Transformative Agreements as an Open Access Accelerator

Ivy Anderson
California Digital Library
University of California

NASEM Aligning Incentives for Open Science Roundtable
Advancing Open Science Practices: Stakeholder Perspectives on Incentives and Disincentives: A Symposium
September 20, 2019 – Washington DC
Why transformative agreements?

“The open-access movement has been around for 25 years, and still just 15 percent of articles are fully open at the time of publication … transformative agreements offer an opportunity to tip the scales towards full open access in our lifetime.”

Jeff MacKie-Mason, UC Berkeley, OATIP2019
What is a transformative agreement?

ESAC Definition:

Transformative agreements are those contracts negotiated between institutions (libraries, national and regional consortia) and publishers that transform the business model underlying scholarly journal publishing, moving from one based on toll access (subscription) to one in which publishers are remunerated a fair price for their open access publishing services.

*My take:* Although these are agreements negotiated with publishers, the focus is not on publishers, but on transitioning library expenditures to support open access on behalf of authors.
Next Gen Library Publishing partnership awarded $2.2M Arcadia grant to improve scholarly publishing infrastructure

By Catherine Mitchell / August 28, 2019

Educopia Institute and California Digital Library are pleased to announce an award in the amount of $2,200,000 from Arcadia—a charitable fund of Lisbet Raising and Peter Baldwin
PATHWAYS TO OPEN ACCESS

Toward an open access future for research journals:
UC and Cambridge University Press enter into transformative agreement

...engaging with disciplines for flipping their journals to OA
....memberships and crowd-funding
....opportunities to leverage eScholarship as a publishing platform
....commitment to open scholarly publishing infrastructure

...transitional offsetting agreements, in which current subscription spends
....open article processing charges for hybrid journals—and potentially
...offsetting negotiations with cancellations for publishers who refuse to
Why is it taking so long?

Mis-aligned incentives

• Authors
• Libraries
• Funders
• Publishers
Author Incentives   (Pay It Forward study)

Importance of Factors When Selecting Where to Publish

1. Quality and reputation of journal
2. Fit with Scope of journal
3. Audience
4. Impact Factor
5. Likelihood of acceptance
6. Time from submission to publication
7. Editor or editorial board
8. Open Access

“Taken together, it is evident that reputation building within a specific field is at the heart of what matters most to academic scholars.”
Ergo...

81% of UC articles are published by just 23 publishers

50% of our output is published by 5 publishers
• Elsevier
• SpringerNature
• Wiley
• IEEE
• ACS

Key Takeaway:
We will not get to OA at scale by ignoring the gravitational pull of the existing literature

This is our challenge, but also our opportunity
Library incentives

• Collections librarians want to make their users happy and provide as much content as possible
  • COUNTER statistics reinforce the sense of insatiable demand (Trusting the fox to count your hens?)

• Scholarly communication librarians want to break down the old order (and fill their repositories)

• Library managers worry about costs

Moffitt Library, UC Berkeley
Funder incentives

North America
- Funding Agency Green OA Policies
  - White House OSTP Directive
  - FASTR
- University Faculty OA Policies

Europe / UK
- Finch Report
- Horizon 2020
- OA2020
- APC Offset Agreements
- Plan S
Publisher incentives

Double dipping  ●  Uncontrolled, independent spending  ●  Unsustainable
Transformative Agreements re-align these incentives in important ways

- Brings OA to researchers where they work and live
- Places the financial agency of libraries in the service of OA
  - Libraries can facilitate OA transition at scale by redirecting subscription expenditures and changing the business model from within
  - Authors are supported in publishing OA, and lack of funds need no longer be a barrier.
- Allows more holistic financial management
  - By bringing subscription and OA expenditures together in a single agreement, institutions can manage and control costs in a more intentional and comprehensive way.
- Places library funding in the service of authors, not publishers
  - As author behavior and preferences evolve, institutional support can evolve along with it
Transformative agreements as agents of future change

• Libraries cannot directly change author behavior, but we can change how we spend our money
• TA’s align our money with researcher behavior
• As researcher behavior changes, our money can follow

OA Policy
• Green OA deposit

Reclaim Copyright
• Gold OA / Transformative Agreements

Reclaim Publishing
• Academy-owned
• Preprints
There are structural challenges to overcome as well

**Political**
- North American political and funding context is highly decentralized and oriented toward green OA

**Financial**
- While there may be ‘enough money in the system,’ shifting the financial burden from reading institutions to publishing institutions poses affordability challenges

**Market-based**
- If institutions continue to pay for publication instead of authors, market dynamics cannot take hold to drive down costs
Not just why, but how

We are not simply trying to exchange our bulk subscription payments to certain large publishers with another bulk payment for OA.

