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**“An exploratory study into an intermediary service organisation handling author fees on behalf of academic libraries”**

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## Management summary

There are now more than 5000 Open Access journals, approximately 20% of all peer-reviewed scholarly journal titles. In cooperation with the Open Access Scholarly Publishers Association, an online survey among their members was carried out to make an inventory of the presently used payment methods and to test an idea for a centralised payment method: an author fee clearinghouse. In addition, this idea was explored by eight interviews with librarians and three interviews with Open Access publishers. Furthermore, the idea was discussed in a workshop during the OASPA conference. The main results are as follows:

### *Presently used payment methods:*

- The 26 publishers that participated in the survey publish in total 591 Open Access journal titles. 80% of these journals have author fees. Other types of funding consist of subsidies, sponsoring and income from advertising and print editions.
- The average author fee among participants in the survey is \$926 with a range from \$100 to \$2900.
- The larger OA Journal publishers have institutional membership programs in place. In these programmes, the participating institutes pay for (a part of) the author fees incurred by authors from their institute.

### *Author fee clearinghouse:*

- The idea for an author fee clearinghouse is to start a collective intermediary organisation that processes the author fees for Open Access articles using the library budgets.
- From the interviews with librarians, it became clear that most librarians responded positively to this idea because of the potential benefits in lessening the administrative burden, lowering the threshold for authors to publish in Open Access journals and providing a good marketing tool for promotion within their institute of Open Access publishing. The main concern of the librarians was how to cap the funds for this purpose.
- From the study among OA publishers, it became clear that most want to see this idea further explored. Three main outcomes were: (1) The proposed author fee clearinghouse should present clear benefits of the present situation, in particular over the institutional membership programs that the larger OA journal publishers have in place. (2) The acceptable handling fee for the author fee clearinghouse is around 10% of the total author fee. (3) There is some concern that the author fee clearinghouse would take away the financial incentives for authors and thus decrease competition.

### *Conclusions and recommendations*

From the results of this study, broad outlines for the organisational setup of such an author fee clearinghouse are described as well as the conditions from librarian's perspective and from the Open Access journal publishers' perspective. It is concluded that the results of this study among librarians and Open Access Journal publishers show that there is general support for further exploration of the idea. Therefore, a feasibility study to detail the organisational outlines further is recommended.

# 1. Introduction

This main research question of this study is: What are the possible mechanisms of handling authors' fees on behalf of academic libraries, in particular the option for an author fee clearance organisation acting on behalf of the academic libraries?

The goal of this research is to study the possibility of setting up an author fees clearing organisation acting on behalf of academic libraries in dealing with all Open Access publishers.

The objectives of this study are:

- Objective 1: To gauge the possible support among university librarians for a collective author fee clearance organisation working on behalf of University libraries, including the possible conditions under which such an intermediary service organisation would have to function from the library perspective.
- Objective 2: To gauge the possible support among scholarly Open Access Journal publishers for a collective author fee clearance organisation working on behalf of University libraries, including the possible conditions under which such an intermediary service organisation would have to function from the OA Journal publisher perspective.
- Objective 3: To make an inventory of the options to set up an author fee clearance organisation on behalf of University libraries, including broad organisational outlines.
- Objective 4: To study if the existing intermediary organisations in scholarly communication, such as Journal agents (EBSCO, Swets), Library consortia, or Copyright clearance centres can serve as potential models.
- Objective 5: To study the role of authors' fee clearance centre in supporting the transition process from subscription-based scholarly journal publishing to Open Access scholarly journal publishing.

Firstly, an online survey was carried out among OASPA members to inventory the present payment methods for Open Access journals among OASPA members. Secondly, a quantitative study on the potential new payment mechanism was carried by interviewing librarians and Open Access publishes.

The study has been carried out by Anuar Shafiei. The research project forms part of his Master thesis of the full-time International Master of Business Administration at The Hague University, the Netherlands ([www.thehagueuniversity.com](http://www.thehagueuniversity.com)). The study was supervised by Caroline Sutton and Matthew Cockerill, of the OASPA Governing Board ([www.oaspa.org](http://www.oaspa.org)) and facilitated by Pleiade Management and Consultancy ([www.pleiade.nl](http://www.pleiade.nl)).

## **2. Methods of the field study**

### **2.1 Background: presently-used payment methods and the author fee clearing house**

#### **2.1.1 *Individual article processing charges***

A typical article processing fee<sup>1</sup> for an article in an OA journal is \$500 to \$3000. For potential authors within the academic environment, this is an extra and unwanted financial burden for the budget of their research department. From the perspective of a university as a whole, the administration of the handling of individual author fees will create a considerable administrative burden: this can be illustrated by the following figures: the 13 Dutch universities have 44.000 researchers (FTE) who publish 25.000 articles per year (figures from 2007<sup>2</sup>). In case of a total transition to the author fee-based business model, the processing of 25,000 invoices will create an enormous administrative burden on the universities

#### **2.1.2 *Developments towards a different payment system***

A number of university libraries have created funds for the author fees in order to stimulate the publishing by authors within their university in Open Access journals. For instance, Biomed Central has started institutional memberships, in which researchers from member organisations can publish research articles in their journals without paying any author fee. Public Library of Science has institutional memberships, which give a discount on author fees for the authors affiliated with the member institutes. In most cases, these membership fees are paid from the library budget of the institutions involved.

#### **2.1.3 *Library experiences with payments of article processing charges for authors***

The Lund University describes its experiences with the payment of article processing charges for authors within the Lund University<sup>3</sup>. The Lund University has been participating in the institutional memberships of Biomed Central, Hindawi and PLoS since several years. They analysed the usage of the funding for 1<sup>st</sup> 9 months of 2009. In total, 80 journal articles were published in this period in one of the Open Access journals of the three Open Access publishers and sponsored by the Lund University. An article is sponsored when the corresponding author is affiliated with the Lund University. This amounted to an average price per article for the Lund University of \$1363.

