

UK PILOT SITE LICENCE INITIATIVE: A PROGRESS REPORT

PSLI Evaluation Team

This paper has been written by the Evaluation Team to describe progress on the Initiative at the end of 1996. Its contents have been approved by HEFCE Policy Branch, which has taken on the responsibility for managing the evaluation of the pilot.

The paper has four elements:

- the origins of the Initiative*
- a summary of the present position in HEIs*
- * related developments in the academic journals field*
- * some thoughts about the next steps.*

The Evaluation Team is lead by John Fielden, Commonwealth Higher Education Management Service (CHEMS), 36 Gordon Square, London WC1H 0PF; e-mail: chems.acu@ucl.ac.uk

Origins of the initiative

The Initiative was developed by HEFCE (on behalf of all the UK Funding Councils) in 1995 with the overall aim of breaking the journal price spiral and getting better value for money from scholarly journals. Since HEIs' library budgets were largely fixed, it was hoped to obtain more information for the same cost. Related objectives were to widen the access of university users to journals in the project, to test the site licence concept, to explore legal models for such a licence and to get more flexibility in the use of scholarly material.

In May/June 1995 65 publishers (with at least 35 journals on their list) were invited to participate in the national scheme. The four who were selected and with whom agreements were eventually signed are: Institute of Physics Publishing (IOPP); Blackwell Publishers; Blackwell Science, and Academic Press. The two Blackwell's companies have signed a joint agreement and are, for the purposes of the pilot, referred to as one group.

The basic arrangement was that the publishers would enter into an agreement with HEFCE under which they would make their journals available on special discount terms, on a site licence basis to all HEIs in the UK that wished to join in the scheme. Unlimited copying of paper versions was allowed on all sites of the university, as well as access to electronic versions of the journals when they became available. In return HEFCE paid over a lump sum to the publisher.

Each publisher offered a different package to HEFCE. The discount rates offered on paper subscriptions varied according to their business strategy: Academic Press gave a 40% reduction; Blackwells matched this, but on a shorter list, while IOPP offered a 30% cut. As regards electronic supply, one publisher was willing to allow the HEI unlimited access to all its electronic journals whether or not it subscribed to them; another only let HEIs get at electronic versions if they had paper subscriptions. A third publisher asked each HEI to sign a separate electronic licence, in return for which they could get all electronic journals belonging to the publisher.

Two agreements with the funding councils were signed in December 1995 and January 1996 and the third in mid-1996. Each agreement called for an annual renegotiation which duly

happened in September 1996 in time for the HEIs to know of any changes in the terms before orders were placed for 1997. The purpose of the annual renegotiation is to take account of changes in the year in HEIs and in the numbers of journals made available by the publishers.

Summary of the present position in HEIs

The evaluation team has circulated a simple questionnaire to SCONUL and HCLRG members. This section is based on the answers from 83 institutions and conversations with many library staff involved in the Initiative.

One crucial finding from the survey is that the take up of the Initiative has been almost 100%. Most HEIs have joined it because they expected both to save money and to get access to more journals.

There have been no difficulties with the supply of traditional paper subscriptions which have been provided through the traditional routes (including subscription agents), but the publishers have not yet been able to provide all the electronic versions. IOPP has been the most visible. Use of its own server and its close links with the physics community has led to some significant use being made. The two Blackwell's publishers have made the least progress, since Blackwell's Science journals only became available on November 4th via Journals Online, based at BIDS, while those from Blackwell's Publishers will be available gradually during 1997. Academic Press has 174 electronic offerings which were accessible in March 1996.

Libraries have been able to identify the savings from the discounts on the paper subscriptions. These range from a high of £40,000 to a low of £358. This represents a tiny proportion of most libraries' serials budget, but any saving is extremely welcome. It is being used for a variety of purposes: to avoid cancelling other journals or to take out new subscriptions.

It is far too early to say what other savings have been achieved although there will be a reduced use of the CLA's CLARCS service and a similar reduction in document supply charges from the BLDSC. Both these costs will no longer fall on the library or departmental budgets.

The other big questions which cannot yet be answered relate to the volume and type of usage. The evaluation is asking universities to hold focus group meetings with academic staff and students to find out what use they are making of the journals and is also obtaining computer access statistics from the publishers, where relevant. Another factor is the necessary extra costs incurred in purchasing software or technical staff time to obtain access to the electronic versions.

General reactions to the Initiative from academic communities are positive. The initial questionnaire gained responses such as: "user feedback already indicates it is worthwhile"; "we have access to more serials for less money, for very little effort - does that sound like a good deal?", and "it has already been well received by users".

One concern which is emerging and which will become a major issue for the future is that of ease of access. Journal readers obviously know the name of the journals they like to access, but do not always know the names of the journals' publishers. Indeed, titles are often traded and switch ownership. Thus, an access system which expects the reader to know that Journal A is offered by Blackwell Science on BIDS with password ST34Y and Journal B by Academic Press on BIDS with password 446ABC is not hugely user friendly. It is clearly not realistic to extend this system of access to a much larger number of publishers. Readers are saying that they want one single access point to all electronic journals.

