

UC and Elsevier

A blueprint for publisher negotiations

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CNI April 8 2019

UC's Elsevier negotiation

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@jmmason

Our (public) goals

Office of Scholarly Communication

University of California



The screenshot shows a website header with a dark blue navigation bar containing links for Home, Open Access @ UC (with a dropdown arrow), Open Data, Guides for Authors (with a dropdown arrow), and UC OSC Blog. Below the header is a light gray sidebar with a vertical list of links: Home, Open Access @ UC, Publisher Negotiations, and UC and Elsevier. The main content area features a blog post titled 'Championing Change in Journal Negotiations' by admin, dated June 21, 2018.

- Cost reduction
- Default OA publication for all UC corresponding-authored articles
- Transformative agreement that integrates publishing and reading with offsetting

Negotiations: UC's final proposal

Cost-neutral with discounted APCs (\$12M total UC payment)

Default 100% OA

Multi-payer:

- * Library \$1000 + author research funding
- * **OR** Library pays all if author unfunded
- * **OR** author opts out of OA

Negotiations progress



After 6 months not addressing publish-and-read, ELS in January offered an integrated contract

Agreed to support multi-payer workflow

Elsevier Jan 31 offer

Integrated, but 100% OA would raise payment 80%
(\$30M over 3 yrs)

No OA for Cell, Lancet or many (> 400?) society journals

Forego perpetual access to many journals

No workflow support for Library to cover unfunded
authors



Some willingness to move on last 3, but \$\$ gap huge

Negotiations: July 2018 - Feb 2019

Today

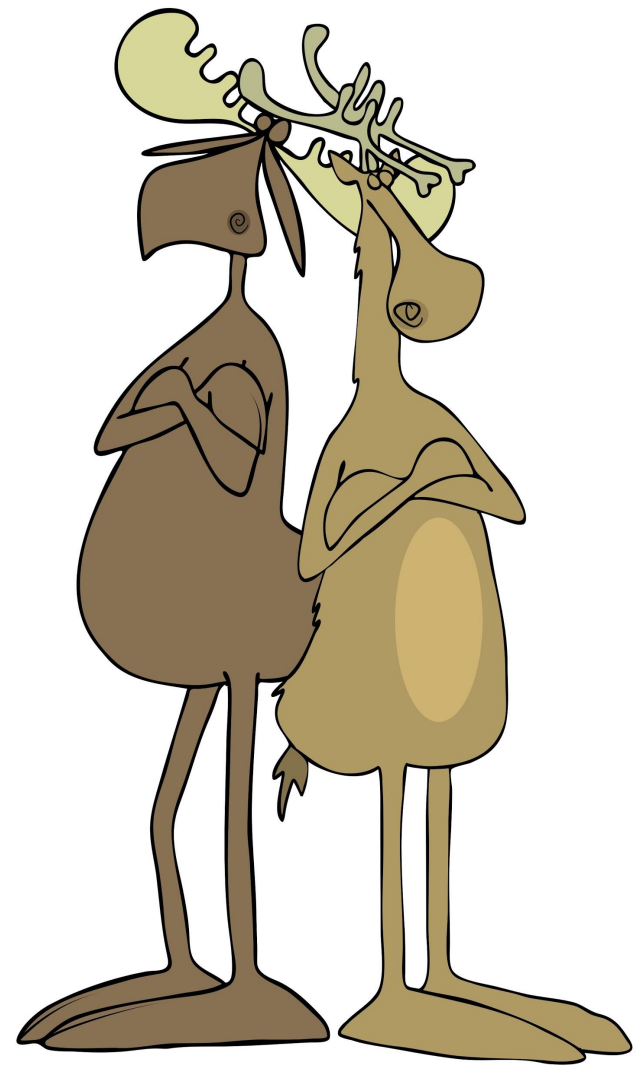
No contract since 31 Dec 2018

Negotiations terminated 28 Feb 2019

Access not yet terminated

Alternative access prepared, on stand-by

Negotiations: July 2018 - Feb 2019



UC's coalition

Jeff MacKie-Mason

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Public support statements

Faculty Senate

UC President

UC Provost's Library advisory committee

Council of University Librarians

The UC coalition



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University of California
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February 28, 2019

University of California Academic Council Statement on the University's Negotiations with Elsevier Publishing

The Academic Council of the Academic Senate of the University of California (UC), hereby signals its collective and resolute commitment to support UC's negotiating position with Elsevier in order to advance UC's mission as a public institution, make the products of our research and scholarship as freely and widely available as possible, and ensure that UC spends taxpayer money in the most ethically, morally, and socially-responsible way when entering into agreements with commercial publishers.