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<sup>1</sup> article processing fee and author fee are used as synonyms in this report.

<sup>2</sup> Costs and benefits of research communication: the Dutch situation; John Houghton and others. 2009; Surfoundation

<sup>3</sup> Lund University supports publishing in OA journals: an examination; J. Erikson, Sciecom Info 4 (2009)

The author makes an example calculation to investigate the feasibility of scaling this type of OA funding. If the Lund University would turn to 50% of the article output made by authors within the University, using the same funding models as the institutional memberships described here, this would cost \$883,000. This would be equivalent to more than 25% of the journal subscription budget. In short, because the Lund University is a research university and therefore produces many journal articles, the costing of Open Access publishing might cost this University more. Although there other calculation examples that have a different outcome (see Waaijers 2009), this illustrates the worry for many librarians that sponsoring article processing charges for OA journal articles will cost a considerable sum of money, whereas there will be no cost savings of similar order in the near future. However, the article by Erikson from the Lund University concludes that a capped model (thus with a maximum to be assessed each year) for centralized payment of article processing charges will be acceptable for many libraries. Such a capped model could be realised by a clearinghouse for a publication fees, including all OASPA members under the common law, with low administration overhead and budget control for central funds like the fund from the Lund University. Such a clearinghouse would also make place for smaller publishers with only one or a few OA journals and replace the membership programs by the larger OA publishers. This idea has been taken up by OASPA and is the focus of this study.

#### **2.1.4 A collective article processing fee clearinghouse**

The idea under investigation - a collective author fee clearinghouse<sup>4</sup> - consists of the following items:

- A collective organisation acting on behalf of a number of University libraries (similar to existing library consortia for licensing fees)
- Purchasing organisation for author fees
- Contractual relationships with most OA journal publishers
- Clearinghouse function for author fees on behalf of the participating libraries

Implementation of this clearance organisation might have the following effects:

- Potential advantages for the participating libraries:
  - Ability to offer a wide range of Open Access journals across all disciplines as a publishing platform to the researchers of their own campus
  - To have research articles of their own university Open Access available (promotion of the University)
  - To gradually steer away from the subscription business model to Open Access business model
- Potential advantages for the participating OA publishers:
  - Lessening of the administrative burden
  - Lowered threshold for authors to publish in their journals.

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<sup>4</sup> The terms author fee clearing house and author fee clearance organisation are used throughout the thesis as synonyms.

This idea has been studied by interviewing 8 librarians and 3 OA publishers. In addition, a survey among OA publishers made an inventory of the presently used payment methods and investigated the idea for an author fee clearance organisation. Furthermore, the outcomes of a group discussion with approximately 25 attendees at the OASPA conference in Prague (where some results of this study were presented) are also described in a separate paragraph.

## 2.2 Development of the questionnaire for the online survey

The questionnaire was developed in close cooperation with Caroline Sutton and Matthew Cockerill (respectively President and Member of the OASPA Board). The questionnaire consisted of 2 parts: a number of questions about payment methods and funding as presently used by publishers of Open Access journals and a number of questions about the idea of a collective author fee clearinghouse. The online survey was set up using Pleiadesurvey, an online survey tool developed by Pleiade Management and Consultancy (see [http://www.pleiade.nl/ict.php?lng\\_id=EN](http://www.pleiade.nl/ict.php?lng_id=EN))

## 2.3 Invitations and response rate

- An invitation e-mail was developed, signed by Caroline Sutton as President of the board of OASPA.
- The questionnaire has been sent out to 53 members of OASPA.
- The invitations were sent out on July 22 and a reminder was sent on August 5 2010. The questionnaire was closed at August 12.
- Of the 53 members of OASPA, 26 responded to the survey. This is a response rate of 49%.

## 2.4 Interviews with librarians and OA publishers

The qualitative study focused on the idea for the collective author fee clearance organisation. Three interviews were held with Open Access journal and 8 interviews with librarians (see tables below).

The results of the interviews will be presented in chapter 3. The survey results on payment methods will be presented and discussed in chapter 4 and the survey results on the idea of an author fee clearinghouse also in chapter 4.

Librarians	Institutions
Lieuwe Kool Head of Medical Library	University of Amsterdam, The Netherlands
Stuart M Shieber Director, Office of Scholarly Communication	Harvard University, USA
Linda Lindstrom Head of Acquisitions	Karolinska Institute, Sweden

Lars Björnshauge Director of Library	Lund University, Sweden
Paul Ayris Director – Planning & Resources	University College London
Andrew Waller OA Librarian, Centre for Scholarly Communication	University of Calgary
Peter van Laarhoven Head of Faculty Library Services & Collection	University of Groningen The Netherlands
Inge Van Nieuwerburgh Digital Project Manager	University of Gent, Belgium

<b>OA journal publishers</b>	<b>Institutions</b>
Paul Peters Head of Business Development	Hindawi Publishing Corp Egypt
Matthew Cockerill Managing Director	BioMed Central United Kingdom
Mark Patterson Director	Public Library of Science (PLoS) United Kingdom

## 3. Interview results

### 3.1 Results interviews with librarians

#### **Over half of the respondents from the libraries are (measured) positive about the idea**

Five out of the eight interviewed librarians gave positive response to the idea of an author fee clearance organisation. The main benefits would be in their eyes:

- lessening of the administrative burden
- lowering the threshold for authors to publish in Open Access journals
- good marketing: the university would use this to promote Open Access publishing.

Several librarians however expressed their opinion that hybrid journals should be excluded from participating in this author fee clearance organisation. Concerns are that the publication fee for these journals are much higher and that this will not lead to the desirable transition to a more general used Open Access model. Another concern is that in this case, the library pays double: for the publication fees and for the subscriptions to these hybrid journals. These positive respondents mention only a few possible disadvantages. One of the potential disadvantages according to these respondents is that now they can set their own policies, in case of the author fee clearance organisation there will be less room for setting specific policies by an individual institute.

