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Planned Merger of 2 Big Journal Publishers Worries Many Academic Librarians

By [DAVID GLENN](#)

The venerable publisher John Wiley & Sons will celebrate its bicentennial next year, and it has already given itself a present: In mid-November, the company made the surprise announcement that it would purchase Blackwell Publishing Ltd. for £572-million, or roughly \$1.13-billion, an acquisition likely to have broad consequences for the world of academic journals and libraries.

Assuming that the deal is completed, Wiley's scientific, technical, and medical division will henceforth be known as Wiley-Blackwell. That combined division will publish more than 1,200 scholarly journals, bringing the company within shouting distance of the giants Reed Elsevier (2,200 journals) and Springer (1,500). Taylor & Francis, which made unsuccessful overtures toward Blackwell in 2002, will drop to fourth place, with 1,050 journals.

Representatives of Wiley and Blackwell said last week that the companies had long admired each other. "You have to look above all else at the cultural fit between the two businesses," said Patrick Handley, a spokesman for Blackwell. "There are intangible qualities of style and habit and professionalism that fit very well together."

"We're both quality publishers," said Susan Spilka, Wiley's director of corporate communications. "People keep talking about this as a marriage, and it really is. It feels right."

Anxiety and Dismay Over Pricing

But if Wiley and Blackwell are enjoying a quasi-marital bliss, research librarians are expressing anxiety and dismay at yet another step in the consolidation of the academic-publishing industry. The latest deal is causing special concern because Blackwell has been broadly regarded as the most benign of the for-profit scholarly publishers, and librarians are uncertain whether Blackwell's prices and practices will survive the merger.

"I suppose in some sense this was inevitable," said Mary M. Case, the university librarian at the University of Illinois at Chicago, who presented data about industry consolidation at a conference last year. "But this will almost certainly continue to increase prices for us," she said, particularly with journals now published by Blackwell, "which had developed good relationships with scholarly societies and a reasonable pricing model for them. I think we will just see that be blown out of the water."

Theodore C. Bergstrom, a professor of economics at the University of California at Santa Barbara and a prominent critic of for-profit scholarly publishers, said, "I think more mergers are a bad thing for the industry. It's not very competitive at the moment." Mr. Bergstrom shared Ms. Case's fears about Blackwell, although he noted that the prices of Blackwell's wholly owned journals -- as distinct from the journals Blackwell publishes on behalf of scholarly societies -- have already been rising rapidly for at least five years.

The Chronicle has analyzed the prices of Wiley's and Blackwell's journals in psychology and biology, fields in which both companies have a significant presence. Figures available at journalprices.com, a database created by Mr. Bergstrom and two colleagues, suggest that Wiley's average price per article in psychology and biology is \$27.11, whereas Blackwell's is just \$16.46. The difference appears starker in a comparison of price per citation -- a measure that is crudely related to a journal's importance and influence. Wiley's average price per citation in psychology and biology is \$35.57, while Blackwell's is \$13.76.

So if Wiley is willing and able to ratchet up the prices of its newly acquired Blackwell journals to the company norm, then Ms. Case is correct: Libraries can expect bruising price increases. But there will be no change, in any event, for at least a year. The companies have said that their prices and licensing agreements for 2007 will be unaffected by the merger.

Ms. Spilka said that she could not offer any firm promises about prices, but asserted that "Wiley and Blackwell have long recognized their responsibilities to the scholarly community. Both companies have well-established traditions of responding to the needs of customers" and "of valuing long-term relationships." The merger will be overseen by a transition committee led by Stephen M. Smith, chief operating officer of Wiley Europe, and René Olivieri, chief executive officer of Blackwell.

Possible Scrutiny From Antitrust Regulators

The merger is likely to face at least a moderate amount of antitrust scrutiny, according to Mark J. McCabe, an assistant professor of economics at the Georgia Institute of Technology, who previously worked in the antitrust division of the U.S. Department of Justice. "I would be shocked if this doesn't result in at least a cursory investigation," he said. In a series of recent papers, Mr. McCabe has argued that the peculiarities of the scholarly-publishing market create serious barriers to potential new competitors.

The recent emergence of "bundled" electronic packages of journals, such as the soon-to-be-merged Wiley InterScience and Blackwell Synergy, raises new dangers, Mr. McCabe continued. He said he feared that the practice of selling journal subscription in bundles would protect mediocre old journals from market forces and prevent high-quality new journals from breaking into the market.

"Ideally, you want the best titles to emerge," he said. "The best titles in the hottest areas, done efficiently, with fast turnaround and quality editing. But if that process is blocked

because of bundling -- in other words, because libraries can't pick and choose what they want -- then you have a serious problem."

Pamela Snelson, the college librarian at Franklin & Marshall College and president of the Association of College and Research Libraries, agreed. "People don't realize that libraries don't have the option to cancel a title here, a title there," she said. "It's kind of like a cable subscription -- there are only 10 or 15 channels that you actually want, but you're getting all of these other channels along for the ride." The consolidation of the industry, she worries, will make the bundling problem even more of a headache.

"If I were a scholarly society starting fresh" with a publishing program, she said, "I'd think about going online-only."

Scholarly Societies May Seek Alternatives

Meanwhile, at least one major scholarly society with a long-standing Blackwell partnership may be casting an eye at the exits. "We didn't have any advance warning, and we're naturally concerned about the situation," said Alan Kraut, executive director of the Association for Psychological Science. "We have had a wonderful relationship with Blackwell. They've done very well by us, both in print and on the electronic side." He added, "We've liked their business savvy, and we've liked their sense of academic responsibility."

Mr. Kraut cited, as one example among many, Blackwell's toleration of the association's policy of never charging a copyright fee when its journal articles are used in classrooms. "There's never been a hesitation with that on Blackwell's part," he said. But he has a hard time imagining Blackwell's new ownership being so relaxed. (Ms. Spilka said she could not speak about such specific policies, but added that Blackwell's customers and partners have no reason to feel anxious. In an e-mail message to *The Chronicle*, she wrote, "It is anticipated going forward that Wiley and Blackwell will be guided by 'best practices,' which, in consultation with our society partners and other partners, will reflect the best characteristics of each company.")

The association's contract with Blackwell, Mr. Kraut continued, gives it the option of terminating the arrangement in the event of the sale or merger of Blackwell. "We're just starting to talk about this at the level of the APS board," he said. "We want to be responsible to libraries, and to the electronic consortia out there. I hope things go well with the new Wiley-Blackwell, but my guess is that we will be seriously taking a look at this option" of exiting.

Mr. Kraut did not speculate about where his association might go. But Mr. Bergstrom, the Santa Barbara economist, suggested -- as he often does -- that scholarly societies should be much more aggressive about creating their own nonprofit publishing consortia. New technologies, he said, are making it more feasible to imagine such projects. "They could run their electronic end off of HighWire Press," he said, referring to an 11-year-old electronic-publishing program operated by the Stanford University Libraries.

"And since the main action is electronic these days, that's half the battle right there," Mr. Bergstrom continued. "As for print, small-job printing has become a lot cheaper. You can have a small-run journal independently printed remarkably cheaply."