Background

The University of California has been negotiating with Elsevier, the largest commercial publisher of scholarly journals. As part of the [current negotiations](#), UC has been seeking sustainable cost controls as well as a novel transformative agreement in which our Elsevier authors would retain their copyrights, their articles would become completely and immediately open access, and the payments for open access publishing would offset our Elsevier subscription expenditures. By design, such a transformative agreement would be transitional and accelerate a shift to full open access for all our Elsevier authors within a very few years. Most significantly, a successful agreement would align closely with the mission of the University to provide "*long-term societal benefits through transmitting advanced knowledge, discovering new knowledge, and functioning as an active working repository of organized knowledge.*"

At the present time, UC and Elsevier have reached an impasse in their negotiations and our contract has lapsed. Nonetheless, the Academic Council of the Academic Senate stands firm in its conviction that a comprehensive transformative agreement that covers all Elsevier titles is required to achieve the aspirations embodied in the Academic Senate's [Open Access Policy](#), and articulated by the University Committee on Library and Scholarly Communication (UCOLASC) in its [Declaration of Rights and Principles](#), and by the Systemwide Library and Scholarly Information Committee (SLASIAC) in its [Call to Action](#). We support the unified strategies of the UC libraries to ameliorate the negative effects of the impasse on faculty, researchers, and students, and applaud their efforts to closely monitor alternative access along with the impacts it may have on research and teaching.

We ask all publishers to work with UC in good faith to meet our short- and long-term goals for transforming scholarly communication, and we encourage our faculty to weigh these goals when deciding where to send their work for publication, when agreeing to review manuscripts, or when performing editorial duties. Moreover, we urge all UC authors to utilize our [open access policies](#) to make their final pre-publication manuscripts publicly and immediately accessible in our [institutional repository](#).

Public support statements

[Faculty Senate](#)

[UC President](#)

[UC Provost's Library advisory committee](#)

[Council of University Librarians](#)

The screenshot shows the top navigation bar of the University of California website, including the logo and menu items like NEWS, PRIORITIES, UC SYSTEM, and Admissions. Below the navigation is a breadcrumb trail: News > Press Room > UC terminates subscriptions with world's largest scientific publisher in push for open access to publicly funded research. The main heading of the article is "UC terminates subscriptions with world's largest scientific publisher in push for open access to publicly funded research". The article is dated Thursday, February 28, 2019, and is attributed to the UC Office of the President. The text of the article discusses the university's decision to not renew its subscriptions with Elsevier due to the publisher's unwillingness to meet the university's goal of securing universal open access to research while containing costs.

UNIVERSITY OF CALIFORNIA

Admissions

NEWS ▾ PRIORITIES ▾ UC SYSTEM ▾ SU

News > Press Room > UC terminates subscriptions with world's largest scientific publisher in push for open access to publicly funded research

Press Room

CATEGORIES

- All News >
- Research >
- Health >
- Arts & Humanities >
- Students & Alumni >
- Faculty & Staff >
- Administration >

Video >

UC in the News >

Press Room >

UC terminates subscriptions with world's largest scientific publisher in push for open access to publicly funded research

UC Office of the President
Thursday, February 28, 2019

As a leader in the global movement toward open access to publicly funded research, the University of California is taking a firm stand by deciding not to renew its subscriptions with Elsevier. Despite months of contract negotiations, Elsevier was unwilling to meet UC's key goal: securing universal open access to UC research while containing the rapidly escalating costs associated with for-profit journals.