Related developments in the academic journals field

The evaluation team has been consulting widely with publishers in the UK and the USA not involved in the initiative, with representative bodies and with national agencies or groups running other initiatives in the area of electronic information provision. However, guessing the future at present is a difficult task. In a recent report for the UK Serials Group and JISC/ISSC David Brown has described the world of scholarly information as "a volatile business sector matched only by the rate of change increasingly evident in the new electronic

projects being conceived and launched by a panoply of organisations".

The total value of the purchases of UK academic journals by HEIs is of the order of £26 million and this represents, to most UK publishers, about 10% of their total revenues from academic journal publishing. This is a large enough market for them to be concerned about any reduction in journal sales, but not of enough value to justify allocating significant commercial technical and legal resources to any scheme that does not have quantifiable short and long term benefits, including the use of the site licence agreements in other markets.

Since 1995 all the publishers visited have become much more involved in electronic delivery. A pattern seems to have emerged, in that 1996 has been a year of technical development and experimentation with forms of delivery, while 1997 is a year of pilot operation. The UK publishers interviewed all hope that in 1998 there will be a more stable situation in which clear pricing policies have been established for electronic supply and delivery methods have become rationalised. They would, therefore, like the future of the Site Licence Initiative to become known during 1997, so that they can fix their policies for 1998 against a more certain background.

As the range of electronic delivery options increases, many publishers wish to improve their direct contacts with university customers. This would enable them to spot emerging trends in the demand for electronic access to journal titles and to specific papers, so that they can reflect this in the choice of delivery technology or channel and subscription package. Many publishers were concerned that a national site licence would reduce their ability to do this. Others felt that the resources involved in direct contacts with HEIs could not be justified and that a national site licence would offer administrative benefits. These divergent views arise because of the very heterogeneous nature of the journal publishing industry, ranging from companies the size of Elsevier and John Wiley & Sons to small learned societies with only one or two journal titles.

An area of great uncertainty for publishers is that of arranging electronic access to their

journals. Some started to develop delivery models based on readers accessing the publishers' own servers. Others have sought to find space on data centres widely available to the academic community such as BIDS at the University of Bath. During 1996 a third option has emerged with the arrival on the scene of a hosting services offered by subscription agents. The advent of the Site Licence caused them a loss in revenue, since their commission income from subscriptions was affected by the discounts offered by publishers. Schemes of this kind such as Blackwells *Navigator* or Swets *Swetnet* provide publishers with a marketing and delivery service which offers users a one password access to a wide range of journals. However, they do not yet include site licences and restrict access to subscribers only. It seems likely during 1997 that all four major subscription agents will be providing services of this kind to publishers.

Three issues of concern to publishers remain to be resolved:

- * pricing policies for electronic journals. There is no consistency at present, given the high degree of experimentation. No standard has yet emerged for electronic only pricing nor for a combined package of print and electronic supply,
- * the implications of paying VAT on electronic supply of academic journals are considerable, although there have already been cases where VAT has been paid. When paper and electronic journals are sold together, the composite supply is held to be zero rated where paper is the dominant element,
- * archiving policies by publishers and access by users to electronic journals to which they have subscribed are both areas of uncertainty. They might be helped by a national decision on an electronic archive of last resort, but this seems unlikely to happen.

During 1997 it is likely that other electronic site licence contracts will be negotiated between publishers and HEFCE's Committee for Electronic Information (CEI) acting for the academic community. These may use the

services of CHEST to negotiate access to the publishers' material through a designated national data centre.

In 1997 lessons will be learnt from some of the eLib projects which relate to the supply of electronic journals. For example, the SuperJournal project has grouped journal articles from different publishers into subject clusters and is arranging access to these clusters. This may act as a model for the subscription agents to follow in the design and delivery of their hosting services.

Purchasing consortia are a growing force in the serials market and they should not be disregarded as a player in future. The Southern Universities Consortium has renegotiated a contract with subscription agents on its members' behalf and has saved a very considerable sum by switching from one agent to another.

Next steps

The evaluation team produced a report for HEFCE at the end of February 1997 which will be published shortly. Phase I of the evaluation had four purposes:

- * to provide an appraisal of the initial set-up of the Initiative
- * to provide a formative evaluation so as to contribute to improvement of the pilot in 1997
- * to make an initial assessment of the performance of the pilot against its objectives

- * to draw conclusions on the future conduct of the pilot and how it might be taken over by an HE owned vehicle.

HEFCE staff and members of the evaluation team have held very informal exploratory discussions with representatives of some organisations that might be involved in any future version of a national site licence scheme. At this stage even the models and options are unclear, although one can define the possible functions which an agency could embrace:

- * negotiation and administration of a site licence for paper subscriptions
- * negotiation of a site licence for electronic subscriptions (with and without paper)
- * management of the access and delivery systems
- * monitoring and reporting on the scheme.

A question to be answered is whether a national body should be in the business of providing, or channelling publishers to, electronic delivery systems. HEFCE has stayed firmly out of this function in the past. A mass of alternative options is emerging, (through publishers' own servers, through BIDS, other national data centres and through subscription agents), even though the users' strongest plea is for one simple gateway to all electronic journals. One hopes that the glut of options in 1997 will be a temporary phase until clear market leaders emerge. However, one option is for a central body to use its negotiating clout to force beneficiaries from a site licence to use national data centres for their electronic materials.