know that many people involved in the serials industry realise that the present journal price rises cannot continue. Indeed some parts of the publishing industry are suffering as a result of the success of the journal publishers. Even the publishers of the most successful journal titles are vulnerable to changes in scholarly communication. The revolution in authors' methods of composition -

and 'revolution' is not too strong a word to describe the move from typewriters to PC - leave publishers far more vulnerable than they ever have been to self-publication. All participants in the scholarly communication process value peer review, but if the price of peer review is ever-increasing journal prices even authors may not think it worth the price. Moreover, although it may be perceived that publishers have been aided and abetted by the educational establishment, there is now a greater realisation of the damage caused to scholarly communication by high journal prices. The academics who sit on editorial boards are more willing to ask about pricing policy and now see the relationship between increasing the size of journals and the cancellations of subscriptions in their own university library budgets. The senior academics who have supported learned society publishers in raising journal prices in order to further the work of the learned society are now seeing the long-term effect of that policy. Even the funding councils are realising that the research selectivity process, with its pressure to publish, is not necessarily raising the quality of research.

This greater awareness of the damage to scholarly communication, caused by the increasing quantity of publication leading to higher journal prices, has led to a number of initiatives to influence journal prices. The first initiative came from the UK Government as long ago as 1987, and that was the special grant of £9 million referred to earlier, which was intended to counteract the bad effects of journal price rises upon library budgets. However, this approach was like pouring petrol upon the flames of a fire; making more money available added to the inflationary pressures. Prices continued to rise, because the basic structure of scholarly communication remained unchanged. In the meantime the Association of Research Libraries in the United States conducted excellent research on the price rise phenomenon, and attempted to control it through the "firm prices" initiative, but still prices continued to rise. Then came the Follett Report, which seemed to point to the development of electronic journals as a solution to the price rise problem. There is a school of thought which argues that electronic journals should be capable of being produced at lower

prices, but the new Follett journals are coming on stream too slowly and in too minor a way to have any influence upon the prices of established journals which are already being marketed in electronic format in a substantial way. The prices of the electronic versions of those established journals will have a far greater effect upon future journal prices than the new journals sponsored as a result of the Follett Report. Some publishers are adopting sensible pricing policies on electronic journals, others are not. 'Sensible' does not necessarily mean 'lower', because electronic journals may give better value for money, but it is to be hoped that the publishing industry will listen to librarians' views on the pricing of electronic journals, because some publishers are facing the danger of pricing themselves out of the market and even well-established titles may not survive.

At the time that the Follett report was published, little attention was paid to the proposal for a national site licence, like that now being discussed. Librarians have given a cautious welcome to the pilot site licence initiative. We do welcome it as a serious attempt by some of the key players in scholarly communication to reduce our costs and enable us to provide a better service to users of academic libraries. Librarians alone can make very little difference to the process of scholarly communication, but librarians working with the funding councils and publishers may be able to achieve a great deal. The pilot site licence is welcome firstly because it is an initiative based upon partnership rather than conflict between some of the key players. There is a feeling amongst some librarians that they were not consulted in the process of devising the site licence arrangements, and I urge the funding councils to take note of that feeling if they wish to see the maximum benefit being derived from the pilot licence. We have to work together on this important initiative, but already the initiative has generated considerable cooperation. There have been many meetings with publishers in the past, but the national site licence represents the first occasion to my knowledge that publishers have been willing to agree a pricing policy with some of their major customers. In the past pricing policy has been a matter publishers have not been willing to discuss with the academic community.

It is encouraging that as soon as pricing policy is discussed, the old atmosphere of confrontation is replaced by collaboration. We are working together on an initiative which we hope will benefit us all.

A second reason for librarians to welcome the pilot initiative is that it is saving us real cash in the current financial year. At UCL, for example, we estimate that the site licence arrangements will save us £27,000 this year, that is around 25% of the increase in journal prices we shall have to meet this year. It is important to note that the national site licence is not reducing journal prices this year but slowing the rate of increase. The savings for each library will vary according to the selection of titles to which they subscribe, but from conversations with other librarians it would appear that the UCL savings are not untypical. What we do not know is how much the funding councils are contributing to the initiative to enable these savings to be made on individual library budgets. The funding councils are very aware of the need to evaluate the costs and benefits of this initiative to the higher education sector as a whole. In principle we know that national funding of such an initiative can produce overall benefits which no university acting alone could achieve, but we must reserve judgement on the long-term costs and benefits until we have more experience of the pilot. Presumably the publishers involved in the site licence initiative are in a similar position of uncertainty about the long-term costs and benefits, and it is to their credit that they had the courage to participate in this pilot study. They are taking a financial risk, but on the other hand they are building up goodwill with the academic community.