In negotiating with Elsevier, UC aimed to accelerate the pace of scientific discovery by ensuring that research produced by UC's 10 campuses — which accounts for nearly 10 percent of all U.S. publishing output — would be immediately available to the world, without cost to the reader. Under Elsevier's proposed terms, the publisher would have charged UC authors large publishing

The UC coalition

Public support statements

Faculty Senate

UC President

UC Provost's Library advisory committee

Council of University Librarians

The UC coalition

Negotiating Journal Agreements at UC: A Call to Action

June 2018

*Issued by the UC Systemwide Library And Scholarly Information Advisory Committee
Endorsed by the UC Council of University Librarians
Endorsed by the UC Academic Senate University Committee On Library And Scholarly Communication*

As the University of California Libraries plan for journal renewal negotiations in 2018 and beyond, UC faces dual imperatives in its approach to acquiring scholarly content:

- The urgent need to reduce costs to levels that the University can sustain; and
- The desire to transform research production and dissemination in order to make research outputs openly accessible—leveraging the power of digital networks, accelerating beneficial research outcomes, and making the fruits of academic research more trustworthy and more widely available to all who may benefit for the good of society.

We believe the time has come to address these issues head-on through a combined strategy that places the need to reduce the University's expenditures for academic journal subscriptions in the service of the larger goal of transforming journal publishing to open access. Through our renewal negotiations with publishers, we will pursue this goal along two complementary paths: by reducing our subscription expenditures, and investing in open access support.

Such an undertaking will be neither easy nor without short-term pain for the University, its faculty and students. However, even if we were able to maintain all of our current subscriptions, the long-term prospects for beneficial change outweigh the merits of attempting to cling to an untenable and undesirable status quo.

Context and Rationale: Why Now?

The escalating costs of academic journals are a well known problem in higher education, far outpacing the growth in library budgets and squeezing out libraries' ability to invest in other content and services needed to support teaching and research. As public investment in higher education continues to decline, many of our campus libraries as well as the California Digital Library (CDL) face persistent budget shortfalls that imperil their ability to continue these licenses. These challenges are reaching a tipping point at UC and elsewhere, leading many of our peer institutions both nationally and globally to [cancel large journal packages](#), that contain vast amounts of little-used content in favor of selectively licensing only the materials most needed by their faculty and students.

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The UC coalition

Office of Scholarly Communication

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The screenshot shows the website's navigation bar with links for Home, Open Access @ UC, Open Data, Guides for Authors, and UC OSC Blog. A sidebar menu on the left lists: Home, Open Access @ UC, Publisher Negotiations, UC and Elsevier (highlighted in red), UC Libraries Journal Negotiations: FAQs, Alternative Access to Elsevier Articles, UC and Elsevier: Why It Matters, and Transitioning Journals to OA. The main content area displays the breadcrumb path: Home » Open Access @ UC » Publisher Negotiations » UC and Elsevier. The article title is 'Open Statement: Why UC Cut Ties With Elsevier', dated March 20, 2019. The text states that the University of California has taken a firm stand on open access to publicly funded research and fiscal responsibility by deciding not to renew its subscriptions with Elsevier, the world's largest scientific publisher. It notes that under Elsevier's proposed terms, the publisher would capture significant new revenue on top of the university's current multimillion-dollar subscription while significantly diminishing UC's rights to Elsevier content. Elsevier's latest proposal did consider some of UC's conditions, including providing UC authors with open access publishing options across much of the publisher's portfolio of journals. However, it had serious flaws.

Crucial: Faculty as partners, not merely audience

THE CHRONICLE OF HIGHER EDUCATION

NEWS

OPINION

ADVICE

STORE

☰ SECTIONS

FEATURED:

[A College-Closure Crisis](#)

[Jordan Peterson vs. Slavoj Zizek](#)

[Understanding the Outsourced University](#)

◀ [Back to Search Results](#)

RESEARCH



A Lesson From UC's Split With Elsevier: Keep the Faculty in the Loop

By *Lindsay Ellis* | MARCH 01, 2019 ✓ PREMIUM

The UC coalition

Faculty as partners in strategy development

UC case study

- CoUL roadmap ([Pathways to OA](#)) - Feb 2018
- Senate (Library committee) [Declaration](#) - April 2018
- UC Provost advisory [Call to Action](#) - June 2018

- Only then, CoUL announces [negotiations project](#) - June 2018

Keeping faculty informed

UC case study

- Faculty Senate meetings (full & committee)
- Town halls
- Broadcast emails
- Website banners and portal page with FAQs
- Public media

