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The Big Deal Is Dead! Long Live the Big Deal!

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Abstract

In many countries, the proclamation “The king is dead, long live the king” heralds the demise of the old monarch and the accession of a new one. This tradition ensures that the throne never remains empty while facilitating a smooth transition of power.

When the “Big Deal” journal subscription model debuted in 1996, few suspected the extent to which academic libraries would come to rely upon it, or that it would become the primary channel by which academic libraries procure academic journal content.

As budget cuts take their toll on libraries, the demise of the Big Deal model seems inevitable as the true value of all-inclusive packages becomes less evident. But is it? Collection analysis reveals that many titles included within these Big Deal packages remain unused or underutilized, significantly decreasing the overall value of serial subscription packages. SPARC’s Big Deal Cancellation Tracker shows an increasing number of libraries and consortia forgoing this model in favor of regaining local control over their collections and budgets.

Binghamton University Libraries is no exception. Recent curriculum changes and financial developments have prompted us to adopt an ongoing evaluation of our users’ information needs and proactively negotiate and cancel deals in order to better serve our constituents. This session described our fact finding, workflow modifications, and data analysis processes as well as the outcomes of our adventures in pursuing and planning for the cancellation of Big Deal agreements based on local collection development priorities and serials budget realities.

Introduction

Binghamton University was founded in 1946 as a liberal arts college and has evolved into one of the four research centers in the State University of New York (SUNY) system. The university has 13,700 undergraduate and 3,600 graduate students with 754 full-time and 293 part-time faculty. The University Libraries hold nearly 2.5 million print volumes, more than 200,000 print and electronic journals, and 358 databases. Total collection development budget for FY2020 is approximately \$7,250,000. Books/firm orders comprise \$797,000, electronic resources about \$2,900,000, and periodicals about \$2,700,000 of our total budget. Since 2016, the collection budget has had inflationary increases of 3% for books, 6% for journals and databases.

Our strategic priorities include growing graduate, research, and professional programs while maintaining our traditional strength in the liberal arts. We’ve seen burgeoning enrollment in our professional programs, with the addition of colleges of Pharmacy, Nursing, and increased enrollment in business and computer

science programs putting tremendous strain on the library budget, as resources in these areas are often expensive. In 2013, Binghamton introduced a new approach to supporting faculty and research by creating Transdisciplinary Areas of Excellence (TAE): Citizenship, Rights, and Cultural Belonging; Health Sciences; Material and Visual World; Smart Energy; and Sustainable Communities. In fall 2017, a Data Science TAE was established. Some TAEs had funding support but fell short in covering associated library materials costs.

Like most academic libraries, Binghamton’s has several significant Big Deals, including deals with Sage, Springer, Wiley, and Elsevier, totaling \$2,355,456 (32%) of our collections budget. Figure 1 illustrates the proportional breakdown.

Notably absent from this list is Taylor & Francis. At the time a T&F Big Deal was under consideration, we were reluctant to lock ourselves into a Big Deal due to active publisher mergers and acquisitions. This flexibility helped significantly when we encountered a budget cut in FY2019.

Figure 1. Binghamton Libraries' Big Deals.

Historical Context

Providing historical perspective on the rise of Big Deal subscription packages requires a journey down the proverbial rabbit hole to the early 1990s when a serials crisis erupted due to skyrocketing prices and declining library budgets. Academic journal publishing had fallen into a vicious cycle where inflation far outpaced budgets. Seeking a viable solution to sustain less profitable and more expensive journal titles, Dr. Jan Velterop, then European managing director at Associated Press (AP), created a graph extrapolating what AP would have to charge for a typical journal if its subscription base fell to one title. Shocked by the results, AP started developing a Big Deal model, a challenge compounded by the shift from print to electronic format. "We feared there would be massive administrative overhead of authentication of different portfolios of journals to different customers," Dr. Velterop said in rolling out the new model, which was intended to help to manage the new format (Poynder, 2011). The Higher Education Funding Council of England (HEFCE) signed the first Big Deal with AP effective January 1996. For further background reading refer to the references.

