NEW ROLE OF SUBSCRIPTION AGENTS

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INTRODUCTION

A great deal has been written about the changes being driven by the advent of widespread electronic publishing to the traditional information chain of authors, publishers, subscription agents, librarians and academics. Options vary from the belief that intermediaries will still have a role to play in the new paper-free world, to the conviction that 'disintermediation' will strip away all the existing layers between the producers and customers of scholarly research literature - including publishers, libraries, and therefore subscription agents.

There can be no doubt that the learned publishing industry is now in a period of very rapid transition. There are currently over 6,000 full text electronic journals available, and of the top 50 publishers 90% offer e-journals. There is an ongoing shift from CD ROM to online databases. Integration of primary and secondary resources on the Worldwide web also seems to be gathering pace, with more and more full text databases available, and other secondary databases linking seamlessly to primary content. Information users enjoy the benefits of desk-top access to journals, and information professionals and purchasers are able to see statistics on the cost effectiveness of their provision. However, the emerging picture still remains far from clear.

My paper is concerned with the new roles of subscription agents and other intermediaries, but also discusses key issues and developments at present in the e-journal field, especially regarding pricing.

BACKGROUND – THE ELECTRONIC PUBLISHING LANDSCAPE

Firstly some comments on the current electronic journal landscape. Web-based publishing of peer reviewed scholarly journals has been with us some four or five years. It has had a major impact on publishing processes, on methods of acquisition of information by libraries, and on user behaviour. What are some of the key issues and developments at present in the e-journals field?

- Firstly the electronic journal is still essentially a digital version of the print journal. There are relatively few 'electronic-only' journals, that use all the functionality that the Web can now offer. The most common screen format for e-journals is PDF (Portable Document Format) which replicates the traditional print page.

- E-books seem to be gaining ground, with new players in the academic electronic book area. One company which has been very active recently is netLibrary in the US, which launched a service early in 1999. It has signed agreements with over 130 publishers to provide its customers with some 10,000 scholarly and professional electronic books.

- Through research such as the UK SuperJournal Project and surveys such as *What Authors Want* by ALPSP (Association of Learned and Professional Society Publishers) we now know more about users' views of electronic journals. The SuperJournal project showed that the most important requirements for electronic journal services are critical mass of journals, easy access, and timeliness. Users also want gateways or 'one stop shopping', clustering of titles by subject disciplines, as well as interfaces between bibliographical databases and full text journals.

- All players have found that electronic publishing doesnot automatically bring reduced costs. Costs have generally risen, particularly whilst both print and electronic versions are required by subscribers.

- Electronic publishing has brought about the emergence of new competitors to challenge the traditional commercial publishers. The functionalities and low entry costs offered by Web publishing, along with the continuing crisis of escalating serial prices have been key factors in promoting this development. The most notable examples are the SPARC initiative, Stanford University's HighWire Press, and the growth of e-print and archive servers.

- Major reprint or e-print research archives in the biomedical sciences have recently been established which threaten to undermine the traditional STM publishing process. These are PubMed Central, a “Site for Electronic Distribution of Life Sciences Research Reports”, which is funded from the US Governments’ National Institutes of Health, and E-Biosci in Europe, with support from EMBO. Relevant to mention in this respect is the UPS project (“Universal Preprint Service project”). UPS is designed to provide a framework for enabling open access to numerous different preprint/e-print databases. At a recent conference in Santa Fe, there was agreement on the need for interoperable protocols so that everyone could search and retrieve across all such databases, but there was no unanimity that such access should necessarily be free of charge.

- The growth of reference linking between publishers has gathered considerable pace recently. Sixteen leading scientific and scholarly publishers have recently announced that they will be collaborating on a reference-linking initiative that will “change the way scientists use the Internet to conduct online research”. In the project, which is called CrossRef, researchers will be able to move easily from a citation in a journal article to the fulltext of the article, typically located on a different server and published by a different publisher. At the outset, approximately three million articles across thousands of journals will be linked through this project.

- Over the last year or so there has been a very significant growth in library consortia worldwide and the seeking of agreements by these consortia with journal publishers for access to primary and secondary electronic journals. A number of major publishers have now developed special consortia pricing policies because of this, often based on sizes of the consortia and usually providing electronic access to all titles by all libraries in the consortium.

- Long term solutions for archiving are a continuing issue for discussion amongst the library community and decisions are still up in the air as to who should take responsibility for archiving. This has probably been one of the factors in delaying the transition by libraries towards the acquisition of ‘electronic-only’ journals, with print versions still acquired by the vast majority of libraries.

