

BIGGEST AIMS FOR BETTER

The Oxford University Press is by far the largest university press in the world. This, Martin Richardson tells **Jane Dudman**, puts it in a unique position to spread the risk as it embarks on experiments with new publishing models, pricing strategies and alternative revenue streams

OUP is an imprint known throughout the world and some of its books, notably the *Oxford English Dictionary*, have arguably become more famous than the university and the city from which it comes.

Henry Reece, OUP's chief executive, tells a story of a 15-year-old refugee from Afghanistan who arrived in Oxford in the back of a truck. Peering out, he could make out the place name and was satisfied: he knew it from his books back home.

There are many other university presses, but OUP is by far the largest. Last year, the university press market was worth £751m worldwide, of which OUP's sales were £409m. That is far more than Cambridge University Press (CUP), which had sales of £129m in 2004. In fact, it is more than CUP and every university press in the US put together.

This means OUP has a huge presence in this specialised market. "OUP is the 600lb gorilla of the university press world," says Reece. "Its concerns are very different from the other university presses, but as the largest player, it has an important role in articulating key issues in the sector."

Those issues include the question of what a university press is for. Reece believes it is important that university presses such as OUP stick to their mission of supporting their parent institution. "University presses should continue to do what they were set up to do, which is to publish academic works that sell very little," he says. "They should be encouraged by their parent institution, so long as the job is done well. A university press can provide a voice that speaks for values of academic concern and should disseminate knowledge on matters of public interest."

This does not preclude making money. OUP has always had an eye for profitable publishing, beginning with the revenue it earned from publishing the *King James Bible* (see box). University presses that cannot make money will be forced to close, acknowledges Reece.

OUP is legally a department of the University of Oxford and has, like the University itself, charitable, tax-exempt

status. Each year, it transfers its surplus to the university. Despite this status, OUP has to run as a commercial operation – in fact, it is one of the UK's largest publishers – and has to make money. Publishing the *OED* alone costs £3m a year.

But OUP derives considerable advantages from its unique status, particularly in the complex and evolving market of journal and online publishing, as Martin Richardson, managing director of OUP's journals division, acknowledges. "Because we are able to take a longer term view on some of the consequences of the changes in these areas, we are more able to take a risk," he says.

This, together with its wide, mixed portfolio across the publishing market, which also helps to spread risk, has enabled OUP to develop its own approach to some of the major issues in the market today, including open access and the question of institutional repositories.

Experiments in publishing

Richardson says OUP is doing experimental work on publishing models, to see which approaches work best in various circumstances. "We are trying different models to establish their advantages and disadvantages, and then formulating a policy from that," says Richardson.

"This is an area that is becoming increasingly complex and we are trying to work with whichever community the journals represent, which is the same as we are doing in other aspects of publishing learned journals. It is all about working with communities, and OUP, as part of the university, is very close to the research community, which gives us a unique perspective."

Some patterns are beginning to emerge. It is clear, for instance, that biomedical publishing is more clearly in favour of an author-payment, open access system, mainly because this is an area where there has been a major increase in research funding, and while the funding has not yet shifted over to the publishing side, at least it is there. "This doesn't translate into other subjects, not even those fairly close in nature, and the further

you get from the well-funded areas of science, the less this approach seems to be favoured by researchers themselves," says Richardson.

OUP is also looking at institutional repositories. For the past two years, OUP has been depositing material into the repository set up by Oxford University, and has been collecting data on usage. It is also depositing a number of journals into the US PubMed Central web-based repository for primary reports in the life sciences, and monitoring usage levels there, too.

Usage has increased, and, perhaps not surprisingly, has risen substantially once a journal becomes available. The question that remains is whether this usage will cause a decline in subscriptions to journals, or whether it is coming from a new and different part of the market.

"We are concerned that there may be some threats from these new models, but they do provide opportunities to increase the dissemination of information, so we are just trying to work out the balance," says Richardson.

He emphasises that experimental models are being tested first on the journals owned by OUP, rather than those the organisation publishes on behalf of learned societies. "A learned society that may publish only a single journal cannot easily afford to take these risks," he says. "We are taking the risk, but we are using the data we collect to provide information to our partners."

For OUP, as for other scientific, technical and medical publishers, the market for publishing journals depends increasingly on working with learned societies. "This is the area that has expanded the most in the past 10 years, and we see that trend continuing in the future," says Richardson.

"We are able to offer learned societies economies of scale that they find very helpful. It is a competitive market, but we think we offer a number of things that are different. Because we are a university department, we are primarily interested in disseminating knowledge and that resonates well with learned societies. Of

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MARTIN RICHARDSON



course, they have to be financially viable, as do we, but it is not their main motivation.”