This opened the floodgate to multiple publishers bundling their journals into a single package at a significant discount over the aggregate list prices of the journals. In practice, a Big Deal may consist of hundreds or even thousands of titles sold in a one-size-fits-all package with pricing based on institutions' historical print subscription expenditures. This approach is advantageous for vendors because it generates steady revenue at a higher price than they had previously received and helps subsidize specialized/underutilized journals by locking libraries into subscriptions. The Big Deal model lowers administrative costs for tracking and maintaining

access to e-journals subscriptions while simplifying the billing process.

For libraries, the primary advantage of the Big Deal is gaining access to many previously unaffordable titles. Thanks to the Big Deal model, the size of serial collections in academic libraries increased almost fivefold from 1986 to 2011 (Shu et al., 2018). Libraries also gain short-term pricing predictability for multiyear deals, which aids budget planning while supporting scholarly publishing and streamlining workflow for staff.

Unfortunately the perceived advantages were not fully realized. Annual increases still soared by 5%–15%, and journal costs became unsustainable when collection budgets lagged during economic downturns. Furthermore, the "all or nothing" approach left no practical way to trim costs and limited flexibility so libraries were no longer able to drop or substitute titles. Industry changes spurred a series of large mergers and acquisitions, further consolidating publishers. The Big Deal pricing model, based on historical spends for print periodicals, quickly became outdated. Prices did not adjust to reflect the cost of production of electronic journals.

This confluence of events created an erosion of trust between libraries and publishers. Lack of accurate title lists and transparency in pricing further divided publishers and academic libraries. The perception was that publishers cared little for the libraries they served and more for maximizing profits for their shareholders; and that academic institutions were producing content and having it sold back to them at prices well above the cost of production.

The Big Deal model failed to stymie the worst of the serials crisis, igniting grassroots support for new scholarly publishing models. In 1998, an international alliance of academic and research libraries was formed by the Association of Research Libraries to promote open access. The Scholarly Publishing and Academic Resources Coalition (SPARC) currently includes some 800 institutions in North America, Europe, Japan, China, and Australia. In addition to its promotion of open access and innovative scholarly publishing models, SPARC has taken the initiative in examining the impact of the big deal. SPARC's tracking tools include the Big Deal Database and Cancellation Trackers. These resources detail what institutions have paid for journal subscription packages, helping libraries make clearer assessments about the suitability of Big Deals for their libraries.

Lessons Learned

The Binghamton University Libraries' experience with the Big Deal is similar to that of other institutions. We've welcomed the advantages—primarily the availability of more journals—but we've also seen the disadvantages, learning several lessons from these mixed results:

- It is important to project the long-term consequences of major collection decisions. Moving to the Big Deal made us vulnerable to “aggressive” pricing by publishers.
- It is critical to assess Big Deals and act on warning signs that the deal is no longer working.
- Determining the right-size deal for your library, regardless of content format, is key. If a Big Deal is causing you to forego other critical resources, perhaps it isn't a deal after all.
- Acknowledge that just because we can afford a Big Deal, that doesn't necessarily mean we should buy in.

Several events forced us to rethink our approach to the Big Deal. In FY2018, we embarked on a project to reallocate our collection development budget. We asked ourselves the question the Caterpillar asked Alice: “Who are you?” Over time, our campus' needs have evolved. Our degree and certification programs have changed substantially, but we remain strongly rooted in our liberal arts tradition. With all these changes, it made sense to reexamine our budget allocations.

Our methodology began by creating a data set consisting of internal library and campus data, with externally created cost information for books and journals by discipline. Each data category was ranked from highest to lowest in value. Library budget categories rankings (book, journal, and databases) were compared to the rankings of all the other categories

to determine under- and overfunded areas. A summary sheet was compiled to determine disciplines with under- and overfunded indicators. The summary sheet also indicates trends over the budget years examined.

Even as we were working on the reallocation project, in FY2019, we had a budget cut (\$450,000), with the prospect of additional future cuts. We weathered the cut thanks to our subject librarians working to make the process go smoothly. Fortunately, shifting priorities left us some room for targeted subscription cuts. Not having a Big Deal with Taylor & Francis allowed us to cut T&F journals without worrying about contractual limitations. The University Libraries' administration gave us a great deal of latitude with regard to cancelling “sacred cows” including Big Deals and memberships.

Against this backdrop, two of our Big Deals came up for renewal in FY2019 and FY2020: Sage and SUNY's ScienceDirect consortial deal. Sage was in play as a potential cancellation if cuts exceeded \$450,000, which, happily, they didn't. Given our reallocation work, changing priorities, and cuts, our highest priced Big Deal, ScienceDirect, was looking like more of a liability than a benefit. After meeting our goals for the cut, we focused on closer inspection of ScienceDirect.