#### ***Three respondents were not positive***

Three librarians were less positive about the idea of an author fee clearance organisation. These interviewees were not positive because of different reasons:

- **Too costly for the institute:** one respondent emphasised that they have calculated the costs for the library if their institutes would completely switch to Open Access publishing. In his view, even when subscriptions could be cancelled, this would be more costly for their institute. This respondent (from a medical library) also states that they asked 200 leading researchers within the Institute which journals were indispensable for them and 30% of those journal titles were Open Access journals. Budgetary considerations were mentioned by nearly all respondents, but for this respondent this argument weighed so much that it led to a negative view on the idea of an author fee clearance organisation.
- **Not feasible:** one respondent did not think the idea for an author fee clearance organisation was feasible. In his view, there are too many universities and too many authors and therefore he could not see how a clearinghouse would be able to cope with all the details required by the universities. It is important to emphasise that this respondent was generally in favour of the Open Access publishing model.
- **Lack of financial incentive for author might lead to market inefficiency:** One respondent emphasised that with the libraries or others funding organisations paying for the publication fees instead of the authors, especially using an intermediary organisations such as the proposed author fee clearance organisation, might take away any financial incentive for the authors in choosing their

journals. According to this interviewee, this will lead to market inefficiency in the Open Access model: authors will not bother with the level of the publication fee, and publishers will abuse this and increase the publication fees. The serials crisis has illustrated that publishers will abuse market inefficiencies if the possibility exists. Therefore, this respondent was very reluctant to establish such an author fee clearance organisation. He thinks that central funding for Open Access publications are necessary, but should not reimburse the entire publication fee for the author. At his university, the central funding for Open Access publications only pays a fixed fee, leaving the rest of the publication fee to be paid by the author, thus keeping the financial incentive there.

### **3.1.1 *Conditions for the author fee clearinghouse from the librarians' perspective***

All respondents mentioned a number of conditions that should be fulfilled by the proposed author fee clearance organization. These can be summarised as follows:

- The role of the author fee clearance organisation has to be well defined as to what kind of services and assistance they will provide. Generally speaking, the author fee clearance organisation should have clear advantages over joining membership programs as now are offered by the major OA publishers.
- The author fee clearance organisation should be built upon structures that already exist in the library world, such as library consortia.
- The organisation should be able to track the budgets of the participating institutes and update them when the allocated budget has been depleted or preferably before that. Another respondent thinks that complete transparency throughout the year on the budget situation is necessary in order for libraries to participate.
- The costs of the organisation should be limited.
- There should be a financial benefit for the participating libraries in comparison to membership programs or individual author fee payments. This should be achieved by economy of scale.
- There should be a uniform way to identify the authors and their affiliation.
- There is concern about the level of the publication fee. What is acceptable and what is not acceptable? According to one respondent, as soon as you state that the acceptable publication fee is a certain amount of money; all publishers will increase their fee to that level.

### **3.1.2 *Payment methods and other workflow suggestions***

With regard to payment methods and the workflow, a few respondents suggested the following ideas:

- One respondent states a preference to split the risk as both parties will not know in advance how much the usage is going to be. This might be a hard for publishers to swallow: in the present membership programs, this is not the case according to this respondent.
- Another suggestion is that the author fee clearance organisation will work with deposit accounts, where participating libraries can deposit their OA fund for that year.
- Another respondent proposes a floating deposit: the author fee clearance organisation should then give regular updates about the deposit.

- A number of respondents mention a quarterly invoicing procedure. If there is a huge amount of money involved, a monthly invoice procedure might be applicable.

### **3.1.3 Keeping publications fees at a competitive level**

The respondents were also asked if they had ideas about how to keep the publication fee pricing at a competitive level. Indeed, one respondent stated that for authors the publication fee is not important: they choose the journal to publish their work in on other criteria.

One respondent suggested the proposed author fee clearance organisation should negotiate with the OA publishers about the publication fee on behalf of the libraries. Another idea is that only a certain amount is funded by the centralised funding option and that the rest should be funded by the authors themselves.

### **3.1.4 Workflow suggestions**

With regard to the workflow, a few respondents suggested the following ideas:

- With regard workflow, the system should be integrated with the websites of the publishers in such a way that it is clear to submit to authors which universities are involved in the clearinghouse construction.
- With regard to the workflow, immediately after authors have submitted an article to a general, the participating institute, where this author is working, should be notified.

### **3.1.5 Character of the author fee clearance organization**

Some interviewees also responded to the question what type of organisation could best carry out this clearinghouse function. Most respondents mentioned that it should be a not-for-profit organization, whereas a commercial organisation would be suspect for libraries. Another respondent insisted that the organisation should be independent from the publishers. Journal subscription agents - which have a similar intermediary function for journal subscriptions - are not eligible according to 2 respondents, because they do not have any experience dealing with individual authors.

### **3.1.6 Conclusions from the interviews with librarians**

As stated earlier, five out of eight librarians generally supported the idea for an author fee clearance organisation.

Their main concern is how to make the financial part of this clearance centre work properly and in such a way that it is beneficial to the participating institutes. Another concern is how to set up such an organisation and make sure it has enough participating libraries.

It is worth mentioning that several respondents mentioned centralised Open Access funds within their institutes: some respondents stated their institute had already such a centralised Open Access funds, other respondents mentioned that there were plans to setting up such a centralised Open Access fund

in their institute and one respondent mentioned they have had such a central fund, but it was quickly depleted and after that discontinued.

