Executive Summary
SACUA appointed a sub-committee to look at the financial deficits of the University of Michigan Press, and their plan to pivot from a commercial publishing model to one of open access. STEM and some social science publishing are already open access, but less so for the humanities.

The report adheres to the committee charge to: (1) To evaluate the influence of open access on publishing structures across disciplines, (2) To identify the impact of open access on the financial operations of The Press. The University Library, which manages The Press, as well as the Office of the Provost are committed to covering the financial deficits incurred by The Press. While the move toward open access publishing is a global movement, the committee finds that open access may not be commercially profitable for The Press. However, commercial profitability does not appear to be their goal.

To fund its mission using the open access model, The Press will need additional resources to help fund authors in the 'humanistic social sciences' and humanities. These disciplines do not have the corporate, research, and government funding sources that exist in STEM and some social science fields.

Suggestions for the press might be to put more effort into selling print versions of open access titles as well as invest more effort in marketing the publications which are performing well or which have done so in the recent past.

I. Introduction

In the Fall of 2020, SACUA commissioned the Library Ad Hoc subcommittee to look at the financial operations of The Press, as well as review open-access publication models and trends. This sub-committee was established to examine the declining revenue, and by extension, the declining status of the University of Michigan Press (henceforth referred to as The Press). The decline of revenue is due to dependence on a commercial model of monograph publishing, but which is pivoting toward an open access model of electronic publishing.

The committee members were selected because they represented a cross section of disciplines with differing publishing models. The fields represented are engineering, medicine, social sciences and humanities. The members of the committee were: Michael Atzmon, Professor, Nuclear Engineering and Radiological Sciences, Materials Science and Engineering, College of Engineering; Ivo Dinov, Professor, School of Nursing, Computational Medicine and Bioinformatics, Medical School; Felix Kabo, Assistant Research Scientist, Survey Research Center, Institute for Social Research; Rajesh Rao, Leonard G. Miller Professor of Ophthalmology and Visual Sciences,
Assistant Professor, Ophthalmology and Visual Sciences, School of Medicine; **Francesca Schironi**, Professor of Classical Studies, LSA; **Deirdre Spencer**, Librarian for History of Art, University Library and Committee Chair.

**The committee charge was as follows:**
(1) To evaluate the influence of open access on publishing structures across disciplines,
(2) To identify the impact of open access on the financial operations of The Press.
Submit a brief report to SACUA on our findings.

The second part of the charge drove the majority of the committee’s activity, particularly the significant financial losses of The Press since 2009, which was the year that the University of Michigan Library became the manager of The Press. The University of Michigan Library was one of the first academic libraries to acquire its university press. Other university libraries have since followed suit. This committee report identifies the findings of the Library Ad Hoc Sub-Committee’s review of open access and The Press, according to the committee’s charge.

The committee members, who are all experienced STEM, social sciences, and humanities faculty, read articles and reviewed data about academic open access publishing writ large. We incorporated the published data with our own experience and expertise of publishing within our respective disciplines.

The committee was formed at the beginning of the COVID-19 pandemic. COVID-19 impacted all manner of teaching, research and scholarship, as colleges and universities closed nationwide. Electronic access to scholarly material experienced a new found appreciation among scholars who generally resisted electronic versions of journals and monographs. E-resources (and Zoom) allowed the business of research, teaching and scholarship at universities to continue remotely.

**II. Open Access Publishing**

The goal of open access publishing is to provide accessibility to information free of charge to the end user. As a result, readers across the world would have access to the highest quality scholarship. Useful information would not exist behind a proprietary paywall, but would be accessible instead, to a larger audience including those who cannot afford to pay. Open Access has the potential to expand access to high quality scholarship world-wide. The pandemic has increased the importance of electronic access, as well as open access, in all fields of endeavor. Electronic options such as open access, enabled international faculty, students, staff, and other professionals to continue their work abroad when international boarders were closed and travel was restricted.

Electronic access is a format which has impacted book publishing by reducing the number of book sales. Potential readers who might otherwise purchase a hard copy of a book, log-in to the electronic copy instead. While open access publications are in
electronic format, not all publications in electronic format are open access, as the latter requires a re-configured funding model.

Our general findings on open access publishing indicate that academic publishing writ large is gradually moving toward open access. This is already the case for journal publishing in STEM, biomedical, and some social science fields. For the humanities and social sciences however, grants such as those offered by the Andrew W. Mellon Foundation, provide opportunities for selected institutions to explore open access publishing for a prescribed period of time. Cornell University’s SIGNALE (www.signale.cornell.edu) and Cornell Open are examples.