Examples of some of the basic analysis we did for ScienceDirect include a “market share” analysis, in this case, determining how many titles accounted for 70% of our total usage—a majority of our users' needs. Using usage data provided by Elsevier and list prices for the journals, we determined that 400 journals of the approximately 3,100 journals in ScienceDirect accounted for 69% of our usage. Figure 2 shows how we were also able to compare the list cost of these journals to what we are paying for ScienceDirect

Similarly, we looked at “underperforming” and lesser-used titles, finding that 37% of the titles,

Elsevier "Market Share" of Use					
	Reporting Period Total	Reporting Period HTML	Reporting Period PDF	Elsevier List Price	% of Total Use
Top 100	113013	68645	44368	\$ 259,450.00	34%
Top 200	165708	101278	64430	\$ 541,428.00	50%
Top 300	199393	121846	77547	\$ 812,138.00	61%
Top 400	225947				69%
Total for all Elsevier journals	329318	201373	127945		

Figure 2. Elsevier “market share” of use.

"Underperforming" Titles		
Total Titles with 0 Uses	355	12%
Total Titles with 5< Uses	923	30%
Total Titles with 10< Uses	1152	37%
Total Titles with 20< Uses	1490	48%
Total Titles with 30< Uses	1697	55%

Figure 3. "Underperforming" titles.

1,152 titles, had fewer than 10 uses and 1,697 titles had fewer than 30 uses. As shown in Figure 3, a substantial number of titles are not heavily used, an indication that many titles in the package are outside areas of research and study at Binghamton. Is the package cost effective or would Binghamton (or SUNY) be better off subscribing to a subset of journals and using various document delivery services for the rest?

While conducting the above analysis, we launched a communications campaign with two goals: gathering feedback on ScienceDirect from stakeholders and laying the groundwork for a potential cancellation. This multifaceted campaign involved reaching out to the Library Faculty Advisory Committee, the Faculty Senate, and academic departments.

Supporting a more tailored decision-making process has required workflow modifications within the department. The biggest changes occurred in organizational staffing levels and the number of tasks needed to make data gathering and analysis more efficient. Whereas Binghamton used to have a large staff to handle print serials, we now have fewer staff who primarily manage electronic resources. We are also seeing greater emphasis placed on vendor-provided metrics like COUNTER. A recent migration from a legacy system (Aleph) to a new system (Alma) has altered how staff perform usage data aggregation and compile assessment reports for collection management purposes.

While we now have two staff who manually harvest COUNTER reports and check SUSHI autoloads on a monthly basis, reconciling metrics with value remains a challenge. Many vendors provide standardized usage data in COUNTER format but others issue nonstandardized data. The vagaries of usage data, especially when it fails to reach sufficiently granular levels of detail (e.g., patron type), means that we must look for value beyond the usual cost-per-use (CPU) calculations and turn to qualitative measures for a better sense of value in developing a robust collection.

When Alice asks the Cheshire Cat which way she ought to go, the Cat responds, "That depends a great deal on where you want to get to." When we examine Big Deals, consider what strategies are available and what can realistically be accomplished. Accept that you have limited control over the situation but establish some baseline rules and targets; for example, three-year deals must be capped at 3% annual increases.

A key to negotiating is understanding how the content will (or will not) meet your users' needs. This is a much easier determination to make when you know your library and the campus you serve. Often our users are looking for specific journals or types of journals. It is also critical to separate teaching needs from research needs. Undergraduates have different needs than graduate students and faculty. Ongoing analysis is helpful. Understanding, for instance, that with ScienceDirect, 400 titles account for 70% of our use adds perspective to the negotiations. Those additional 2,600 journals are desirable, but arguably not critical for Binghamton.

One of the most empowering things that happened to us was when we were given permission to cancel sacred cows as part of the budget cut in 2019. Walking away, as complex and challenging as it might be, was an option. Sacred cows such as Sage, ScienceDirect, and even our membership in the Center for Research Libraries were cancellable. Another critical element is promoting solidarity. As librarians, making decisions that advance scholarly publishing and being aware of the larger context of our decisions within the larger community is the ethical thing to do. Hence the urgency of maintaining solid and ongoing communications with our stakeholders and professional colleagues.