## **3.2 Results interviews with OA publishers**

### **3.2.1 *Criteria and conditions for the proposed author fee clearance organization from the publisher's perspective***

The respondents mentioned a number of conditions/ criteria for the proposed author fee clearance organisation:

- The author fee clearance organisation should work with only quality journals, quality publishers and other quality criteria.
- The author fee clearance organisation should not only limit its activities to do the payments and the transactions, but also carry out a marketing effort towards libraries and/or centralized OA funds.
- The proposed author fee clearance organisation should present clear benefits of the present situation, in particular over the institutional membership programs that are larger OA journal publishers have in place.
- In general, the respondents express a willingness to explore this idea further.

### **3.2.2 *Concerns from publishers***

The respondents mentioned the number of concerns with regard to the proposed author fee clearance organisation:

- About relationship with existing membership programs: the respondents were working for larger OA journal publishers with institutional membership programs in place. One respondent mentioned as they had over 300 institutional membership programs in place, another mentions over 20 institutional membership programs. Therefore, those publishers do not strongly feel the need for an intermediary organisation.
- Administrative burden not very large: a large percentage of the author fees are now paid by PayPal or another automated payment system. Therefore, the collection of individual author fees does not bring a large administrative burden with it. Another respondent expresses concern with an additional bureaucratic layer.
- No interest from journal subscription agents: the respondents mention also that earlier talks with journal subscription agents in order to interest them for this author fee clearance tasks were not successful: they were not interested in taking up this task.
- Discount on publication fee for an intermediary organisation limited: the respondents mentioned that they could foresee only a limited discount on their publication fee for this new author fee clearance organisation.

### **3.2.3 Other results**

- Preference for a commercial organisation: The respondents prefer the author fee clearance organisation to be a commercial party. They have the impression that a commercial organisation will work more efficiently in contrast to a not-for-profit organization.
- Limited budgets at universities: a possible hurdle to set up an organisation like this at this moment is that the universities have very limited budgets at this moment. Paying money for something new would be a tough call.
- Exclusivity for the author fee clearing house: this is not acceptable for one respondent, but for another respondent this might be acceptable. However, this respondent would be hesitant to give their long-term commitment for such exclusivity.
- Competitive pricing: the author fee clearinghouse can set limits to the author fees and can choose journals that can participate and others that cannot. It is not necessary, according to one respondent, to include all journals from a certain publisher.

### **3.2.4 Conclusions from the interviews with OA publishers**

In general, the respondents express a willingness to explore the idea for an author fee clearinghouse further. However, there are some important hurdles to take from the viewpoint of OA journal publishers: in particular, the author fee clearance organisation should have clear benefits over their existing institutional membership programs.

## 4. Online survey results

### 4.1 Number of OA journals published

In the table below, the results are presented with regard to the organisations who responded to the survey and the number of Open Access journal titles they publish in total, the number of Open Access journal titles with article processing charges (also called author fee) and the number of Open Access journal titles without article process charges.

The 26 participating publishers publish in total 591 Open Access journal titles. Of these, 472 journals have article processing charges (79.9% of all titles) and 119 have no article processing charges (20.1%).

Publisher name	Nr. of OA titles	OA titles with APC	OA titles without APC
Departamento de Publicaciones - Consejo Superior de Investigaciones Cientificas	35	0	35
CytoJournal, Cytopathology Foundation Inc	1	1	0
Utrecht University Library, Igitur Utrecht Publishing & Archiving Services	15	0	15
imed UHN epress - Journal of Medical Internet Research	3	3	0
International Journal of Education Policy and Leadership	1	0	1
Kathmandu University Medical Journal	1	0	1
Hindawi Publishing Corporation	250	225	25
The Pan African Medical Journal	1	0	1
Egyptian-British Biological Society	2	0	2
Annals of African Medicine	2	2	0
Pharmacotherapy Group	1	1	0
AJCEM Lifeline Company LTD	1	1	0
Health and Medical Publishing Group (HMPG)	12	0	12
ZAMBIA MEDICAL ASSOCIATION; MEDICAL JOURNAL OF ZAMBIA)	1	0	1
KCA University	1	0	1
Cellular Therapy and Transplantation (CTT)	1	0	1
Nepal Paediatric Society	1	0	1
Kalinga Gastroenterology Foundation	1	0	1

International Union of Crystallography	1	1	0
Kosson Initiative	1	0	1
Co-Action Publishing	10	5	5
Semantics & Pragmatics, a Linguistic Society of America eLanguage journal	1	0	1
Public Library of Science	7	7	0
CCSP Press	4	0	4
BioMed Central	213	203	10
Copernicus Publications	24	23	1
<b>Totals</b>	<b>591</b>	<b>472</b>	<b>119</b>

**Table 1: Number of OA journals published by 26 OASPA members**

## 4.2 Article processing charges

Eleven participating publishers publish Open Access journals with article processing charges. A number of questions were asked about the article processing charges. The results are presented in the table below.

Publishers name	Number of OA Titles	OA Titles with APC	APC uniform or not?	Average APC	Lowest APC	Highest APC
CytoJournal Cytopathology Foundation Inc	1	1	Yes	1500		
Pharmacotherapy Group	1	1	Yes	100		
AJCEM Lifeline Company Ltd	1	1	No	200	100	400
International Union of Crystallography	1	1	No		150	1000
Annals of Africa Medicine	2	2	No	150	100	260
Imed UHN express – Journal of Medical Internet Research	3	3	No	1,000	500	1,900
Co-Action Publishing	10	5	No	661	595	1,255
Public Library of Science	7	7	No	2,450	1,350	2,900
Copernicus Publications	24	23	No	900	600	1,300
BioMed Central	213	203	No	1650	740	2,380
Hindawi Publishing Corporation	250	225	No	650	200	1,500
Totals	513	475				
Average				\$926	\$482	\$1,433

