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Blurring Lines--Business Models and Funding Models for Open Access eBooks: We Have Only Just Left the Starting Line

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During our plenary session on **Blurring Lines in the University Library** at the **Charleston Conference** in November, I asked **Rick Anderson** if university libraries moving into book publishing would necessarily bring with it business model innovation in open access publishing. **Rick's** answer was "it depends on the university's mission and objectives." I suspect the answer is more straightforward than this because I believe almost any university that moves publishing into the library, or begins a new monographic publishing program from the library, is deeply engaged with open access as a major objective. But this positioning on the question by **Rick** and my alternative response is indicative of the fogginess about the way forward in open access eBook publishing.

The way forward in open access publishing in the journal world is much clearer. Journals went digital before books, and demand for open access journals has grown rapidly and driven a reasonably uniform business model response from publishers that is based on author submission fees, open archives of pre-publication versions of articles, and hybrid purchase models for libraries that combine author submission fees with discounted subscription fees. I don't want to suggest that there is not ample opportunity for business model innovation in the journal world, but when compared to the world of eBooks, where the way forward is much less clear, journals have found an open access business model that provides a widely accepted context for framing discussion. In this column I will explore existing and emerging business models for open access eBook publishing and make some observations about the need for as-yet undiscovered revenue-generating business models to push open access eBook publishing forward in a more broadly accepted context.

There are four current models for open access eBook publishing that have gained enough momentum to be considered sustainable if not widely accepted. They are: 1) foundation and/or institution funded, 2) "freemium," 3) crowd funded (either by individuals or institutions) and 4) author fees. I will discuss each of these in turn.

Foundation and/or Institution Funded

Funding for open access eBook publishing has come from state-led legislation, as in California for open e-textbooks, from Universities such as the Open Stax initiative at **Rice University** and from numerous non-profit and other organizations dedicated to underwriting the advancement of knowledge such as **Open Access Publishing in European Networks (OAPEN)**, which is focused on scholarly works in the humanities and social sciences.

These many founts of underwriting the cost of open access publishing and distribution share a common commitment to the advancement of a social good. In the humanities and social sciences, where scholarly monographic publishing matches or trumps journal publishing in terms of importance for career advancement for scholars, these initiatives take on major importance for the professorial community. But foundation and government funding is a limited resource that ebbs and flows significantly with turns in the overall economy, the capriciousness of donors, and changes of strategic direction in the foundations and government organizations that do the underwriting. And this model suffers from an even greater liability in terms of attracting the very best authors. Top faculty talent, especially for the authoring of classroom material, are looking for meaningful financial return for their efforts; and the profit-motive does not align easily with governmental and foundation funded publishing efforts.

Freemium

The "freemium" model of open access eBook publishing has been expressed in a number of variations, especially with textbooks and fiction publishing. In the textbook space the approach has been based on offering a static, low-resolution version of an e-textbook open access and then hoping to upsell to a more interactive, study-tool-enabled version of the eBook. At **Flat World Knowledge (FWK)**, a previously open access textbook publisher, an open access version of the textbook in html was available for reading and manipulation through a creative commons license. This was at the heart of the **FWK** business model and mission. In January of this year **FWK** changed course and no longer offers a free version of the e-textbook. Boundless, however, continues with a similar model albeit the free versions of e-textbooks are not readily visible on the Website and require a bit of digging. Boundless has made the open access version of many of its e-textbooks less central to its marketing message but still maintains a commitment to offering an open access experience.

Other examples of freemium eBook publishing seem to be limited to the world of fiction where self-published authors (known and completely unknown) have chosen to serialize content with early postings delivered open access and then instituting a pay-wall once a critical mass of readers has been reached. This model has been widely used in China by **Shanda Literature** and others. Better known authors have allowed open access to some of their work in order to entice new readers willing to pay for subsequent published works. The freemium model has, I think, a largely untapped future and merits more attention in the scholarly and trade publishing world, especially in those fields where monographic publishing can reach beyond scholarly audiences.

Crowd Funding

Crowd funding, via the Web, is being used in creative ways to raise capital for everything from new businesses to community building projects and, of course, open access eBook publishing. We have only just begun to experiment with the various ways in which crowd funding can be used to construct a direct funding model for open access eBook publishing or become part of a hybrid business model to propel open access forward. Two organizations, both operating with a focus on scholarly monographs, have emerged to test the crowd funding model. **Unglue.it**, founded by **Eric Hellman**, works with authors and publishers to establish a funding goal, and "book lovers chip in to meet it." After the funding goal has been met the eBook becomes open access for all. **Knowledge Unlatched** has taken a slightly different approach. Rather than crowd funding from essentially anonymous individuals, **Knowledge Unlatched** is seeking a minimum of 200 library members for its pilot collection of eBooks. Once the membership target is met, the eBook collection becomes open access for all. If more than 200 libraries want to participate then the cost per institution reduces proportionately. Strictly speaking, this is a membership-funded model and not necessarily the same as an anonymous, individual-reader-focused model, as with **Unglue.it**. But the concept of setting a revenue goal after which the eBook or eBooks become open access is consistent with the principle of crowd funding.