The UC coalition



Faculty as partners in execution

Faculty on negotiations team (3 of 6)

Faculty as communicators

UC case study: **Sequencing** communications on termination day (28 Feb 2019)

1. President's office [press release](#)
2. Faculty Senate [letter of endorsement](#)
3. Broadcast letter to faculty from [Provost + campus Senate chair + UL](#)
4. [UC Libraries website](#) announcement

UC's model for a transformative agreement

Günter Waibel

Associate Vice Provost & Executive Director, California Digital Library

@guwa

Today



Double dipping • Uncontrolled, independent spending • Unsustainable

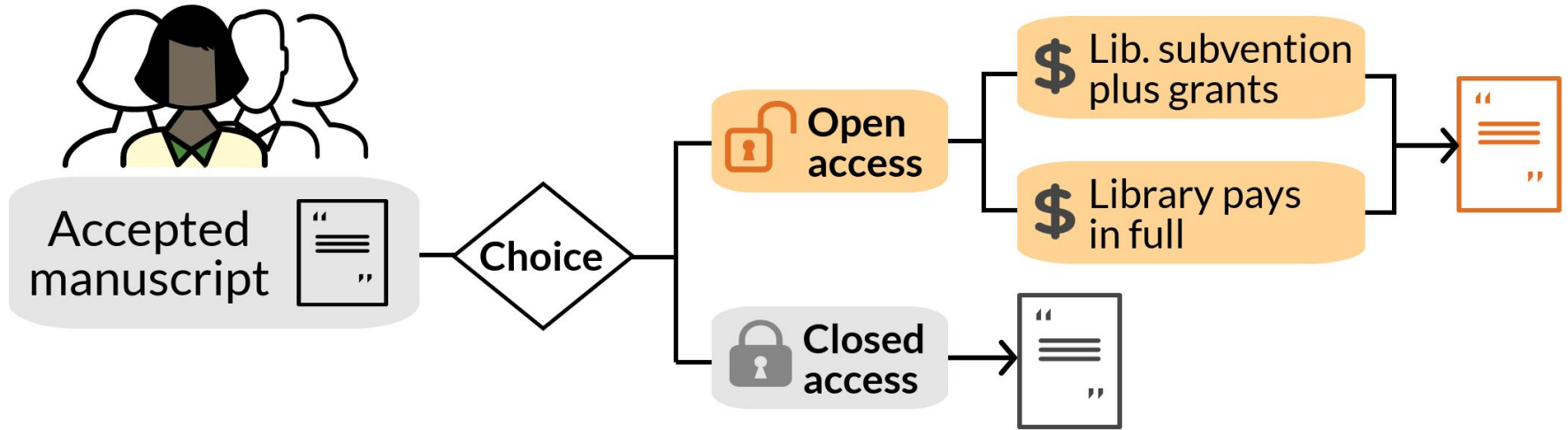
The alternative: a transformative OA agreement

For the UC, that means...

- ❖ **Off-setting:** Subscription fees decrease as OA publishing fees increase
 - addresses the issue of uncontrolled independent spending by two actors
- ❖ **Multi-payer:** Library subscription funds + researcher grants fund APCs
 - addresses the issue of sustainability

What does that look like?

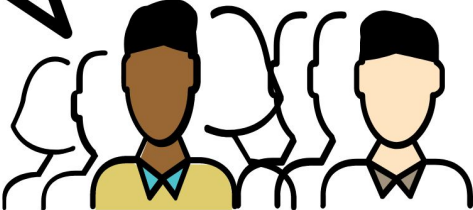
The Author Experience



- Library financial transactions are handled in aggregate each quarter •

Benefits for authors

With the libraries' negotiated APC, plus their subvention, it's much less expensive to publish OA now.

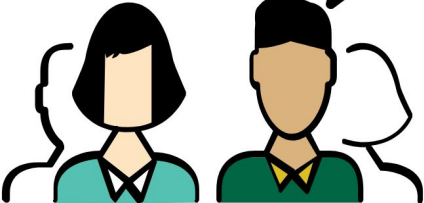


Definitely! For some journals, my APC is now entirely covered.



I opted not to publish OA, which is easy to do.

I'd like to publish OA, but I don't have the grant funds for the APC.