- We see significant changes in the library world taking place. Roles of librarians seem to shift in focus and develop in new directions: education and training, consortia purchasing and developing tailored systems and interfaces for accessing information. Also, the process of building collections is expected to change dramatically due to the ever increasing availability of usage statistics.

- Pricing of electronic journals follows very much the traditional print subscription model. Publishers are experimenting with a variety of models for pricing e-journals, for example bundling electronic with print, site licenses, prices for library consortia etc., but these are predominantly subscription based. There is some exploration of article based pay-per-view, but this model has yet to take off in a very significant way.

ELECTRONIC JOURNALS PRICING

I was asked to talk in a bit more detail about electronic journals pricing. This section of my paper is mainly based on a paper given by my colleague Albert Prior at the 1999 UKSG Conference and published in *Serials* in July 1999: 'Electronic Journals Pricing - Still in the Melting Pot?'.

I should start by saying that it is not concerned with the economics of electronic journal publishing - for example whether it is cheaper to publish journals in electronic format than print. Rather it is an observation on the range of pricing options that are being used by publishers for electronic journals, mainly from the viewpoint of a subscription agent involved in handling a variety of electronic and print titles.
It is also based on our experience at Swets as a partner in the Managing Agent role for NESLI, the UK National Electronic Site License Initiative where we have been involved in discussing pricing proposals with publishers.

Background electronic journals pricing

In considering how to price e-journals, publishers naturally wish to maintain their existing position in the market and the revenues they have come to expect from print sales. Indeed a number would see it as an opportunity to increase revenue through the new functionality that the electronic journal may be able to offer and the bundling of print and electronic versions. Many will wish to recover the investment they have made in recent years in developing electronic versions of their journals for users.

However, the economic climate does not allow for opportunities for significant revenue increases for publishers. Libraries continue to experience severe budget restrictions and face a crisis with regard to the maintenance of their journal collections.

Pricing models in use

What are some of the models being used by publishers for pricing electronic journals? The most common in use at present are:

- Print and electronic combined - at one price. Here the price for the electronic version is not shown separately and electronic is not available separately.
- Print and electronic combined - but with a visible surcharge for the electronic version, for example 10%, 20%. It is optional whether the electronic version is taken.
- The electronic version available on its own, often at the same price as the print or possibly at a lower price.

Other models include:

- A package of all the electronic titles of the publisher - with the print version being optional.
- Pricing based on numbers of full time staff, concurrent users, Internet IP ranges, workstations, etc.
- Pricing for consortia.
- Prices for individual articles.
- Extra fees for software or platforms.

Survey of pricing models

In 1999, at Swets we undertook a fairly simple survey of the pricing conditions of a number of scholarly publishers, based in Europe and the US. This was not meant to be an exhaustive or scientific survey but more an email request to some 57 publishers, asking for information on their approach to pricing and related issues using 13 questions. We received replies from 37 publishers.

Sixty-two percent of the respondents stated that they have a single combined price for print and electronic. Amongst those who made a separate surcharge for electronic, the percentage surcharge ranged between 8% and 65%. The most common was 15-20%. Fifty percent of the publishers offered their electronic versions separately, with the pricing between 65% and 150% of the print price. The most common were 90% and 100% of print. Twenty-three percent charge less than for print. Thirty percent of the publishers indicated that they had changed their pricing policy for 1999, reflecting the experimentation taking place.

Pricing for consortia

In our survey, 40% of the publishers stated that they now have a consortium policy. Whilst for some the policy may be fairly established, for many the pricing for consortia is negotiated individually and agreements may be unique to a specific consortium. Some of the common elements of these policies include:

- A surcharge on the value of the print holdings gives electronic access by all members to all the titles taken by the consortium and sometime access to all the titles of the publisher.
- The expenditure on print titles is used to calculate the 'base' price, on which the surcharge is calculated.
- Often the agreements are for three years, on the basis that the publisher guarantees a maximum annual price increase for the titles.
- Some publishers will grant a discount on prices, related to numbers of libraries in the consortia.
- The base price may be for the electronic version only, with print as an optional purchase, usually at significant discounts.

Pay-per-view

We also asked publishers if they offered a 'pay-per-view' option i.e. did they sell access to individual articles. Thirty seven percent of our respondents indicated that they offer 'pay-per-view'. Prices per article ranged from $13.60 to $43, with the most common being in the $16-$20 range. Of those not currently offering this, 14 of the publishers indicated that they plan to or are considering.