Author Fees

This is the most well-known model, drawn directly from the experience gained in the journal world. **Palgrave/Macmillan** notes on their Website that they "… are taking the lead in responding to the academic community's request" to offer the open access model across three publication outputs: journal articles, mid-form and long-form research with an author-fee model. I suspect this will become the norm as, I noted above, the author fee (Gold OA) has become the starting point for almost all discussions about open access in journal publishing and it seems logical this will extend to monograph publishing, especially for those publishers with journal and book programs.

A Revenue Generating Future

The type of output may well go a long way in determining the model used most widely to bring open access eBooks to the library. Scholarly works, especially scholarly works that have little or no revenue-generating potential beyond the library, will provide fertile testing ground for crowd-funded models that build in some author remuneration. E-textbooks, with the potential for wide global adoption and use, provide ample space for experimentation with business models that combine crowd-funding and freemium plays. But I think it is too easy to draw a line between scholarly content and learning content and suggest that the two necessarily require different business models to fully propagate open access. We should be scanning the university and library business environment constantly for new approaches to open access eBook publishing that have a monetization model at their core. We need a model that fairly rewards authors for writing and publishers for vetting, curating, and bringing to market and ensures as affordable a price as possible for all university libraries world-wide. And I believe we need to break down the walls between scholarly, professional, and learning eBook publishing to uncover a business model that drives us forward. 🌳

784,782 site meter hits at the time this article was written, provide researchers with a wealth of community-driven links. The originator of this particular site states, "If you wish a link included on this page please email us [includes a connecting link for their email] with the details … If you find an error on this page or that a Website no longer exists or has changed or clearly isn't suitable please let us know. We will also delete any sites that subject the visitor to irritating 'pop ups.' Please note that these are the descriptions given to us by the site owners, and *Dollshouse-Info* takes no responsibility for anything on those sites." This British Website indexes both Non-commercial and Commercial dollshouse/miniature Websites. At *http://www.dollshouse-info.co.uk/*, launched in July 2000, *Dollshouse-Info* will privately sell dolls' houses (the British term for dollhouse) for a £9.50 entry fee, plus four images for a full year. They also have started a site dedicated to dollhouses in the USA at *http://www.dollhouse-info.com*. Unfortunately, this link is essentially non-functioning, and the site owners have posted apologies for their photograph gallery not uploading correctly; it appears they have been trying since 2011. Other connecting links to the *http://www.dollshouse-info.co.uk/interesting_links.htm* site are problematic, as well, either taking too long to access or simply not appearing, leaving the user with a blank screen. This is a good example of very well-intentioned Website owners perhaps spreading themselves too thin by adding extra pages, causing the researcher to go further and further onto extraneous Websites.

A July 2013 posting by a blogger, **Gwendolyn Faye**, offers an interesting article on *Little Lessons; A Fascinating History of the Doll's House*, written by **Erica Washington**. The link at *http://smallisimo.com/blog/learn/little-lesson-the-history-of-miniatures/* reveals archaeologists have discovered 5,000-year-old Egyptian miniature replicas of their deceased pharaohs' favorite things. These tiny hand-carved representations of servants, pets, furnishings, etc., were made to accompany the king in his afterlife. Later, during the 1500s-1600s, members of the higher social ranks would collect souvenirs from foreign travels, such as small rugs and tapestries, wooden furniture, and miniscule glassware. Children were either banned from playing with the miniatures and cabinet houses or were closely supervised. From 1600-1900, daughters of the élite sometimes were allowed to observe the dolls' houses at close range, if only to learn womanly housekeeping skills from their upper class mothers. The blog site *http://sewdolls.blogspot.com/2008/10/antique-dutch-doll-house-of-petronella_24.html* features close-up views of the famous antique Dutch doll house of **Petronella Dunois**, c. 1676, constructed one year prior to her marriage in 1677. The wonderful laundry room in the attic tells the story of early Dutch homes' more domestic customs, such as hanging wet clothing to dry on long clothing poles in the hot room at the top of the house. As late as the 19th century, European women would have tea parties and invite their friends, often wives who were no more than children themselves, to play with their cabinet houses after having pastries and tea. Their children were not allowed to play with their mothers' dollhouses without adult supervision. It was not until the modern era, with its manufactured wooden crate homes and paperboard houses, along with furniture made of paper, cardboard, and French tin penny toys, that dollhouses came to be the playthings of children! The **Dowst Manufacturing Company** of Chicago, the folks who brought us those wonderful die cast **Cracker Jack** trinkets, also produced a popular line of inexpensive **Tootsie Toy** furniture. These fragile playthings are not the purview of today's children, as evidenced by the collection of complete boxed sets of **Tootsie Toy** dollhouse furniture, circa 1938, that was appraised on the **Antiques Roadshow** in 2009 at $2,500-$3,000! *http://www.pbs.org/wgbh/roadshow/archive/200804A19.html* By the 1940s, such companies as **Strombecker** were manufacturing simple but attractive wooden furniture, which is still accessible today on eBay and Etsy at reasonable prices. The 1940s-1950s era of **Renwal**, **Superior**, and other brands of plastic furniture reached its apex in 1964, when the **Ideal Toy Company** introduced **Petite Princess** furniture, a line of "Fantasy Furniture," gaudy by today's standards. No holds were barred by toy manufacturers to raise sales of inexpensive dollhouses and accessories to the Baby Boomer market, numbering 76 million in 1964!