That's ok - the libraries will cover it.

Components of the UC model



Scenario: UC model contract in action

Total contract cost

Total cost range

Reading Fee

Publishing fees

Theoretical cost

Actual payment

Scenario: UC model contract in action

Basis: Expected publication volume 4,500 articles, \$2,000 negotiated APC

Total contract cost

Total cost range

Reading Fee

Publishing fees

Theoretical cost

Actual payment

Scenario: UC model contract in action

Year 1: Publication volume 4,500 articles as estimated

	<u>Year 1</u>
Total contract cost	\$10,000,000
Total cost range	+/- 2%
Reading Fee	\$1,000,000
Publishing fees	\$9,000,000
Theoretical cost	\$10,000,000
Actual payment	\$10,000,000

*Negotiated APC: \$2000 per article

Scenario: UC model contract in action

Year 2: Publication volume increases 3% to 4,635 articles

	<u>Year 1</u>	<u>Year 2</u>
Total contract cost	\$10,000,000	\$10,000,000
Total cost range	+/- 2%	+/- 2%
Reading Fee	\$1,000,000	\$1,000,000
Publishing fees	\$9,000,000	\$9,270,000
Theoretical cost	\$10,000,000	\$10,270,000
Actual payment	\$10,000,000	\$10,200,000

*Negotiated APC: \$2000 per article

Scenario: UC model contract in action

Year 3: Publication volume decreases 5% to 4,403 articles

	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>
Total contract cost	\$10,000,000	\$10,000,000	\$10,200,000
Total cost range	+/- 2%	+/- 2%	+/- 2%
Reading Fee	\$1,000,000	\$1,000,000	\$1,000,000
Publishing fees	\$9,000,000	\$9,270,000	\$8,806,000
Theoretical cost	\$10,000,000	\$10,270,000	\$9,806,000
Actual payment	\$10,000,000	\$10,200,000	\$9,996,000

*Negotiated APC: \$2000 per article

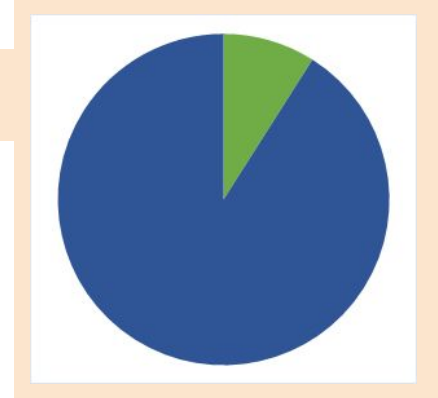
Scenario: UC model contract in action

The more grants participate, the more money is brought into the system.

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Year 1: 20% of authors use grants



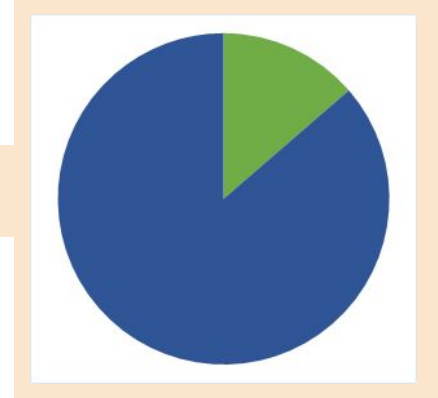
*Negotiated APC: \$2000 per article; library subvention \$1000 per article

Scenario: UC model contract in action

The more grants participate, the more money is brought into the system.

Year 1: 20% of authors use grants

Year 2: 30% of authors use grants



*Negotiated APC: \$2000 per article; library subvention \$1000 per article

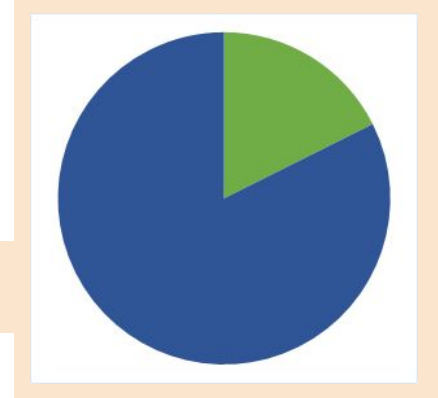
Scenario: UC model contract in action

The more grants participate, the more money is brought into the system.