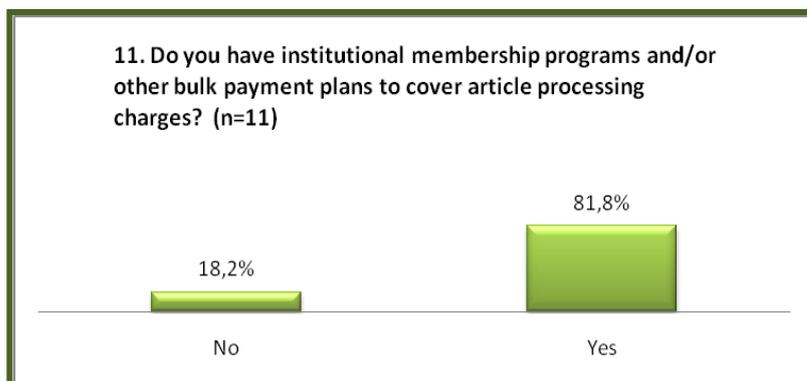
**Table 2: Article processing charges of OASPA members**

The main conclusions are:

- The average article processing charge for these 11 publishers is \$926. The lowest average article processing charge is \$482, whereas as the highest average article processing charge is \$1433.
- The lowest article processing charge of all the journals published by these 11 publishers is \$100; the highest article processing charge is \$2900.<sup>5</sup>

<sup>5</sup> in one comment, additional fees for journal (JMIR) are mentioned: a submission fee (\$90) and a optional fast-track fee (\$450).

### 4.3 Publishers with Institutional membership programs



Of the 11 publishers with article processing charges, 9 publishers have implemented an institutional membership program (over 80%).

The results with regard to a number of questions about the form of the institutional membership program are presented in the table below:

- Of the 9 publishers with an institutional membership program, 6 have implemented an institutional membership program that covers the full author fee.
- Of the 9 publishers with an institutional membership program, 4 have implemented an institutional membership program that covers a part of the author fee.
- In addition, two publishers have another form of an institutional membership program. From their comments (see below), this appears to be in case of one publisher an option for a prepayment and a post payment and for another publisher other benefits for the Institute.

Type of institutional membership programs	(n=11)
Publisher with membership program	9
Full coverage of author fee	6
Partial coverage of the author fee	4
Other	2

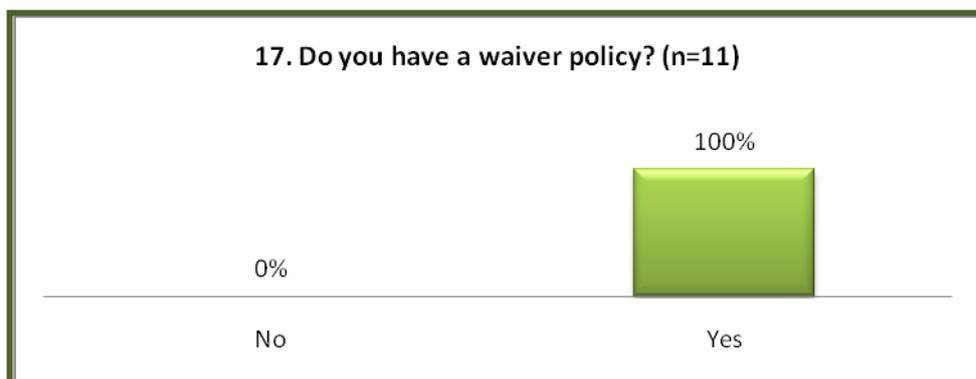
Table 3: Type or membership program offered by OASPA members

A number of open questions were asked about the advantages of the institutional membership plans for the publisher, for the participating libraries/Institutes, and about the challenges for both parties (see appendix C). The answers can be summarised as follows:

- The benefits of the institutional membership programs for the OA publishers appear to be rather limited so far: 3 mention a stimulation of submissions, 2 mention the promotional effects of the programmes.
- The benefits of institutional membership programmes for the libraries are mainly seen in encouraging Open Access.
- In addition, lessening of the administrative burden for all parties involved is mentioned in several comments.
- The challenges for the OA publishers in managing the bulk payment plans lies mainly in setting up an administrative system tracking the publications by each institute.
- With regard to the challenges for libraries in managing bulk payment plans, most comments are about the budgetary problems for libraries for this and about the open ended character of the membership programs (i.e. difficulties in predicting the number of submitted publications).

#### 4.4 Waiver Policy

All 11 participating publishers with journals with article processing charges have a waiver policy implemented (see graph below). In addition, a number of questions were asked about the type of waiver policies (see appendix C).



From the results the following conclusions can be drawn:

- 5 publishers have a discretionary waiver, 1 a discretionary discount. Three other publishers mention a waiver on country basis (see below).
- 4 publishers have a promotional waiver, 1 a promotional discount.

With article processing charges, potentially there might be a conflict of interest during the editorial process: an article of an author who is unable to pay the article processing charge might be more likely to get negative publication decision by the editor. For this reason, a number of questions were asked. The results are presented below in a graph and a table.

10 out of 11 participating publishers with article processing charges have a policy in place to prevent a potential conflict of interest. These policies differ, but have in common that the editors have no knowledge of a potential waiver of the article processing charges (see also appendix C)

## 4.5 Other types of funding

All respondents were asked a number of questions about other types of funding apart from article processing charges. The results are presented in the table below.

Other type of funding	(n=26)
no other types of funding for journals with APC	4
no other types of funding for journals without APC	9
By governmental/public organization	7
Funding by Scholarly Association/Society	10
Corporate sponsoring	4
Submission fee	2
Print edition	3
Advertising	6
Other (see also comments below)	4

**Table 4: Other type of funding/income publishers**

The results can be summarised as follows:

- 4 publishers (out of 11) have no other types of funding for their journals with article processing charges
- 9 publishers, with journals without article processing charges, have also no other type of funding. These journals are apparently produced on a voluntary basis or produced within an institutional budget.
- Most other types of funding consist of sponsoring or subsidies: by scholarly Associations or societies (n=10), by governmental or public organisations (n=7) or by corporate sponsoring (n=4).
- 6 publishers use advertising as extra source of income, others use print editions (n=3), submission fees (n=2). In addition, 1 respondent stated that some journals have a subscription-based access to non-research content.

