Surfing the Net

Dennis Pilling

"Mark my words, this Dewey Decimal System will be the death of publishing" is a quote from a Tom the Dancing Bug comic strip under the headline "Library system terrorizes publishing industry" and Anne Frohlich, Serials Librarian, McNeese State University Library posted it to the lists to bring a little humour into the lives of those wrestling with licensing issues. The cartoon is at: http://www.salon.com/comics/boll/2000/08/24/boll/index.html

The humorous interlude is shortlived with the announcement that Reed Elsevier, Thomson has agreed to buy Harcourt. An offer from the two competitors, Reed Elsevier and the Thomson Corporation, has secured the acquisition of Harcourt General. Whilst Reed Elsevier will retain the STM business and possibly the elementary and high school textbook operations, Thomson will acquire the college textbook business and the corporate/professional-service segment.

Response from the library and information community has been prompt. Toby Bainton at SCONUL refers to "the carve-up of Harcourt by Elsevier and Thomson" and to the fact that SCONUL has received "verbatim copies of our American colleagues' letters of protest to the US Dept of Justice." SCONUL's protests are to be directed to the internal market directorate-general in the European Commission, and reference is made to SCONUL's opposition to the Elsevier/Kluwer merger which was rewarded by an official veto.

The New York Times'(http://www.ny-times.com/2000/11/03/business/03PUBL.html) headline, "As Publishers Perish, Libraries Feel the Pain", above David Kirkpatrick's article seems to justify the concern expressed on both sides of the Atlantic. David Kirkpatrick notes the reaction from librarians, and quotes Mary Case, a program officer at the Association of Research Libraries, "The one thing we can be certain will occur, if this deal goes through, is that the prices of Harcourt's journals will go up.".

This view is shared by Mark McCabe, an economist at the Georgia Institute of Technology who previously worked at the Justice Department's antitrust division. He comments in the article, that journal prices often rise most steeply after mergers, and he has calculated. for example, that since Pergamon was acquired in 1991, the price of Reed Elsevier's journals has risen an average of 27 percent above the roughly 9 percent average annual increase in journal prices over all. He also adds that, as recently as 1998, the average price of a Harcourt title was one-third the average price of Elsevier's titles, even though the Harcourt titles were more widely used.

David Kirkpatrick notes that antitrust regulators have tended to agree with the publishers, who claim that because no publisher owns all the journals in one niche there is no monopoly, and that their strength comes from their journals' prestige, not the number of journals that they own.. On the other hand, he notes that some analysts are not so sure, and quotes Michael Nathanson, an analyst at Sanford

Bernstein & Company, "I am not thinking this is going to be a slam dunk with regulators at all."

All is not acrimony, however, between Elsevier and the library community. An agreement between academic libraries in the Netherlands and Elsevier Science has raised a few eyebrows and the group has provided some background to the agreement in reply to the critics.

"Last year, the academic libraries in the Netherlands, associated in UKB (all University Libraries, the Royal Library, and the library of the Royal Netherlands Academy of Arts and Sciences) took up a position in the debate on developments referring scientific information. One of its important elements focused on the price increases of scientific journals, another element on the gradual though rapid transition to digital information.

"Since August 1999, UKB has arranged a series of discussions with some large publishers on the subjects mentioned above. Meanwhile, UKB has reached agreement with the world's largest publisher of scientific information, Elsevier Science, on all items discussed. The agreement will last for five years (2000 -2004). Arrangements have been made on price increases for the forthcoming years and on the availability of the digital versions of journals published by Elsevier Science. Furthermore, the libraries and Elsevier agreed to do further research (in co-operation with other interested parties, if any) on changes in the information chain as a result of the availability of ICT in the academic world. These changes will probably force more explicitly basal 'business models' on scientific information supply.

"Consultation with other publishers are continuing. As renewals of next year's journal subscriptions have to be made before September 1st, 2000, UKB has asked the most important publishers to provide timely information about the 2001 subscription prices. UKB likes the publishers to justify important price increases, particularly in view of price increases over the last decade.