While electronic access has been a benefit, especially during the COVID-19 pandemic, there are sometimes problems. For instance, occasionally e-resources do not give full or complete access to the reader. In some cases functionality can be problematic, and ‘print’, ‘save’, and ‘download’ limitations are an inconvenience. There are sometimes problems with the platforms on which electronic resources are mounted. Some platforms are more user friendly than others, and they vary from product to product resulting in occasional learning curves for users.

III. Finances of Open Access

Who pays for open access? If the end user does not pay for an article by subscribing to the journal, or purchasing a printed book; or if the library or academic institution doesn’t pay the subscription fee to make the electronic publication available, who does pay for open access publishing?

Open access is a funding model dependent upon author and institutional subventions, with the potential to expand access to quality scholarship world-wide. In other words, the cost of open access publication is transferred to the author. While this is already the case in many STEM, biomedical, and some social science fields, there are exceptions experienced among individual authors. The ecosystem of STEM and some social science publishing and open access is shaped by external research grants from corporations and industry to authors, related to the area of a faculty member’s research and publishing.

For authors who do pay to publish in the journals of their discipline, the funding for author publishing fees come from research grant funding provided by industries, corporations, the author’s home institutions, or the government. The federal government is often the largest funder of sponsored research.

IV. Vendors / Providers

Journal publishing in STEM and some social science fields is often managed by vendors who provide access to individual journals. Often these journals are the most prestigious in their respective fields. Scholars must publish in these journals in order to impact research and scholarship within their disciplines. This is required for promotion and tenure.
Vendors offer packages of journals and can charge high prices for libraries and research institutions to access the journals in their packages. The vendors also require publishing fees from authors to publish in those journals, sometimes requiring multiple payments. This is true particularly if extra payment is required to offer the publication in electronic and print versions, as is the case with some package deals. Authors need to contribute to the scholarship in their fields for professional survival, therefore they must have funding for author publishing fees.

The publishing ecosystem in the humanities is not the same as STEM and more quantitative social sciences. In the humanities and more qualitative social sciences, authors do not pay to publish. There are far fewer research grants available in the humanities, and the ones that exist are not necessarily intended to cover publishing fees alone, as much as to aid the scholar’s travel, research and writing in their respective fields. Paying to publish in the humanities would require a completely different, highly funded publishing model which is not entirely in place.

Many subscribers to large vendors of open access publishing in STEM, biomedical, and some social science fields, are experiencing a reluctance to continue paying, what are increasingly exorbitant subventions to providers such as Wiley, Springer, and Elsevier. University libraries and research institutions generally pay the subscription fees to the vendors. The University of Michigan Library pays the subventions for Elsevier, Wiley, Springer and others. On the other hand, The University of North Carolina and The State University of New York have decided to avoid the large scale providers and deal directly with the individual journal publishers, for more favorable pricing.

On the other hand, some vendors made generous arrangements with colleges and university subscribers during the COVID-19 pandemic, offering electronic access free of charge. From the summer of 2020, and with terms to be re-negotiated at a later date, ProQuest, HathiTrust, and The Press provided free access to readers of their respective institutions and their subscriber base. HathiTrust offered ETAS, the Emergency Temporary Access Service which provides free electronic access to copyright protected material until August 23, 2021.

V. The Press

The Press’ publishing model, aligns with the university’s goals, which The Press refers to as “fund to mission”. The Press’ publishes specialized monographs in what they refer to as the ‘humanistic social sciences’, with an emphasis toward the social sciences in Africa and abroad’. The Press does not publish any journals. It does publish books in electronic format and open access through its Fulcrum platform.

We reached out to the Executive Committee of The Press “composed of distinguished faculty members”, who guide its strategy and determine what to publish. The Executive Committee supports The Press’ move to Open Access which is the wave of the present and future. The Press submitted a $400,000 proposal for Open Access Publishing of Monographs in the humanities and social sciences to the Provost in Winter 2021.
If the University of Michigan is satisfied that the current press model is aligned with the university's mission and core values, then the university should expect to shoulder the financial burden of The Press operations and especially monograph publishing moving forward.

We suggest that The Press might maintain a ‘print on demand’ option as many scholars in the humanities and other fields cannot actually study a book on a screen. This is especially true when it involves other languages. (Classics is a typical example, but there are others.) The cost and labor associated with a print on demand option might bode well for retaining the possibility of a print publishing option under certain circumstances. Also, print versions of open access titles could be marketed.

VI. Finances of The Press

The Press' current business model is heavily reliant on specialist monographs as these comprise about 80% of their annual output. The financial losses of the press are due to the cost of monographic publishing.