## **4.6 Greatest financial challenges**

The last question in this section of the questionnaire about payment methods was an open question about the greatest financial challenge for the OA publishers. The answers to this question are presented in appendix C and can be summarised as follows:

- There is a struggle to find funding for article processing charges. Some plead for more OA funds, others for more support of research funding organisations. Especially in the social science and humanities, article processing charges are seen as the great hurdle for authors.
- Some respondents appear to oppose article processing charges and look for other funding options.

## 4.7 Author fee clearance organization in the survey

The last section of the survey was dedicated to the idea for an author fee clearance organisation. In the questionnaire, the idea was presented under the heading 'Your ideas on the desirability of a collective author fee clearance organisation' (see text box).

The idea under investigation is a collective organization acting on behalf of a number of research libraries (similar to existing library consortia for licensing fees). This organization would act as a purchasing organisation for article processing charges. It will have contractual relationships with a wide range of OA journal publishers and function as a clearinghouse function for article processing charges on behalf of the participating libraries.

Potential advantages for participating libraries/ institutions are:

- Ability to offer a wide range of Open Access journals across all disciplines as a publishing platform to the researchers of their own campus
- To have research articles of their own university Open Access available (promotion of the University)
- To gradually steer away from the subscription business model to Open Access business model

Potential advantages for the participating OA publishers are:

- Lessening of the administrative burden
- Lowered threshold for authors to publish in their journals

After this description, the respondents could agree or disagree (with a five-point scale) on seven statements about its author fee clearance organisation. The results are presented in full details in Appendix D, each time presented for all publishers participating in the survey (n=26) and for publishers with journals with article processing charges (n=11). The results are summarised in the table below for all publishers:

Summary Survey Result	(somewhat)	(Somewhat)
	Agree	disagree
Will lessen administrative burden	63%	25%
Improvement over institutional program	50%	23%
Handling fee ≤ 10% of APC	88%	0%
Handling fee ≤ 20% of APC	52%	13%
Will stifle competition	33%	33%
Will consider participation	75%	21%
Idea worth further exploring	76%	16%

Table 1: Summary of survey result regarding author fee clearing organisation among OASPA members.

These results can be summarised as follows:

- Most respondents think that such an author fee clearance organisation will lessen the administrative burden for their organisation. However, publishers with article processing charges are somewhat less in agreement with this statement.
- Half of the respondents think that such an author fee clearance organisation will be an improvement over the institutional membership programs now implemented by some OA journal publishers. However, the publishers with article processing charges (who mostly have these institutional membership programs) are more hesitant in agreeing with this statement.
- There seems agreement among the respondents that the handling fee to be charged by this author fee clearance organisation should be in the order of 10% of the entire article processing charge. A higher handling fee - 20% of the article processing charge - encounters resistance with some respondents.
- There is a concern among the participating OA journal publishers that the author fee clearance organisation might stifle competition between the OA journal publishers. Among publishers with article processing charges, this concern is even bigger.
- 75% of the respondents consider participation in such an author fee clearance organisation and think the idea is worth further exploring. Thus, there seems general support among the participating OA journal publishers to proceed with a feasibility study about the author fee clearance organisation.

## 5. Summary and Conclusions

### 5.1 Librarians

The main results of the interviews with the librarians are:

- Most librarians responded positively in view of the potential benefits of the author fee clearinghouse in lessening the administrative burden, lowering the threshold for authors to publish in Open Access journals and providing a good marketing tool for promoting of Open Access publishing within their institute.
- A major concern of the librarians was regarding their budgets and the need to cap somehow the payments for the article processing charges.
- The main concerns were about costs for the library in addition to the costs for subscriptions, about the level of the author fee and the potential that this author fee clearinghouse might have an upward effect on the level of author fee.
- The main conditions were that the author fee clearinghouse organisation should be very transparent, the cost of the organisation should be limited and there should be a financial benefit for participating libraries.
- Librarians saw the author fee clearinghouse as a not for profit organisation. A number of interviewees were opposed to include author fees for so-called hybrid journals (subscription journals with the option to choose for Open Access).

### 5.2 Open Access publishers

The main results from the interviews with OA publishers, from the survey among OASPA members and from the group discussion at the OASPA conference are:

- The 26 participating publishers publish in total 591 Open Access journal titles. Of these, 472 journals have article processing charges (79.9% of all titles) and 119 have no article processing charges (20.1%). Apart from article processing charges, other types of funding are in place: subsidies or sponsoring and some other income sources (from advertising, print editions etc.).
- The average article processing charge among participants in the survey is \$926 with a range from \$100 to \$2900.
- The larger OA Journal publishers with journals with article processing charges mostly have institutional membership programs in place. In these programmes, the participating institutes pay for the article processing charges incurred by authors from their institute (these programmes are varied: sometimes the participating institute pays the entire author fee, sometimes only a percentage).
- The benefits of these institutional membership programs are somewhat limited.
- The proposed author fee clearance organisation should present clear benefits of the present situation, in particular over the institutional membership programs that the larger OA journal publishers have in place.

- The author fee clearance organisation should not only limit its activities to do the payments and the transactions, but also to carry out a marketing effort towards libraries and/or centralized OA funds.
- There is a concern among the participating OA journal publishers that the author fee clearance organisation might stifle competition.
- The handling fee that can be charged by the author fee clearinghouse cannot exceed 10% of the article processing charges. In addition, most interviewed Open Access publishers saw the author fee clearinghouse function best carried out by a commercial organisation.
- 75% of the respondents to the survey will consider participation in such an author fee clearance organisation and think the idea is worth further exploring. Thus, there seems general support among the participating OA journal publishers to proceed with a feasibility study about the author fee clearance organisation.
- It is important also to note some opposition against the idea of an author fee clearinghouse with three counter arguments: (1) OA Journal publishers now already experience strong growth (2) the payment of article processing charges by author guarantees competition and leaves the financial incentives at the authors (3) the present system will guarantee diversity among journals.