What do you get?

What do subscribers get for their money when buying an electronic journal? Users can generally browse, search and view the articles and download for their own personal use. But there are other areas for consideration. In our survey we asked publishers about their policies with regard to interlibrary loans (ILL), access after cancellation of the subscription and arrangements for archive copies.

Fifty three percent of respondents indicated that they allow use of their electronic full texts for paper ILL; 8% allowed it for electronic 'ILL'; 43% indicated that the electronic information could be used for course packs, 59% said that subscribers could have electronic access to the data they had subscribed to, after cancellation of their subscription. I would like to stress that allowing ‘access after cancellation’ is not necessarily the same as having an archiving policy.

Fifty percent of the publishers stated that they had a policy for archiving. Considering the implications of archiving and our one simple question on this topic, the confirmation of a formal 'policy' may be doubtful, as many publishers supplemented their answer with comments, indicating areas they were either exploring or involve in.

Variety of models

Why do publishers work with a variety of different pricing models for electronic journals? One reason is of course that many are experimenting in order to find a solution suitable for their own circumstances or publishing approach. The nature of the publisher, or copyright owner - for example a learned society - may influence the approach used to price the electronic content. Market forces also play a part in that a high surcharge may result in no take-up of the electronic journal.

Other approaches to pricing

What are the other approaches that could be used to price electronic content in the scholarly area? I would like to mention a couple. At the University of Michigan in the US, the PEAK experiment is looking into a number of pricing models. This is in association with Elsevier Science whose journals are being used in the research by a number of libraries participating in the project. PEAK (Pricing Electronic Access to Knowledge) is considering three models: one permits a university to purchase electronic subscriptions to the full text journals; a second choice allows a university to order articles as needed and the third is referred to as 'generalised' subscriptions.

A further approach is to charge authors of articles rather than libraries and users and a recent example of this is the electronic journal New Journal of Physics, published jointly by the Institute of Physics Publishing and the Deutsche Physikalische Gesellschaft, which was launched in 1998. Submissions need to meet certain criteria to be published, all articles are peer reviewed and the title is covered in the major abstracting and indexing service. Authors are charged $500 per article (with a discount to members of the IOP and the Deutsche Physikalische Gesellschaft). In March 1999, when this paper was being prepared, 6 papers had been accepted for publication, a number rejected and the IOPP anticipated that some 50 would be published in 1999.

Trends

Put simply, the position we are at in the e-pricing 'evolution' at present is that the electronic journal is in general a replica of the print, and is priced with the print version or separately'; consortia pricing is 'taking off' fairly substantially, whilst pay-per-view is on the threshold of a possible 'take-off' – there is growing interest but uncertainty about the speed and scale at which it might develop. The 'real' electronic journal, where the electronic is the main product with print optional, and with a range of added functionalities and features, is still to come.

Annual survey Publishers Association

Further to the trends identified by the Swets survey above, the Publishers Association has just issued the latest version of their annual survey, 'Trends in Journal Subscriptions' (covering 1998 compared with 1997). The compiler, Anthony Watkinson, is well aware of the shortcomings of the sample; only 30 publishers (the majority ALPSP members) responded covering 1130 journals, but they did not include many of the leading large publishers. While the
trends indicated may be meaningful, the actual statistics are therefor not.

The findings are relatively unsurprising: more journals published, rising subscription prices (11 percent) and falling subscription numbers (4 percent). All offer their journals in electronic form, the majority as PDF, and many in more than one format. The pattern of pricing for electronic versions is becoming clearer: 20 offer a combined subscription for the same price as print alone, 6 charge 10-50 percent more for a combined subscription, and 10 offer a discount (most commonly ten percent) for electronic only.

CHANGING ROLES

Against the background of uncertainty and change, subscription agents have had to continuously re-appraise their role, their technical infrastructure, their procedures and their skills, keeping in mind that, although printed journals still predominate, the balance between print and electronic media is likely to continue shifting gradually in favor of electronic media over the next few years. New skills have had to be learned, and agents have had to become more responsive than ever before to changes in technology and the marketplace.