Case Studies: Sage and ScienceDirect

As mentioned previously, we have reconsidered two of our Big Deals over the past two years: Sage and ScienceDirect. The first, Sage, was considered for cancellation due to the budget cut we experienced in FY19. Had the cut exceeded the projected \$450,000, scaling back our Sage deal made sense as an expeditious, if painful, way to meet our cutting goal. Ultimately, after some consideration, we decided not to cut or even to maintain our spend, but to increase our investment. In FY19, we used funds freed up by the cuts to expand access to Sage's backfiles. Subsequently, in FY20, we used one-time funds to acquire permanent access to Sage's backfiles. Why did we

increase our investment given our precarious financial times? The purchase fit our strategic priorities in several ways:

- Sage titles fit our collecting priorities, particularly in the social sciences.
- The price was reasonable and the timing was right. We had an unexpected windfall that enabled us to make a substantial one-time purchase.
- We freed up \$20k in our annual budget by no longer subscribing to Sage backfiles.
- We have a renovation project on the horizon, and space saving is an important consideration.
- We were able to secure a multiyear agreement with annual increases at a rate we can afford.
- Sage was relatively easy to deal with during the transaction. The pricing models took some effort to understand, but the numbers made sense.

The ScienceDirect negotiations provide an interesting counterpoint to Sage. ScienceDirect is a SUNY consortial subscription with negotiations managed at the state level. The Commercial Products Committee (CPC) under the auspices of the SUNY Library Consortium Board oversees negotiations on behalf of SUNY. Since SUNY includes university centers, university colleges, 30 community colleges, and technology colleges, CPC includes representatives from all school types. Throughout the negotiation process, we've been working on the assumption that there would be one of two outcomes: SUNY renews or SUNY cancels.

The biggest issue is cost. Smaller campuses in difficult financial straits cannot afford to participate at the proposed price point so they would likely leave the agreement, forcing the remaining campuses to pay higher allocations. There also exists a large pricing disparity between New York State's two public higher education systems: SUNY pays roughly three times what the College of New York (CUNY) system pays. Furthermore, SUNY is dedicated to its open access initiatives and interested in pursuing provisions that support OA. Since the current contract ends December 31, 2019, CPC members continue to work at the consortial level while planning alternative access options for their respective campuses to avoid disruption of access and service if the need arises.

Internal data analysis to date has focused on performing local assessments to determine which titles are core for our constituents. In comparing usage statistics between campuses, the CPC found significant overlap in high-usage titles and underutilized titles. After filtering our COUNTER journal reports, Binghamton found that many of the top use titles maintained that level of use over three years and showed similar usage at the other university centers.

Ultimately, a new Big Deal for ScienceDirect content might entail renewing in full or subscribing to a curated list of sets of titles. If SUNY cancels, Binghamton will have to determine how to provide alternative access to ScienceDirect content. Clearly, this will require enhancement of our interlibrary loan/document delivery services. While Binghamton already has a robust interlibrary loan program that allows for article purchasing via Reprints Desk, the implementation of Alma has opened another avenue of resource sharing within SUNY, which remains to be explored. We can direct our faculty and students to content found in alternative or OA titles or purchase similar titles from an equitable scientific information content provider.

Conclusion

Binghamton's experiences over the past few years show that the Big Deal model can still offer advantages to libraries given the right circumstances. If a deal is affordable and fits the needs of the library, it can prove a worthwhile investment. For us, Sage fits this criteria. At the same time, there are advantages to not entering into Big Deals as we realized when cancelling Taylor & Francis titles during our most recent budget cut. Big Deals can outlive their usefulness. When this happens, be willing to cancel. While Big Deals will be with us for the foreseeable future, we can take steps to proactively manage deals, thereby garnering more control over our budgets and collections. Always remember the following:

- Answer the Caterpillar's question, "Who are you?" Know your campus and library's strategic priorities and align your collections and budgets accordingly.
- # Evaluate all renewals (including Big Deals) on a rolling basis. If a deal no longer addresses your strategic priorities, reconsider it.

- Look to the future, not the past when making collection decisions. It is liberating to know that you no longer have to keep doing what was done previously.
- Be willing to walk away/cancel. Short-term impact on services is often less than the long term opportunity costs of maintaining a bad deal.

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