According to figures published by the director, The Press lost approximately $1,000,000 of revenue from net sales between 2013 ($3,764,796) and 2020 ($2,676,506). (The Press revenue was approximately $6,000,000 and $7,000,000 per year at the time the Library assumed management).

This current model is unlikely to result in positive revenues in the near- and long-term. The costs per monograph production at The Press, results in loses of $5,000 to $10,000 for each monograph published. While it costs around $30,000 to produce a monograph, the expected lifetime net sales income for the monograph is less than $20,000.

Given that the production of monographs is highly labor intensive, this implies that the most likely area of growth for The Press is not sales or revenues, but staff and overhead costs, which are covered by the Library.

The cost of publishing a book is approximately $28,000 (assuming there are no complexities such as multiple images or charts, which would increase cost more like $40,000). Printing costs are between $3,000 and $5,000. A copyeditor will cost about $2,000 to $3,000 for a standard book. Typesetting may cost approximately $2,000, but this really depends on the size and complexity of the book. These are direct costs associated with the business.

Collectively, we need to determine the costs / budgets for articles (typical APC or article processing charges) are between $600 and $2,400). EBooks (typical APC fees are TBD), and printed books (typical APC fees are $10,000.00-$15,000.00). Camera ready publishing would save money here.

Articles authored by The Press Director document financial losses, and thereby, The
Press's pivot from a commercial publishing model to one of open access. Journal articles most frequently come to mind when considering open access publishing. However, as mentioned previously, The Press does not publish journals, and is moving increasingly in the direction of open access publishing of its monographs.

This move to open access publishing of journals and now monographs, follows a long-standing model in the UK, the EU, and is now proliferating globally. The financial deficits (which will most likely continue with open access) will parallel the increase of the impact of The Press’ (broader and deeper penetration of Press materials into diverse communities of learners, readers, and scholars).

The financial losses of The Press began prior to the current management team. With regard to publishing costs, indirect costs include salaries and benefits for press staff, marketing, keeping the lights on, heating, warehousing etc. assuming that an acquisitions editor is bringing in 20 to 25 books a year (the norm for a university press) will run about $20,000.00.

Lean budgetary times such as that brought about by the pandemic are more likely to expose the weakness in the organizational structure of The Press as a "cost-center" within a larger "cost-center." What do we know on the plans to "crisis-proof" The Press in the long-term?

While The Press does not directly benefit from Cambridge UP journals through the BTAA (Big Ten Academic Alliance) arrangement, the fact that the BTAA has engaged in open access consortia, bodes well toward supporting the efforts for The Press to also engage in open access.

The Executive Committee of The Press, in its advisory capacity, and relying on its expertise, does not make direct decisions regarding the financial operations of The Press' even though it does support the pivot toward open access.

VII. Funding Models for the Humanities vs STEM and the Social Sciences

Humanities scholars have few subvention funds for open access. The Press's monograph portfolio plays an important role in the humanities publishing infrastructure. Furthermore, The Press is pursuing open access publishing for their monographic portfolio, as The Press interprets this as being responsive to the university's strategic goals.

In the area of humanities publishing, a change in the publishing ecosystem is required to pivot to open access. Currently a hybrid model of print and electronic access is addressed by librarian fund managers on a case by case basis.

Most humanities authors, do not have the funds to pay subventions to make their monographs open access. Grant funding would have to be greatly increased, for example, from philanthropic organizations, research institutes, the federal government,
etc. More incentives are needed to supplement open access publishing in the humanities. An unfunded mandate for open access funding for authors in the humanities is suggested.

It is undoubtedly challenging for humanities scholars to publish open access given their resource constraints. However, the situation can be equally challenging for those in the quantitative social sciences who do not have access to external research dollars. They are judged by the same publication metrics as their peers who may have a healthy pipeline of research dollars and hence the funds to pay the open access fees for several journal articles per year.

In addition, another suggestion is that funding is needed for humanities authors who choose to publish at The Press, and who are not UM faculty. Otherwise, The Press runs the risk of becoming a pass for just UM faculty.

The typical subvention (if available) might be $5,000, so a subvention model is not fiscally possible (roughly $400,000 a year short per editor), and cuts out faculty who are not at large research institutions that might provide a subvention.

1. Subventions for authors in the humanities are needed to pay publishing fees by programs such as TOME (Toward An Open Monograph Ecosystem).

2. The press offered subventions to humanities publishers this year (2020-2021).

3. BTAA consortium does set the stage for the inclusion of The Press within this open access ecosystem.

4. While The Press is funded to serve the mission of the university, a strategy to increase funding for scholars in the humanities is needed.