Subscription agents

The Association of Subscription Agents (ASA), which is based in the UK, but is an international body, has some 40 members. ASA has now broadened its scope beyond subscription agents, to cover other electronic intermediaries as well, such Ingenta and MicroInfo. Many ASA members, however, provide a service only within their own countries or regions. There are four major international subscription agents: Blackwell, RoweCom/Dawson/Faxon, Ebsco and Swets. These agents provide a global service, from offices in various countries and are generally significantly larger than the other agents. The numbers of agents have declined with a concentration of business amongst the leading four, with smaller companies selling out or merging, faced with the declining margins and the need for considerable investment in the systems. The recent merger between Blackwell Ltd and Swets & Zeitlinger B.V. is a result of a recognition by the two companies that their combined skills and expertise will place the new organisation in a unique position to meet the evolving needs of customers and publishers in the new millennium.

Subscription agents play a key role in supporting libraries in the acquisitions and management of print. They offer a single point for journal orders, for claims for missing and damaged issues, for annual renewal of all subscriptions and for minimizing the processing of invoices and payments. Over the years many of the agents have developed a wide range of extra services, to support the core function of processing subscriptions. These include a wide range of information, invoicing and financial services, consolidated delivery of issues, the supply of back issues and systems to improve the overall efficiency of their operations, for example extensive EDI links with both publishers and customers. But they have also developed a number of major automated products and services.

Agents - gone beyond the traditional role, already

Agents have always had to be tightly run, efficient operations, as they have traditionally operated on margins far below most other industries. Subscription agents continuously adapt and respond to whatever occurs, but ever so often they also set the scene and industry standards.

Since the emergence of CD ROM products in the mid 80s, we have seen a clear spectrum of new services being developed by the agents. Since I know the situation at Swets best, I will describe the developments along examples from Swets:

- Services relating to contents of journals

  Whilst the acquisition of the journal as a physical object has been the fundamental basis of their services, in the early 90s a number of agents began to offer new services relating to the contents of journals. These centered around the provision of electronic data on the Tables of Contents (TOC's) of key scholarly and research journals. Swets & Zeitlinger was one of the first agents to develop a service in this field when they launched SwetScan, available to their customers worldwide. SwetScan covers the TOC's of over 14,500 major serial titles and is compiled by an editorial and scanning team based at Swets' headquarters in The Netherlands. Customers may choose to have access to the complete file of titles or to receive subsets according to their interests. TOC's can be accessed online via the new Web based electronic journals service now developed by Swets or data can be supplied in batch to libraries, in formats they require to enable them to load and access the TOC's on their own local systems.

- E-journal aggregator services

  As e-journals became available in growing numbers in the mid 90s, the larger agents have developed journal aggregator services via the WWW. From the results of the SuperJournal project (as referred to earlier), it is shown that there is a need for a single source for acquiring, managing and accessing e-journals. The services developed by the agents claim a 'single source' idea, to solve administrative problems such as multiple passwords and URL's to work with.

  Typically there are a number of components available to the subscribing sites, such as administrative modules including usage statistics, searching facilities across titles from different publishers and browsing modules. Examples of such services are Electronic Journal Navigator by Blackwell's and SwetsNet by Swets. In SwetsNet, currently about 3,000 full text journals are covered, from some 60 publishers. These systems are based on arrangements with publishers to include their titles in the agent's system, and not all publishers are signed up yet. So even though the systems are marketed as 'single source', this is not (yet) entirely true. Also the expected use may vary from customer to customer and even though very enhanced search methods are offered, a researcher may want to start with his or her topic reference database or online catalogue. To establish a true single source product it is necessary to be able to connect everything with everything. Swets has developed 'multi-level linking technology' to enable integration of primary and secondary information resources and to facilitate access to those resources from customers' preferred interfaces such as Web OPAC's and abstracting & indexing databases.

Using SwetsNet's 'multi-level linking technology' the user can make use of the 'linking-in' option. In that case, the user doesn't start in SwetsNet, but performs a search in another system (e.g. an electronic database, a Web OPAC, a consortium homepage). From the search results in this system (e.g. database/catalog record), there is a link to SwetsNet on journal level (gives SwetsNet journal issue list), on issue level (gives SwetsNet issue TOC), or on article level (gives SwetsNet abstract). The URL's for these hyperlinks need to be included in the database/catalog record. Access will only be granted if the customer's IP-address is registered with Swets and the customer is authorized to have access, i.e. has a subscription.

- Online databases services

  Electronic databases are now increasingly becoming available via the Internet. In this case the database is downloaded from its physical carrier onto a computer server. The database title is then available to subscribers over wide area networks (the Internet), giving remote access capabilities to librarians and end users. Key advantages for subscribers are that no additional investments in hardware, disk space, maintenance and support are needed, and that somebody else takes care of the disc handling (loading updates). Various subscription agents have agreements with publishers for them to 'host' publishers' products on a server. Swets has had such arrangements with SilverPlatter since 1995 and with Dialog OnDisc since 1998, and is exploring further opportunities.