Year 1: 20% of authors use grants

Year 2: 30% of authors use grants

Year 3: 40% of authors use grants



*Negotiated APC: \$2000 per article; library subvention \$1000 per article

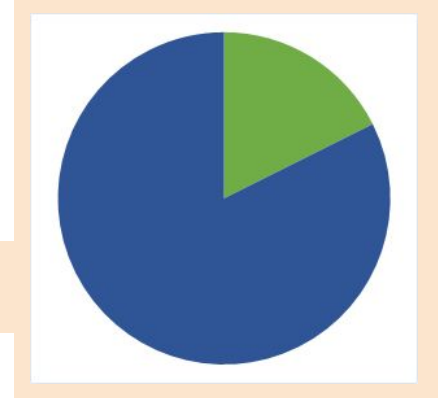
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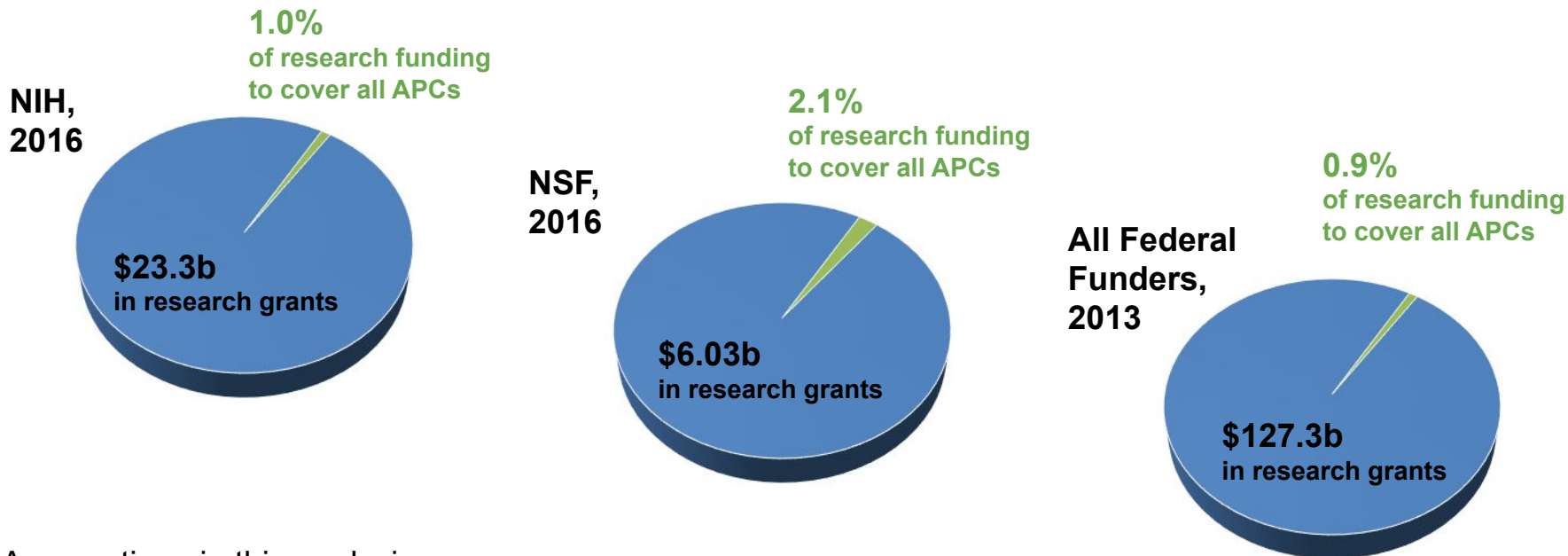
Year 3: 40% of authors use grants



The model therefore lends itself to lowering costs for the library, so there's money to reinvest in similar support for native OA publishers.