5. With respect to STEM and the quantitative social sciences, many university libraries are moving away from journal publishers such as Elsevier. The University of North Carolina, and State University of New York are examples of schools making their own deals with individual journal publishers and vendors, and bypassing Elsevier*. The University of California was an important member of this group but recently came to an agreement with Elsevier.* (See below).

VIII. Open Access Financials and the UM Press:

The Press is gradually moving to electronic and ultimately an open access publishing model. The Press has decided with open access publishing of specialized monographs in the social sciences and humanities or “humanistic social sciences”.

While The Press has been involved in electronic book publishing, e-books are a format which co-exists with open access evidenced by Fulcrum, which The Press established in 2015.
As stated above, the typical subvention (if available) might be $5,000. Therefore, a subvention model is not fiscally possible (roughly $400,000 a year short per editor), and cuts out faculty who are not at large research institutions that might provide a subvention.

The Press is pursuing open access publishing for their monograph portfolio as ‘fund to mission’. While The Press’ monograph portfolio plays an important role in their humanities publishing infrastructure, The Press interprets this as being responsive to the university’s strategic goals.

Open access will most likely not be a money-making model for The Press. It could also hinder the publishing for authors who cannot afford to pay. The university needs to find ways to support APC fees for authors (faculty, students, and staff) whose work is accepted for publication in an open access format.

IX. Results of Meeting with Vice Provost for Academic Budget

On April 19, 2021, the committee, as well as leadership of The Press, met with the Office of the Vice Provost for Academic Budgets. The purpose of the meeting was to bring to their attention the financial losses of The Press, and to discuss the matter.

The University Library has absorbed the financial losses of The Press since 2009. The Library receives its funding from the Office of the Provost. The Library has a different, non-commercial mindset, and the Provost’s office has been and continues to be committed to supporting the collaboration.

The Vice Provost works closely with The Press’ leadership, and supports their “fund to mission” agenda, meaning that The Press supports the mission of the university.

The Vice Provost’s Office is committed to financially supporting The Press in their new endeavors of open access, despite several years of financial losses. When asked, the Vice Provost stated that she could justify to parents her support of the financial losses of The Press. First, it is important to have a university press. Second, not everything at the university is monetized. For example, Libraries do not make money. Third, financial losses are calculated annually, not cumulatively over years, so she rejected the rationale of penalizing The Press for cumulative losses. The Vice Provost did say however that she did not simply support carte blanche spending for The Press. She works closely with The Press’ leadership and they keep each other in the loop. The Vice Provost is committed to supporting the requested $400,000 that The Press is requesting for the next fiscal year.
According to the leadership of The Press, its situation is not unique with regard to financial losses, as many academic presses have lost money on monographic publishing. Larger presses such as the University of California, the University of Chicago, and Cambridge University Press are exceptions, in part because they publish journals as well as monographs and operate on a commercial model, operating on an economy of financial gain, while the University of Michigan Press operates on an economy of prestige. Philosophically, the Provost should provide funding for The Press’ open access endeavor, due to its fund to mission, and future of publishing.

X. Retaliation

We interviewed individuals associated with The Press who requested anonymity for fear of retaliation and retribution. While staffing issues were not within the purview of our charge, they did emerge during the course of our investigation. It is unclear to us whether the move to open access did not have the support of all press staff, was due to a typical resistance to change. There was, however, a definite fear of retaliation and retribution from management in the case of several staff members, and this would be worth exploring.

XI. Addenda


Details of the University of California’s 2021 Deal with Elsevier, FYI

*The new four-year agreement will go into effect on April 1, 2021, restoring UC’s direct online access to Elsevier journals while accomplishing the university’s two goals (PDF) for all publisher agreements:

1. Enabling universal open access to all UC research; and
2. Containing the excessively high costs associated with licensing journals. These goals directly support UC’s responsibility as a steward of public funds and its mission as a public university to make its research freely available. The agreement with Elsevier will double the number of articles covered by UC’s open access agreements.

What the agreement means for the UCLA community

- **Reading access:** Effective April 1, UCLA will regain access to articles published in Elsevier journals the libraries subscribed to before, plus additional journals to which UC previously did not subscribe. Access to those journals in Science Direct will start to be restored now and will continue to be added until they are all available on April 1.

- **Open access publishing in Elsevier journals:** The agreement will also provide for open access publishing of UC research in more than 2,300 Elsevier journals from day one. The *Cell Press* and *Lancet* families of journals will be integrated midway through
the four-year agreement; UC’s agreement is the first in the world to provide for open access publishing in the entire suite of these prestigious journals.