- E-Media services

  Agents are strongly placed to provide subscription services for E-Media products (CD ROM, online databases, e-journals, etc.). They have close links with the library community, their trading relationships with publishers are long established, as are their payment and financial systems. Building on the traditional value added services for print, most agent have developed sophisticated E-Media services, both for electronic database products and for electronic journals.
  The E-Media services offered by agents are built on their traditional services, but take into account the special character electronic products. The services are usually threefold: (1) information services, (2) subscription administration services, and (3) support services.

- Consortia services

  Over the last two year Swets has experienced a remarkable increase in demand for our involvement in consortia requests. Swets' participation ranges from assisting in the initial formation of a consortium, clarification of license terms, subscription administration and invoicing, electronic access and longer term maintenance of the consortium. Swets is presently involved in various consortia worldwide. The largest one to date is NESLI, the National Electronic Site License Initiative in the UK, for which Swets - in partnership with The University of Manchester - has been appointed Managing Agent.

  Many consortia are still deciding what they want out of their library cooperation, for instance their own networked information environment or a remote solution like SwetsNet. Swets has proved it can offer significant added value in this process, because of our experience with many consortia worldwide and because of our excellent publisher contacts.

- Licensing services

  Noteworthy in this respect are also the Generic Standard Licenses developed by publishing consultant John Cox with sponsorship and input from the five big agents. The licenses are intended to help publishers, subscription agents and libraries to create agreements that express what they have jointly negotiated. They do not prescribe the outcome of negotiations, but are designed to account for the varying needs of different types of customers, and the requirements and policies of different publishers.

  There are four model licenses: for single academic institutions, for academic consortia, for public libraries, and for corporate, government and other research libraries. They are international in application and are the result of consultation with librarians, publishers as well as the subscription agents. The licenses are voluntary-based and open to anyone wishing to adopt them, as they are in the public domain.

NEW ROLES FOR INTERMEDIARIES IN ELECTRONIC PUBLISHING

Further to the services developed over the last years, agents continue to move into viable, new directions, despite the discussion on ‘disintermediation’. Evidence shows that the role of the intermediary is as valid as ever and most now agree that it is more a case of ‘re-intermediation’ rather than ‘dis-intermediation’. New intermediaries are emerging to meet new needs, and traditional suppliers are adapting to respond to the changing requirements of their customers. Some of the functions and value added roles intermediaries can provide to libraries, end users and publishers in the electronic field include:

- Aggregation of the content of multiple publishers, through one source.
- The provision of single interfaces, access points and searching capabilities across multiple sets of content, supported for example by aggregated usage data, customised information, etc.
- Providing services that link secondary bibliographical data (or other source data) to related full text articles (or other related data).
- Handling authentication of user rights (‘ease of access’) – validating who can access what information.
- E-commerce (‘ease of purchasing’), in any shape or form.
- Acting as ‘managing agents’ between library consortia and publishers.
- Handling the chaos and diversity of e-journals availability, licensing and pricing – the agent as ‘consultant’.
- The consultancy role extends further and merges into implementation: aggregation with all other services and systems in the library – the agent offering ‘turnkey services’.
- The agent as ‘service provider’ offering services like helpdesk and training for both libraries and end users.
- Providing Internet publishing services for journal publishers.
- Establishing electronic archive services, e.g. JSTOR and OCLC.
- The development of services for assigning and handling unique identifiers for electronic information (for example the work of the DOI Foundation and the registration agencies it plans to set up).

CONCLUSIONS

There can be no doubt that the learned publishing industry is now in a period of very rapid transition. The emerging picture still remains far from clear. Subscription agents have always been keenly aware of changes in the industry, and in most cases lean enough to be able to adapt rapidly to ensure their own survival, by ensuring development of new services and roles and often setting the scene. In doing this, agents have already gone beyond their traditional role, and evidence shows that the role of the intermediary is as valid as ever and most now agree that it is more a case of ‘re-intermediation’ rather than ‘dis-intermediation’.

If we accept the notion of 'managing chaos' for the next few years, how then can we contemplate the demise of the subscription agent? Didn't agents come into being because of the chaotic 'many to many' scenario that is scholarly communication in the first place?

I hope that my paper has given you some examples of new roles that have already been taken up by agents over the last years, and of further possible roles of subscription agents and intermediaries in general. I look forward to our discussion.

Thank you.

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