## 5.3 Conclusions with regard to the author fee clearinghouse

### 5.3.1 Introduction

The following research questions were formulated at the start of the study:

- How would such an author fee clearance organisation function? (Organisational outlines)
- What would be the conditions under which such an intermediary service organisation would have to function from the library perspective?
- What would be the conditions under which such an intermediary service organisation would have to function from the OA journal publisher perspective?
- Can existing intermediary organisations in the scholarly communication, such as journal agents (EBSCO, Swets) serve as potential models?
- To what extent would such an author fee clearance centre support the transition from the subscription business model to the Open Access business model?

### 5.3.2 Organisational outlines

The organizational outlines for the author fee clearance organisation can be described as follows, based on the above-mentioned results:

- **Financial outlines:** the average article processing charge is \$926. The respondents seem to be in agreement that the handling fee for the author fee clearinghouse organisation cannot be higher than 10% of the article processing charge, thus \$92 on average. This means that in order to generate an income of \$1 million, the author fee clearance organisation has to process nearly 11,000 articles. The Lund University reports approximately 80 Open Access articles per year by their authors in OA journals published by the main OA journal publishers. If the authors of an average research-oriented university (such as the Lund University) would publish 100 Open Access articles per year, this would mean that 110 university libraries have to participate in the author fee clearance organisation.

#### Other organisational outlines:

- **IT system:** The author fee clearance organisation should have an article tracking system in order to automatically track the articles by submitted authors of the participating universities in journals of participating Open Access publishers in order to process the payments for the article processing charges. It falls outside the scope of this field research to estimate how much investments will be needed for such an IT system.
- **Relationships and organization size:** the author fee clearance organisation would have to maintain relationships with approximately 50 OA Journal publishers (OASPA presently has approximately 50 members) and according to the above-mentioned estimate with over 100 University libraries. This would mean that the staff has to have regular contact with more than 150 organisations. If one account manager would be able to handle 25 accounts, this would mean that the organisation needs 6 account managers. With other tasks such as maintaining the IT system

and normal organisational tasks, it seems reasonable to expect that the organisation will need 10 to 20 staff members at minimum

- **Organisation tasks:** the organisation would have to fulfil the following tasks:
  - maintaining relationships with more than 100 university libraries
  - maintaining relationships is over 50 OA Journal publishers
  - maintaining an IT system that track the articles and process the article processing charges
  - negotiations with OA Journal publishers about the level of the article processing charges, negotiations with the University libraries about their budgets and annual renewals.

### **5.3.3 Conditions for the author fee clearinghouse**

The conditions for the author fee clearinghouse from the librarians' perspective include:

- not for profit status of the organisation
- the ability to monitor the (depletion of) the individual library budget
- the ability to cap (put a limit on) the individual library budget
- a clear financial benefit for the participating library with regard to direct payments of the article processing charges
- a role for the organisation to keep their article processing charges at an acceptable level.

The conditions for the author fee clearinghouse from the OA Journal publishers' perspective include:

- preferably a commercial organization
- a clear benefit over the present institutional membership programs, especially for the larger OA journal publishers
- a mechanism that allows OA publishers to compete with the level of the article processing charge fee

### **5.3.4 Potential role for existing intermediary organisations**

With regard to the research question if this role could be taken up by an existing intermediary organisations such as the journal subscription agents (for example Swets and EBSCO), it appeared that in an earlier stage discussions had already taken place with some journal subscription agents and that these organisations were not interested in this role.

### **5.3.5 Transition towards the Open Access model**

With regard to the last research question on the transition from the subscription-based model to the Open Access model and the possible effect of the proposed author fee clearinghouse, the following results came out of the field study:

An author fee clearinghouse construction will have a positive effect on the transition towards the Open Access business model:

- For many authors, the payment of the article processing charges for the publication of their article appears to be a threshold: an author fee clearinghouse using funds from the library will take away the concerns of an author might have about payment the article processing charge.
- From an institutional viewpoint, it seems logical to have a central budget for the article processing charges for all its researchers instead of using the existing departmental budgets. In this respect, using the library budget for this purpose, which is now mainly used for buying subscriptions to journals, seems also logical.
- From the viewpoint of a library, a main concern exists with regard to the transition period: at a certain point, the library budget has to pay for journal subscriptions and for article processing charges. It can be expected that there is a time lag between a major transition of authors to Open Access journals and lowering the subscription fees for subscription-based journals. In the intermediate period, the library budgets will need a temporary increase to be able to finance both subscriptions and article processing charges.
- From the viewpoint of a publisher, the usage of the library budgets for article processing charges might be seen as a stabilising factor and might induce present subscription-based model publishers to switch to the Open Access model.

## 5.4 Recommendations

In conclusion, the results of this study among librarians and Open Access journal publishers show that there is general support for a further exploration of the idea of an author fee clearinghouse. This leads to following recommendations:

A number of general issues need to be solved:

- The issue should be addressed if the author fee clearinghouse should process author fees for hybrid journals. This seems an important issue, as increasingly subscription-model journals switch to the hybrid model. However, among librarians interviewed for this study, there was a notable resistance to the inclusion of hybrid journals. This question could be addressed by a quantitative study among librarians.
- A mechanism should be worked out to keep the author fees competitive in an author fee clearinghouse construction. This was one of the main worries about such a construction, mentioned by librarians and OA publishers alike.
- A mechanism should be worked out to control and/or 'cap' bulk payment methods, such as the author fee clearinghouse. This issue is very important to librarians. The last two issues could be addressed by commissioning a study into this to economists.