"The Dutch scientific libraries, associated in UKB, will evaluate the publisher's offers in respect of reasonableness and fairness. They will then jointly respond to these offers. In this manner UKB expects to improve the availability of scientific information." (Contact person for UKB is N. Verhagen, chief librarian of the University of Amsterdam. Tel: (+ 31 20) 525.2307)

A similar coming together of apparent opposites, in a different context, was heralded by the announcement that Bertelsmann has made a deal with Napster to drop its lawsuit and begin a service.

In the New York Times on October 31, Jamie Paton reported that Bertelsmann AG, the German entertainment conglomerate, would drop its lawsuit against Napster, the online song-swapping company, once the two sides begin a membership-based Internet music service.

The report stated that, "The deal marks a significant shift by one of the five music companies suing Napster for allowing computer users to download music without paying royalties. The plan being developed by Bertelsmann's fledgling e-commerce group and Napster would enable users to continue downloading and trading music on the Internet but would compensate the recording artists and record companies behind the songs. Under the new agreement, Napster would now offer a service for which users likely would have to pay, in addition to a free." http://www.nytimes.com/thestreet/business/1150607.html

Could a similar fate befall the Docster initiative?

The affiliation of the next contributor is interesting enough, but Peter Moon, Manager,Virtual Information Center, Hartford Steam Boiler Inspection & Insurance Co., also has a useful tip, when he says that "anyone who is pursuing e-books should know about the "Cribsheet on Electronic Books (eBooks)" website: http://www.rcls.org/ebookcrib.htm. It is broken into 5 sections – the technologies, the benefits, the drawbacks, opportunities for libraries, and industry/overview sites. In "the technologies" section there are 7 vendors listed (including netlibrary.com and books24x7.com); and 5 public domain websites, such as Project Gutenberg, Internet Public Library Online Texts Page, and Bartleby.com."

Proving that the traditional medium of print is still alive and well, the latest feature on the ALPSP website (www.alpsp.org, or www.alpsp.org.uk) is a 'Bookshelf' feature, which lists useful books on publishing and related issues, links the entries to reviews in Learned

Publishing, where available, and provides an online ordering facility. Feedback on the usefulness of the 'Bookshelf' is welcomed, as well as suggestions for additional titles to include. Learned Publishing is now online, free of charge, at www.alpsp.org.uk/journal

Pricing of print and electronic versions of journals remains topical and Daniel Feenberg, NBER, offers an observation on librarians' behaviour. "When we added an online access service to our print service we initially charged $200 additional (over the $950 annual fee). Of the first 300 renewal notices sent out, none added the online service. So we changed the offer to online only for $550 or online and print for %1,150. (No print only allowed). There were no complaints, about half renewed to online only, and there was a nearly 50% growth in total subscriptions over the next two years.

I conclude that most libraries have default rules of the form: (a) renew anything that has increased in price by no more than x% where x is probably no less than 25%. (b) convert to online only if there is a cost savings. (c) don't add any new things offered if they cost money.

Our printing/mailing costs are very high, (about 600 pieces/year/subscriber) so the print/online cost differential is fully justified by our cost differential. We currently offer a half price subscription to academic libraries, and would like to offer an additional 50% off to small colleges. Does anyone know of an easy way to distinguish? An online list somewhere?"

On one of the other thorny topics, perpetual access, Lev Malov, Manager, Administration and Marketing, Turpion-Moscow Ltd., recommends a look at the Turpion licence (2 pages only), which contains a clause applied to perpetual access: http://www.turpion.org/licen.html. He reports a positive response on the licence' terms from many librarians and further comments are welcome. Tel: +7 095 135 6417; Fax: +7 095 135 8860; E-mail: malov@ioc.ac.ru Moscow: http://turpion.ioc.ac.ru; USA: http://www.turpion.org

If as The Pfeiffer Report suggests, most online publications may be very short-lived indeed because online content does not make money (for the most part), the perpetual access may not be an issue. There are however two other implications of the finding. If online content does not make money, it is likely that print and electronic will continue to linked in pricing structures so that the print subsidises the electronic. Also, if the Internet is not a replacement for current information delivery models, but rather an extension of them, libraries will not benefit from the long prophesied transition from print to electronic, and will need resources to support parallel access to both media.