*Negotiated APC: \$2000 per article; library subvention \$1000 per article

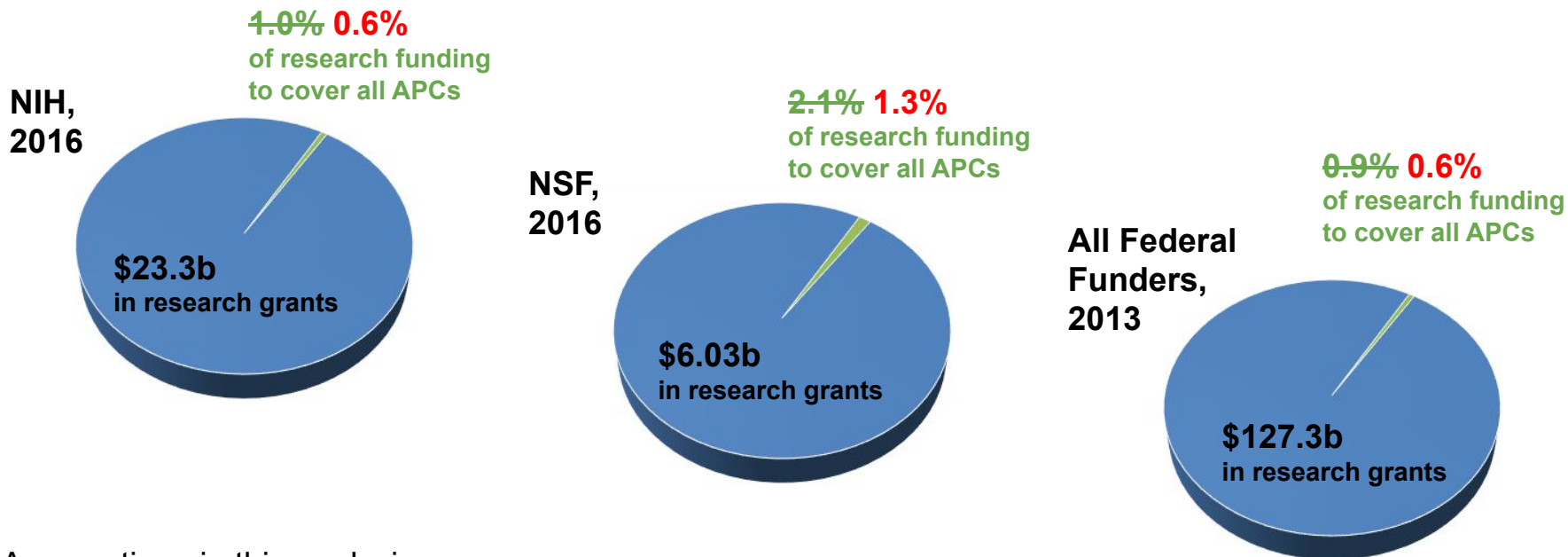
What does that mean for grants?



Assumptions in this analysis:

- Grants pay **full cost of APC** when acknowledged by an article
- Average APC cost is \$2,586* (average hybrid APC cost in 2016)

What does that mean for grants?



Assumptions in this analysis:

- Grants pay **remainder of APC after subvention** when acknowledged by an article
- Average APC cost is \$2,586* (average hybrid APC cost in 2016)

In summary, here's the journey we're on

Today - **unmanaged, escalating OA economy**

Subscriptions and APCs are funded and paid for separately in the same journals, without any relationship between them

Tomorrow (or sooner) - **transitional OA agreements**

Subscriptions and APCs covered by a single, transformative agreement, with one type of fee offsetting the other to eliminate double-dipping and help control the total cost to the university

Eventually - **a primarily OA world**

Subscription payments largely disappear with funding re-allocated to OA support (both APCs and other funding models)

The critical role of data analysis

Mathew Willmott

Open Access Collection Strategist, California Digital Library

Why invest resources in data analysis?

- Transformative agreements represent a new way of doing business with vendors. Therefore:
 - We need to fundamentally understand what this means for our bottom lines, how financial flows are shifting, and what models match with local priorities.
 - We need to be able to sell our models to stakeholders within the institution. Faculty are data-driven in their own work and want to see that from us as well.
 - You can bet the vendors are doing the same, and we need to be on equal footing!

What more do we need to gather?