Our vision is fundamentally different and, we believe, more transformative.
To study the impact of a largescale conversion of the literature via APCs on large North American research institutions

These institutions would assume the bulk of the financial burden in an APC-driven OA model

http://icis.ucdavis.edu/?page_id=713
Key findings

Affordability

Premise: Involving authors is the most promising route to long-term cost control

- Authors will choose a preferred platform for their article based on price of access, availability of publication funding, and quality and readership considerations
- Publishers will respond to elastic author demand by competing for submissions
- Under ideal conditions, competition in an OA environment will lower the cost of scholarly communication

$1892$: Average APC for partner institution publications in full OA journals

Sustainability

Combining institutional and grant funds can lower the financial burden for both parties
Putting these ideas into action: modeling transformative agreements

A model designed to work in the decentralized North American context:

Incorporate authors into the process of paying for journal publication, while still providing robust institutional support

Incorporate research funding into the payment stream
Multi-payer transformative agreement design

**Off-setting:** Subscription fees should 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

Library pays a baseline subvention on every article

Authors contribute grant funds toward the remainder, if available

If not available, library pays in full

Total fees are capped to manage risk
Impact on grant funds

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)

*source: Universities UK report, *Monitoring the Transition to Open Access: December 2017*
What is needed to make this work?

• **Libraries and Publishers**
  • Integrate licensing and OA approaches, and support a cost-neutral transition that allows all stakeholders to manage financial risk and accommodate market shifts over time. Libraries and publishers will need to work in a true spirit of partnership.

• **Funders**
  • Create policies that support funding for research publication, and encourage authors to allocate funds for this purpose. Funding could be in the form of overheads, but where APCs are concerned a market-based approach is likely to be best served by placing those decisions where they have consequences – in authors’ hands.
What is needed to make this work?

• Systems
  • We need to develop new payment systems to support a shared funding workflow - this work may itself benefit from funder support to enable publishers to invest in the transition. Developing common infrastructure that can be used across publishers would be helpful to smaller publishers and societies.

• Authors
  • will have to accommodate new workflows in our model, and allocate research funds where they have them - we’ll have a good sense of how this is working after we’ve had some experience with it.
Two additional points

• Coalition-building
  • Publishing is a global enterprise. We need to encourage and engage with stakeholders both nationally and globally if we want OA to become the default. We’re working hard at this now.

• Investing in innovation
  • Nurturing innovation that can allow newer dissemination models to emerge and thrive is equally integral to our thinking.
  • But we can’t just wait for innovation to supplant traditional publishing if we want open access to take hold in our lifetimes.
How have we built our coalitions?
Getting faculty and administrative buy-in

Multiple successive presentations to systemwide leadership committees over the past three years

What: Pay It Forward, OA2020 pros/cons, multi-payer offsetting model

Who: Academic Senate Faculty Library Committee
     Provost’s Scholarly Communication Committee
     Council of University Librarians

Engaged faculty leadership has been key

Faculty desire to move from green OA policies to more immediate OA

OA2020 discussed and endorsed by all ten campus faculty library committees
Crucial: Aligning goals and strategies

Library, Faculty, Administration

Libraries roadmap (*Pathways to OA*) - Feb 2018

Senate (Library committee) *Declaration* - April 2018

UC Provost advisory *Call to Action* - June 2018

Only then, Libraries announce *negotiations project* - June 2018
Focus on Mission

“The distinctive mission of the University is to serve society as a center of higher learning, providing long-term societal benefits through transmitting advanced knowledge.” - UC’s mission statement

“The University of California is committed to upholding and preserving principles of academic freedom. These principles reflect the University’s fundamental mission, which is to discover knowledge and to disseminate it to its students and to society at large.” - UC Policy on Academic Freedom (APM-010)
Crucial: Faculty as *partners*, not merely audience

Participants in goal and strategy formulation

Faculty on negotiations team (3 of 6)

Faculty as communicators
Making **Coalition-building** a priority
THANK YOU