OUP takes a different tack from other publishers in other ways, too. Its online prices are generally lower than the general rate. The aim has been to have more institutions subscribing at a lower price, than a few subscribing at a higher rate. This has been the policy that has underpinned the distribution of OUP’s major online titles, including the *Oxford English Dictionary Online*, the *Oxford Dictionary of National Biography*, the *Grove dictionaries of art and music*, OUP’s e-reference services, *Oxford Reference Online* and *Oxford Scholarship Online*, and its *Digital Reference Shelf*.

“Our prices are much lower than those of many competitors, so we think they provide good value for money,” says Richardson. “But I also feel the debate over pricing is really about the mismatch between library budgets and research funding. Whatever model is in

place, it simply is not going to work if there is not enough money in the system. From that point of view, open access is quite attractive, but there are obviously a wide range of opinions about what models will work.”

Bringing the back catalogue online

OUP is working on getting its entire back archive of journals online. So far, it has four million pages online, and has just completed online publication of its humanities journals, comprising around one million pages. It is now looking at different ways of making this material available.

“With *Digital Reference Shelf*, we are looking at how we might make single titles available as a one-off purchase,” says Richardson. “It means buyers would have a choice. Some libraries could make a one-off purchase, while other institutions may prefer to stay with the subscription model. In all these areas, we are trying to look at different

models that will generate the income we need to cover the cost of that particular product and the development of the next one, and of course most material is also still published in print, so the balance isn’t just between different online models, but also between online and print revenues.”

Richardson points out that some of the changes in the journals market are a result of the move towards library buying consortia. “That has helped a lot, because there are economies of scale at both ends,” he says. The move has pushed down the unit cost of buying, although Richardson acknowledges that it has been at the expense, in some cases, of choice.

Today’s sophisticated tools can help, he believes, by enabling libraries to keep track of what is being used and help them set their buying policies. He points to this area as one in which co-operation between libraries and publishers, in developing standards for

IN A NUTSHELL: OXFORD UNIVERSITY PRESS

Founded in the late 17th century, Oxford University Press (OUP) is the world’s largest university press. It is a department of the University of Oxford, which controls the policy of the OUP through a group of delegates appointed from the university faculty. The head of OUP is also secretary to the delegates.

OUP employs 4,800 people in more than 50 countries worldwide. It is an international brand; more than 80% of its business is done outside the UK. OUP publishes more than 4,600 new books every year. One of its best-known is the *Oxford English Dictionary*.

OUP is also a major online publisher. Its online resources include the *Oxford Dictionary of National Biography*, *Oxford Reference Online*, *Oxford Scholarship Online*, *Oxford English Dictionary Online* and *Oxford Digital Reference Shelf*. More than 180 journals published by OUP are also available online.

OUP’s mission is to further the University’s objectives of excellence in research, scholarship and education. In pursuit of these aims, it is fair to say that OUP has always had an eye to profitable publishing. In the 17th century, its permission to print the King James Authorised Version of the Bible proved the basis of a profitable business throughout the following two centuries.

As part of its relationship with the University, OUP transfers 30% of its annual post-tax surplus from its own accounts to those of the University, and is committed to transferring a minimum of £12m a year in this way.

One of the more controversial aspects of OUP is its tax status. As a part of the University, OUP has charitable status, and has been granted tax exemption.

In 2004, OUP’s turnover was £409m. OUP operates through four divisions: academic and professional books and journals; teaching and learning; dictionaries and reference; and online products.

measuring usage, has been a great benefit to the industry as a whole.

The issues of a changing market provide a great challenge for publishers like OUP, but one area, at least, has become clearer. “Four or five years ago, the biggest challenge, I would have said, would have been the technology, but many of the technological issues have been resolved and now I see technology as more settled down,” he says. “Nevertheless, there is still a lot of change, and a lot of time and money is now being invested in technology to support new business models.”

Like other publishers, OUP is working with major online providers, particularly Google, but also online providers in more specialised areas, such as PubMed Central, to increase access to material available online. OUP is working directly with Google on the Google Print project, and indirectly, through CrossRef, on Google Scholar.

“CrossRef was set up as an organisation to integrate publishers’ output and is now feeding standardised output into Google,” says Richardson. The result has been good for OUP. “We are seeing a good increase in traffic and usage on our website. Again, there are issues, particularly over copyright protection, and again it is back to finding the right balance between access and financial viability.” ●