Data represents fundamental information about the world. To expand our contracts to this scope means gathering added information about:

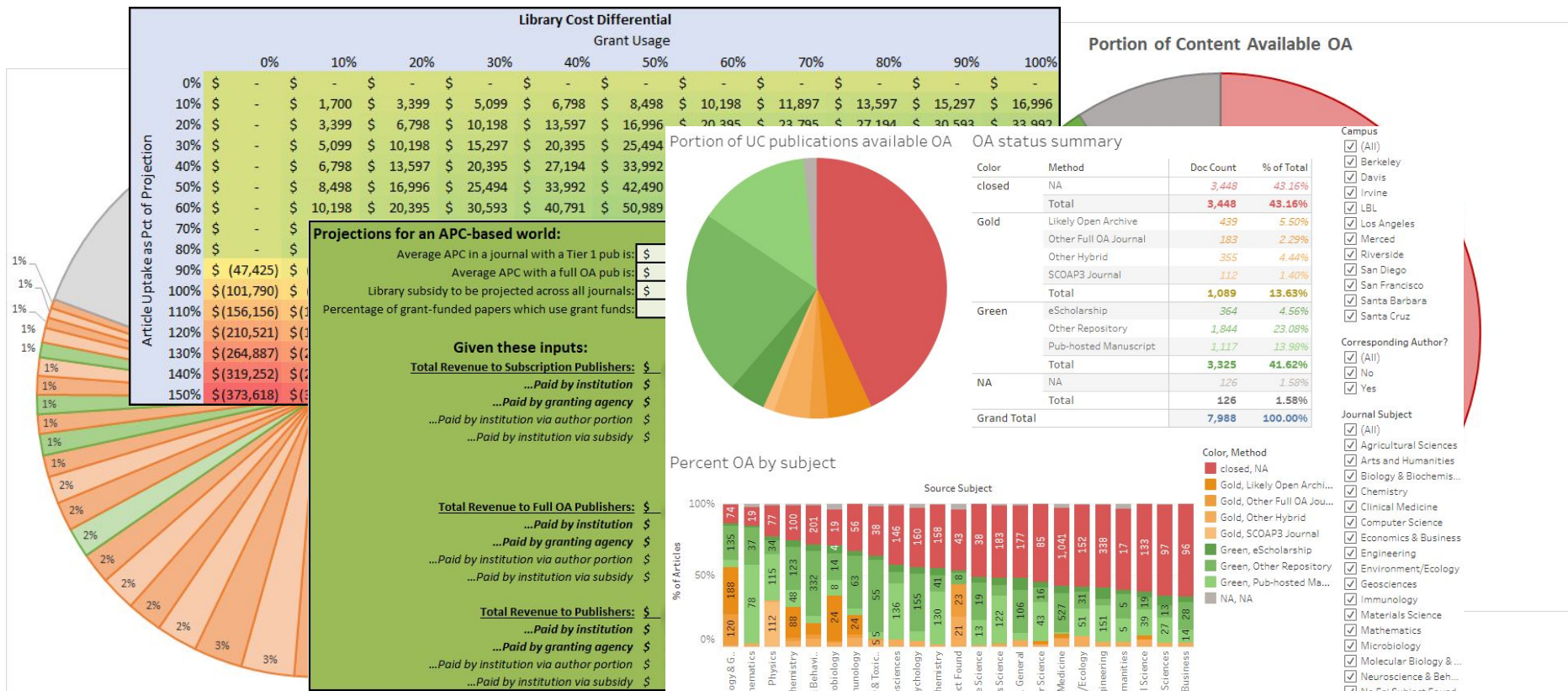
Author Publication Patterns

- Volume of publication
- Year-over-year growth of publication
- Distribution across journals
- Distribution across disciplines
- Lead/corresponding author
- OA status of publications
- Grant acknowledgements

Journal Characteristics

- List-price APC
- Known APC discount arrangements
- Business model (Full OA, Hybrid, Delayed OA, No OA)
- Portion of the journal currently OA

Synthesizing, analyzing, and interpreting



The path forward

Jeff MacKie-Mason

@jmmason

Does Elsevier care?

UC revenues? 

But tipping point?

- Germany, Sweden, Hungary, UC, Norway...
- Others lining up

Does Elsevier care?

RELX stock price

- Down 7.1% on announcement day
- ELS only $\frac{1}{3}$ of RELX so roughly 21% hit on ELS value

AND...ELS needs our authors (2 [boycott petitions](#))



JOIN US!

UNIVERSITY
OF
CALIFORNIA

(We'll help)