

# ELECTRONIC JOURNALS IN THE CORPORATE ENVIRONMENT

*Martin White*

Paper presented at the UKSG/TFPL seminar: Journals in the corporate environment, London, November 1998

*How are different types of publisher reacting to the needs of the corporate environment? What is the impact on librarians concerned with acquisitions?*

## **Introduction**

I will soon celebrate thirty years in the information business, and count myself fortunate that never has there been such a recognition of the value of information, and of the profits that can be gained from satisfying that demand. The share prices of the so-called Internet stocks are an indicator of that, no matter how much pundits feel that the prices are not related to any fundamentals. The last three years have been marked by changes that have shaken all the models of publishing to an extent greater than probably all the others I have experienced over the last three decades, and these are the Internet, intranets, and electronic journals. In this conference the near-simultaneous impact of these three developments are being examined for the first time. There have certainly been other conferences on electronic journals, on intranets, and on the Internet, but this is the first conference to examine the opportunities and issues arising from the delivery of electronic journals over the Internet to intranets.

The timing is right. The UK has been in the forefront of developing networked access to electronic journals in the academic sector through the Pilot Site Licence Initiative, has experience of consortium purchasing, and also provides a corporate home to many of the world's leading STM publishers. There is also a wealth of expertise in research into information science, electronic publishing, digital libraries and related areas, notably through the eLib programme. However, the focus of much of the research, and the marketing efforts of publishers and subscription agents has been to meeting the needs of the academic sector. This is not surprising given the value of this market.

The UK is also home to the research laboratories of the major pharmaceutical and chemical companies, and also to research into biochemistry, computer science and both pure and applied physics. These laboratories have also been in the forefront of using intranets

*Martin White is Principal Consultant, TFPL Ltd, 17-18 Britton Street, London EC1M 5NQ  
E-mail: martin.white@tfpl.com*

to exchange information and knowledge. The corporate libraries have also been an important market for STM publishers, but the value is probably only 10% of their total market, and often less. At a time when profits in the academic sector are under considerable pressure from cutbacks in research funding and also from the discounts that consortia purchasing has been able to achieve, publishers started to pay more attention to the apparently wealthier corporate market, and found that the requirements of this market were substantially different.

This conference has its origins in a study that Jerry Cowhig, the Managing Director of Institute of Physics Publishing commissioned in early 1998 from TFPL to assist in quantifying the corporate market for IOPP journals in Europe and the USA. Talking to corporate librarians among TFPL's clients soon revealed that all was not well in the extent to which librarians and publishers understood each other's business environment, and the extent of this knowledge gap was made very clear at a meeting of the Pharma Documentation Ring that took place in May 1998. This meeting was set up specifically to look at the issues of managing electronic journals in the corporate environment. Although I was not totally surprised by the stories told about lack of understanding by publishers of the corporate sector, I was surprised by the equal lack of understanding by some librarians about the business of publishing. There clearly needed to be an opportunity for both sides to meet and exchange views, and for subscription agents to be included in the discussion, and I was very pleased when the UK Serials Group agreed to work with TFPL in developing the programme for this seminar, held in November 1998. Some of the papers are published in this issue.

My opening paper was designed to set the scene, and act as a warm-up to a distinguished array of speakers. I have recast the paper for publication, partially to be able to emphasise some of the issues that did not get discussed in depth on the day. In doing so I have tried to set out some of the issues, but not to develop solutions.

#### **A publishing perspective**

There is arguably no such thing as a 'typical' STM publisher, and therein lies the source of many of

the misunderstandings that currently handicap the development of solutions. Among the main sub-divisions are:

- Some large commercial publishers with at least a 100 titles. The obvious examples are Elsevier, Wiley, and now Taylor & Francis, and there are relatively few of these companies.
- University presses, whose primary role is to provide a publishing vehicle for their own academic community. Some of these are very large publishing operations, such as Oxford University Press and Cambridge University Press in the UK, and a substantial number in the USA and in continental Europe.
- Large professional societies, some with their own press operations, but others who publish through commercial publishers such as Blackwell Science. There are numerous examples, but the IEEE, the ACS and IOPP will suffice.
- Smaller professional societies, where the emphasis is more on publishing as a service to their members than being in the commercial publishing business.
- A very large number of small publishing companies with anything from one to a dozen titles, often in a niche sector of the market.