Librarians have never looked only at the cost of the publications they buy. We also look at benefits to the users of libraries and a further reason for librarians to welcome this initiative is that it has the potential to increase the flow of information to our users. That flow of information is in serious danger of being choked by the rise in journal prices. Librarians do not enjoy the cancellation of journals. It is in our nature to make more information available to users rather than less, and some librarians are feeling that due to consistent high price rises they no longer have a library worthy of the name. The

pilot site licence gives a glimmer of hope that the depressing cycle of price rises followed by cancellations can be broken. There is also hope that the national site licence will increase dramatically the amount of text available to our users in electronic format. This, in my experience, has been the main interest from academic staff in the site licence arrangement. They want electronic access to the full-text of journals as soon as possible. Publishers have done a good job in marketing electronic access, so good in fact that academics are expecting the service to be there before either the publishers or librarians are able to offer it to them. The national site licence initiative is very important in this development, in that the electronic system must be easy to use. There is a direct relationship between ease of use and level of use. In a traditional library, if you ask everybody entering the library on every occasion they enter to sign a document agreeing to abide by the library regulations, many will not think it worth the hassle to return again. The more barriers we place between users and information, the less information is used. In the context of electronic publications a key factor is the existence of a blanket site licence. We know from experience of the BIDS services that blanket site licences cause use to rise; asking end-users to sign individual agreements or make individual payment causes use to fall. That is a simple fact which the funding councils and the publishers have incorporated in the pilot arrangements, and librarians welcome that recognition of reality.

The cautiousness in librarians' welcome for the pilot site licence initiative arises from uncertainty about the long-term benefits of the arrangements. Many of us have watched the rise in journal prices for so long that perhaps we have become cynical about any attempt to solve the problem which does not dig into the root of the problem. Journal prices have risen because academics have been under pressure to publish in traditional journals. The site licence initiative does nothing to address that problem. Perhaps only a radical re-structuring of the scholarly communication process will halt the rise in journal prices. If universities in North America and Europe were to agree that research assessment would be based upon publication in databases managed by the

universities themselves, the price of traditional journals would fall. We all know that such collective action by the universities is not likely, although it is becoming more likely year by year. It may be that radical changes will be brought about by the publishing industry rather than by universities. It may be that the seeds of revolution are already growing in the publishing industry, in the minds of accountants who press for many titles to be stopped because the level of cancellations no longer makes them commercially attractive. Whether universities change their attitude to research publication or not, it may be that change will be forced upon them as many journal titles cease publication. But the point today is that the pilot site licence initiative neither encourages nor hinders such radical changes in scholarly communication. It is an attempt to remedy one of the problems with the current system, rather than change the system itself. The danger is that the tacit acceptance of the 'status quo' in scholarly communication will tear the national site licence apart through the tensions hidden beneath the surface of the arrangements. Take, for example, the arrangements, or rather lack of any arrangements for digitised copying. The site licences the funding councils have negotiated deliberately make no allowance for the supply of an electronic copy of a journal article made from another electronic copy. I can understand that agreement on this issue would have been very difficult to achieve, but to say that digitised copying is not covered in the agreement and therefore it cannot happen is not realistic. There is a need for users to receive copies of journal articles in electronic format which have been made from other electronic copies, and it will happen. What we all want is for it to happen legally, and in a controlled way. A national site licence which by-passes such issues runs the risk of being by-passed itself. The difficulties and tensions inherent in the issue of digitised copying have to be faced, or the present structure of scholarly communication will be torn apart by the needs of users of information.

So the question in the title of this paper must remain a question, and will probably remain so for at least one year, probably two years. By the third year of the pilot we should certainly have a clear view of the success or failure of the initiative

as a result of the evaluation exercise being commissioned by the funding councils. By that time we may be witnessing more fundamental changes in scholarly communication, but it is my hope that at the UK Serials Group in two or three years' time I or another librarian will be able to report that the national site licence initiative has been of benefit not only in reducing the damage caused by the high price rises we have experienced for so many years, but also in helping the academic community to gain access to

more of the information it needs. To follow the maritime analogy in the title of this paper, libraries have been blown off-course by the winds of high price rises, some libraries blown dangerously close to the rocks of disaster. Librarians are not completely masters of their own destiny. They need a pilot to lead them into calmer pricing waters, so that they can ply their trade peacefully to the benefit of the academic community. I hope the pilot site licence initiative will be the pilot we need.