he was excited about PeerJ’s innovative membership business model and relatively low membership prices. How successful has your membership model proven to be? Given that you had to seek a second round of outside funding, we wonder, is this model sustainable? Are you committed to maintaining the low pricing?

JH: Becoming a highly respected publisher doesn’t happen overnight — it takes both time and capital. Just look at PLOS, which went through $12M in its first few years, and eLife took on a rumored $40M. PeerJ is a David in a world of Goliaths. We’re doing it with far, far less, but most successful businesses go through multiple financing rounds — via bank debt financing, grants, or venture capital. New capital doesn’t come unless you’ve demonstrated growth in one or more metrics, which we have in both publications and revenue. At the same time, it can take more capital than current cash flow allows to expand and really grow — this is why businesses take on new rounds of financing. A “Seed Round,” which we took on in 2012, is like a starter lab grant and is really there just to prove that academics believe in PeerJ before taking on more capital to grow the concept, which we’re now doing.

As for pricing, we are not changing the $99 per author for life promotion — it’s here to stay; that’s the price point that we base all of our decisions around (hiring, process innovation, technical innovation, etc.). This is the real magic behind PeerJ, or at least the advantage of being a new publisher. Instead of taking all that we do and tallying up how much it costs and therefore how much to charge, we did the opposite. We started with a price point of $99 and asked ourselves, “What must happen in order to afford that?” Well, for starters that’s why we make heavy use of cloud computing, and why we decided to build the submission and reviewing platform ourselves (to rapidly iterate improvements) instead of licensing it.

ATG: Peter was also very high on PeerJ’s preprint service, which was eventually launched as PeerJ Preprints. Are members effectively taking advantage of this service the way you hoped? Are there plans to enhance it as you gain more funding?

PB: People are definitely using preprints in a wide variety of ways, which is exactly what we hoped when we launched it. The functionality is deliberately very accommodating of different submission types — it simply accepts PDFs, and those PDF files can be articles, opinion pieces, posters, PowerPoint points, or even simple abstracts. We have preprints from amateur scientists through to people at the top of their field, and we have seen people use PeerJ Preprints to showcase the abstracts of their conference and even be the official submission route for their conferences and symposia; to contain contentious “discussion” pieces; to gain feedback continued on page 61