- **Library support for open access publishing:** All articles with a UCLA corresponding author will be open access by default, with the UCLA Library automatically paying the first $1,000 of the open access fee (also known as an article publishing charge or APC). Authors will be asked to pay the remainder of the APC if they have research funds available to do so.

- **Discounts on publishing:** To lower those costs even further for authors, UC has negotiated a 15 percent discount on the APCs for most Elsevier journals; the discount is 10 percent for the Cell Press and Lancet families of journals.

- **Full funding support for those who need it:** To ensure that all UCLA authors have the opportunity to publish their work open access, the Library will cover the full amount of the APC for those who do not have sufficient research funds for the author share. Authors may also opt out of open access publishing if they wish.

**The economics of the deal**

As with UC’s other recent open access agreements, the Elsevier agreement integrates library and author payments into a single, cost-controlled contract. This shared funding model enables the campus libraries to reallocate a portion of our journals budget to help subsidize authors’ APCs — assistance that makes it easier and more affordable for authors to choose to publish open access.

Even with library support, authors’ research funds continue to play a critical role. This funding model only works if authors who do have funds pay their share of the APC.

2. Link to an evaluation of a Swedish cancellation/renegotiation of Elsevier which captures the complexity of negotiations. [https://insights.uksg.org/articles/10.1629/uksg.507/](https://insights.uksg.org/articles/10.1629/uksg.507/)

3. **Statements from Committee Members May 25, 2021 – Michael Atzmon**

As I had indicated to the SACUA Chair when she asked me to serve on the sub-committee, I have zero familiarity with the world of book publishing. Therefore, I don’t feel comfortable signing my name onto a report with conclusions and recommendations. I think it would be better if I issue a separate brief statement that is neither in support nor in opposition to the sub-committee report.

A couple of comments:

(1) The statement

"Our findings show that academic publishing writ large is moving increasingly toward an open access model. This is true already for journal publishing in STEM, biomedical, and some social science fields,"
This isn’t consistent with my experience. I am not aware of colleagues in my field who pay the high fees for open access. For a sufficiently small field, worldwide colleagues can request a reprint.

(2) DeepBlue as a manuscript repository is a good idea. However, they require the author to transfer the copyright to UM, which he/she cannot legally do since the copyright is typically transferred to the journal.

4. Comments on the Disciplines from Committee Members, January 15, 2021:

In physics and engineering one does not necessarily have to pay for publishing. There’s *Nature* and Elsevier. Professional societies used to charge but they no longer do so. One may obtain preprinted or reprints by contacting the authors. Elsevier has a one year embargo. All federal funding agencies require posting papers online which may conflict with some publishers. Professional society journals vary in quality, but they allow authors to circumvent Elsevier.

In Biomedical research authors pay to publish in journals such as *Science*, *Cell*, and *Nature*. They have an open access version and they are expanding. It is a good business model for them but this results in their accepting more papers than they can publish — they push those into the open access realm. An article may be triaged to a sub journal that has high costs. — *JCI Insights* — 50-60% are open access papers that were rejected from others. — Described efforts by the Trump administration to have all articles open access for all federally funded research. — Companies would prefer to collect money than go open access. *Nature* asks for $2,500 just to review a paper. He is using donor and gift funds. Grants can’t cover all of it. Grants don’t cover what it costs to publish. They are taking a prestigious big name, and then putting them in less prestigious sub-journals.

[https://www.sciencemag.org/news/2021/01/science-journals-offer-select-authors-open-access-publishing-free](https://www.sciencemag.org/news/2021/01/science-journals-offer-select-authors-open-access-publishing-free)

Data and statistics are the same. This committee member will only publish in venues if open access is permitted. Sometimes open access must be released within 12 months. He will pay $2,000 to allow immediate open access. This member would never submit to a publisher that charges to review a paper. — Books aren’t print ready because different publishers have different requirements. — He doesn’t want people to rework any of his writing. Three years ago — Spring of 2020 — a decision was made to offer as open access, 500 books by Springer. — This really increased the number of downloads. How can it be operational and sustainable? — He will not publish with anyone who wants the copyright. — He would never ask students to purchase his book or other books.

In the humanities, research funding is about $1,500. That’s it. This member must constantly ask the university for additional funds. Humanities scholars cannot afford the kind of money that science scholars need to pay. Humanities scholars generally do not pay to publish under the book and journal publishing models. They still publish in printed books. The STEM, biomedical,
and more quantitative social science fields do not.

**XII. Selected Bibliography**


DOI: http://doi.org/10.1629/uksg.280


Watkinson, Charles. On the impact of COVID-19 *Learned Publishing* University Presses and