I am well aware there are many other categories, such as Macmillan with Nature as a flagship title, but the point I want to make here is that the ability of a publisher to develop new titles, especially new electronic services, cannot be generalised from the approach taken by a company of the size of Elsevier. Based on some industry figures that David Brown developed in 1996 for his report for JISC *The Future of Electronic Information Intermediaries*<sup>1</sup> the average number of titles per publisher is two!

Publishers are not having an easy time of it at present. They serve global markets, so need to continue to supply printed issues, and many are still in the process of developing the marking up of text files to give a fully machine-readable file of the entire article, including graphics and other non-text material. At the Pharma Documentation Ring conference referred to above, Arnoud de Kemp told the delegates that Springer worked with around 100 different composers and

printers, each with their own variants of mark-up language. Not only are they finding budgets decreasing, or at best static, but their authors are now seeking different contract arrangements over electronic rights to their articles. It is not realistic to expect a publisher to sit down and create a different contract with every author, as Karen Hunter (Elsevier North America) pointed out to the 1998 Charleston Conference. Another trend that is of concern to publishers is the increasing demand for a 'pay-as-you-use' single copy pricing option. Implementing this on a large scale would have significant impacts on the way in which publishers are able to fund their business operations from up-front subscription payments.

### Serials acquisition

If you are starting to feel sorry for publishers, then also spare a thought for another group of professionals whose life has been changed beyond all recognition by electronic journals, and that is the serials acquisition librarian. I will not go into all the details here as there is a quite excellent paper by Ellen Duranceau, of MIT, (<http://web.mit.edu/waynej/www/duranceau.htm>) which sets out the problems very clearly. At the heart of the problem is the amount of time that it takes to make the decision to purchase an electronic journal because of the need to consult with faculty members, IT departments, legal departments, and library staff, and to do so in a cyclic process that is not only costly in time and staff resources, but is no longer under the direct control of the library.

At least academic libraries do have staff that specialise in serials acquisition. This leads me to the main subject of the paper and that is the differences between corporate and academic libraries.

### The corporate perspective

The requirements of corporate libraries as far as serials subscriptions are concerned are set initially by research projects, and subsequently by marketing plans. The other major factor is that most companies (even TFPL!) have locations in more than one country.

As a result the main requirements are:

- A global contract, but not necessarily for all

corporate sites, as many may be sales offices or small manufacturing and/or packing sites. As a result any licence that insists on a defined physical site is going to be unacceptable.

- Flexible short term contracts which reflect the fact that projects come and go on a very unpredictable basis, unlike the much longer term focus of an academic department. Another outcome of this very focused research effort is that access to clusters of journals is very important. Ideally many corporate libraries would like to be able to swap between titles from the same publisher with no penalty.
  - The ability to re-use articles that have been authored by company staff in support of marketing and educational campaigns. This is a 'multiple use' scenario that is almost unique to the corporate sector and it is only very recently that some publishers have started to take a more open view on this requirement.
  - The management of serials acquisition is rarely a full-time position even in the largest companies. This means that the role of the subscription agent is especially important. A company may also be using more than one agent, even in the same country, often as a result of an acquisition. Another issue here is the need for clarity about the equivalence of print and electronic versions of the same title.
  - Delivery has to be over an intranet, with implications for pricing, and access for individual users. Password management is not something that any librarian wants to get involved with. Nor do they have the time or skills to sort out network and systems interface problems caused by the firewalls, that have been erected by IT departments around intranets to keep out hackers, and in so doing keep out information services as well.
- Among the areas of commonality with the academic sector are considerable concerns about access to archives of electronic journals, the provision of transaction logs from publishers to assist in understanding usage, and the requirement to have access to clusters of journals covering defined areas of research.

### **In conclusion**

There is one more important point to be made, and that is that the corporate sector does not have access to unlimited funds, and indeed the last few years have seen many mergers in order to reduce costs, especially of research and development of new drugs. Publishers will not be able to make up their diminishing profit margins from the academic sector by raiding the corporate purse.

We are facing the end of a long period of linearity in STM publishing. The issues of the exchange of scientific knowledge, the benefits of innovative technologies, the business strategies of publishers, developments in intellectual property

legislation, and the roles and skills of all involved in the dissemination of knowledge are now converging very rapidly. The presentations and discussions at the seminar started what I feel is a much needed exchange on issues and requirements between corporate users, publishers and intermediaries. However, this effort will be wasted unless the dialogue is continued.

### **Reference**

1. Brown, D.J., *The Future of Electronic Information Intermediaries: a survey undertaken by DJB Associates*. UKSG, 1996.