A feasibility study into the organisation of the author fee clearinghouse should be carried out on the basis of the results of this field study by OASPA. This feasibility study should address:

- The financial options for such an organisation (income, costs)
- The setup of the organisation (IT-system, number of employees and job description)
- The minimum number of participants (libraries and publishers)
- A start-up and implementation plan.

## Appendix A: Questionnaire online survey

### Payment methods in Open Access Journal Publishing

This questionnaire addresses a number of topics with regard to payment methods in Open Access scholarly journal publishing. The results will be discussed at the 2nd Conference on Open Access Scholarly Publishing in Prague (August 21 -24).

Filling in will take approximately 10 minutes. Your participation is very much appreciated and will help the OASPA in formulating its policies.

The questionnaire addresses the following topics:

A: Payment and funding with regard to your OA journals

B: Your ideas on the desirability of a collective author fee clearance organisation

### A: Payment and funding with regard to your OA journals

Name of your organisation:

#### Overview of your publishing list:

1. How many OA journal titles does your organisation publish in total?

2. How many of these OA journals charge article processing charges (author fees, publication fees)?

3. How many of these OA journals do NOT charge article processing charges (author fees, publication fees)?

Additional comments:

#### Article processing charges (please skip if not applicable)

5. Do you have different article processing charges per journal title?

- no, a uniform charge for all our journal titles  
 yes, the article processing charges differ per journal title

6. What is the (average or uniform) article processing charge in USD?

7. In case of different article processing charges, what is the lowest fee in USD?

8. In case of different article processing charges, what is the highest fee in USD?

Additional comments:

#### Institutional membership programs and other bulk payment plans

11. Do you have institutional membership programs and/or other bulk payment plans to cover article processing charges?

- no  
 yes

12. If yes, what does it entail? [PLEASE CHECK ALL THAT APPLY]

- full coverage of the author fee  
 partial coverage of the author fee  
 other

If other, please specify	
13. What is the greatest advantage of the bulk payment plan for you as a publisher?	
14. What is the greatest advantage of the bulk payment plan for participating libraries or institutions according to you?	
15. What challenges do you experience in managing a bulk payment plan?	
16. What are in your experience the challenges for libraries/institutions to cover the charges?	

**Waiver and other policies in case of article processing charges**

17. Do you have a waiver policy?	<input type="radio"/> no <input type="radio"/> yes
if yes, what kind of waiver policy? [PLEASE CHECK ALL THAT APPLY]	<input type="checkbox"/> Discretionary waiver <input type="checkbox"/> Promotional waiver <input type="checkbox"/> Discretionary discount <input type="checkbox"/> Promotional discount <input type="checkbox"/> Other
If other, please specify	
18. Do you take measures to ensure that your publication fee model does not pose a potential conflict of interest during the editorial process?	<input type="radio"/> no <input type="radio"/> yes
if yes, please describe these measures:	

**Other types of funding**

19. Do you receive other types of funding for your journal titles with article processing charges?	<input type="radio"/> no <input type="radio"/> yes
20. Do you receive other types of funding for your journal titles without article processing charges?	<input type="radio"/> no <input type="radio"/> yes
If yes for question 18 or 19, which types of funding? [PLEASE CHECK ALL THAT APPLY]	<input type="checkbox"/> funding by governmental / public organisation <input type="checkbox"/> funding by scholarly association/society <input type="checkbox"/> corporate sponsoring <input type="checkbox"/> submission fee <input type="checkbox"/> print edition <input type="checkbox"/> advertising <input type="checkbox"/> other
if other, please specify:	

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## Greatest challenges in financing OA journals

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21. From your organization's/journal's perspective, what are the greatest challenges for financing OA journals that need to be addressed?

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## B: Your ideas on the desirability of a collective author fee clearance organisation

The answers to this section will be processed anonymously.

The idea under investigation is a collective organization acting on behalf of a number of research libraries (similar to existing library consortia for licensing fees). This organization would act as a purchasing organisation for article processing charges.

It will have contractual relationships with a wide range of OA Journal publishers and function as a clearinghouse function for article processing charges on behalf of the participating libraries.

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Potential advantages for participating libraries/ institutions are:

- Ability to offer a wide range of Open Access journals across all disciplines as a publishing platform to the researchers of their own campus
- To have research articles of their own university Open Access available (promotion of the University)
- To gradually steer away from the subscription business model to Open Access business model

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Potential advantages for the participating OA publishers are:

- Lessening of the administrative burden
- Lowered threshold for authors to publish in their journals

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Please select your response on the scale by clicking (see figure).

- 2: strong preference item left-hand side
- 1: preference item left-hand side
- 0: neutral / no preference / no opinion / not applicable
- 1: preference item right-hand side
- 2: strong preference item right-hand side

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22. <i>Such an author fee clearance organisation will increase the number of submitted papers.</i>	← disagree -2 -1 0 1 2 agree →
23. <i>Such an author fee clearance organisation will lessen the burden of our financial administration in collecting article processing charges.</i>	← disagree -2 -1 0 1 2 agree →
24. <i>Such an author fee clearance organisation will be an improvement over our present institutional membership programs</i>	← disagree -2 -1 0 1 2 agree →
25. <i>The costs of this organisation should not exceed 10% of our article processing charges.</i>	← disagree -2 -1 0 1 2 agree →
26. <i>The costs of this organisation should not exceed 20% of our article processing charges.</i>	← disagree -2 -1 0 1 2 agree →
27. <i>Such an author fee clearance organisation will stifle competition between OA publishers</i>	← disagree -2 -1 0 1 2 agree →
28. <i>My publishing organisation certainly will consider participation with such an author fee clearance organisation</i>	← disagree -2 -1 0 1 2 agree →
29. <i>The idea for an author fee clearance organisation is worth further exploring</i>	← disagree -2 -1 0 1 2 agree →

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Additional comments:

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Click the submit button to register your answers. The system will respond with a confirmation message and an overview of your answers.

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[SUBMIT](#)

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