

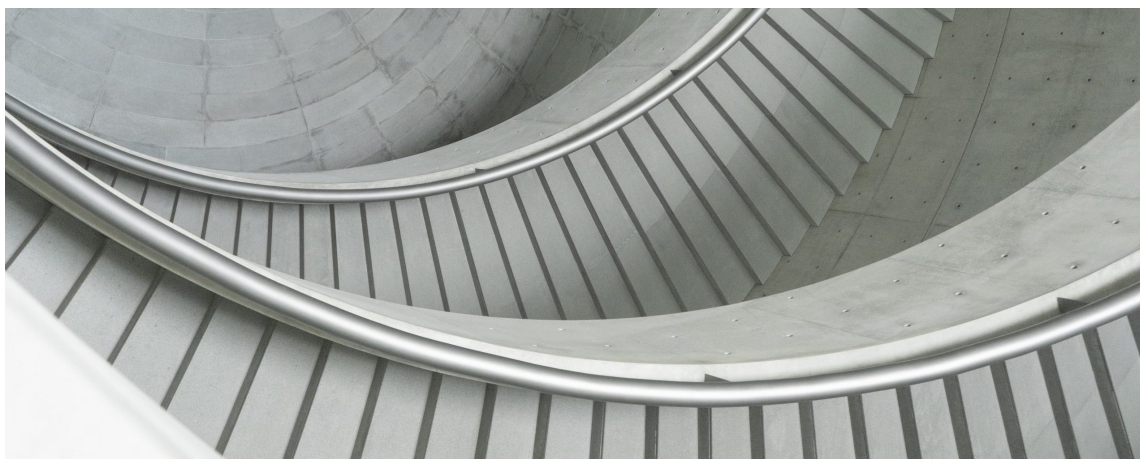
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OPEN SCHOLARSHIP POLICY OBSERVATORY



Market Consolidation and Scholarly Communications

by Caroline Winter | 17 March 2023 | English, Observations, Observations and Responses | 0 comments



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At a glance:

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For the past decade or more, a trend has been observed in the scholarly communications ecosystem toward market consolidation, with fewer companies owning increasing shares of the market. A study by Data Think estimated that, in 2021, very large publishers (those with more than 500 journals) accounted for only 0.06% of the publishers in their study but published nearly half—47%—of all articles (Pollock 2022). This increasing market consolidation has raised concerns in the open scholarship community and in the broader academic community.

A number of mergers between large publishers and related companies in 2021 prompted one commenter

to call it “a year of market consolidation” (Crotty 2021 “Market”). Wiley had a particularly active year, acquiring the open access (OA) publisher Hindawi, publishing services company J&J Editorial, scholarly publishing software company eJournalPress, and Knowledge Unlatched, a platform and model for open access monograph publishing. Also in 2021, Springer Nature acquired Atlantis Press, an OA publisher based in Paris, and Clarivate acquired ProQuest.

Market consolidation continued in 2022: in May, Copyright Clearance Center acquired Ringgold, and in June, Elsevier acquired Interfolio, an academic technology company whose portfolio includes the academic job search platform Dossier, the research analytics platform Researchfish, and administrative data platform Faculty Information System (FIS).

The issue of market consolidation and the role of corporate strategy and policy in open scholarship is complex and rapidly evolving. This observation offers a snapshot of recent developments and highlights some key issues related to open scholarship.

Monopolization

Due to the nature of the scholarly communications industry, it is particularly vulnerable to monopolization and other anticompetitive practices. This is because the three main markets involved—academic journals, library service providers, and research data analytics—lack transparency around pricing and contract terms (such as through non-disclosure agreements) and are subject to first-degree price discrimination, where prices are determined by the maximum amount that each customer is willing to pay. In addition, the cost for switching between products is very high (SPARC 2021 “Opposing”).

As companies merge, fewer companies hold larger shares of the market, leading to monopolies and duopolies. Monopolization can have negative effects on consumers—in this case, the scholarly community—since it can lead to higher prices, reduced consumer choice, and less innovation. A planned merger between educational publishers Cengage and McGraw-Hill Education, for instance, was widely opposed by scholarly and education communities due to its effects on the textbook market and was cancelled in 2020 due to antitrust and other regulatory concerns (SPARC 2020).

Elsevier’s acquisition of Interfolio sparked similar concerns, although it was ultimately successful. The acquisition concentrated Elsevier’s share of the emerging faculty information system (FIS) market to a point just below the threshold set by antitrust regulators. This market share is expected to grow even larger since Elsevier will be able to bundle its FIS services with its other products, such as journal subscriptions (SPARC 2022, “Executive” and “The Interfolio”), including as part of read-and-publish agreements (de Knecht 2020; Chen and Chan 2021; see “Open Access Agreements”). This bundling may lead to libraries having less control over their budgets, for example if a university’s administration subscribes to Interfolio as a part of a bundle that includes journal subscriptions. In that case, libraries would also lose the ability to advance OA through negotiations with publishers, as the University of California has done with Elsevier (SPARC 2022, “Elsevier’s”; see “The University of California’s Split with Elsevier” and “Open Access Publishing Negotiations in Europe”).

Monopolies have led to smaller publishers being pushed out of the marketplace, which has caused a loss of bibliodiversity and publishing options for authors (see Shearer et al. 2020 and “Jussieu Call for Open Science and Bibliodiversity”). Smaller institutions and those with fewer resources, including those in the Global South, are also at a disadvantage.

A related concern is platform monopolization, where single companies control the platforms, tools, and services underpinning the entire research enterprise, from data collection to publishing to assessment to review, promotion, and tenure: “a single system to monetize the full research lifecycle” (SPARC 2021 “Opposing” 2). A study by George Chen, Alejandro Posada, and Leslie Chan found clear trends toward

such monopolization or vertical integration in research and higher education among the major commercial publishers (2019).

Elsevier's acquisition of Interfolio and its other recent acquisitions illustrates this phenomenon. Elsevier is one of the world's largest academic publishers and has been criticized for its high profit margins and exploitative practices. In addition to its publishing activities, Elsevier acquired the reference management system [Mendeley](#) in 2013, the repository platform [Social Science Research Network \(SSRN\)](#) in 2016 and [bepress](#) in 2017, altmetrics provider [Plum Analytics](#) in 2017, and workflow management system [Aries Systems](#) in 2018. Elsevier also has interest in university rankings through ties with *Times Higher Education*, which produces the World University Rankings (Chen and Chan 2021). Interfolio's FIS is an emerging type of platform, one that supports—and collects data about—job applications and hiring processes; faculty activity reporting; and review, promotion, and tenure processes. Elsevier is becoming what Roger Schonfeld calls a “workflow business” (2022), one that profits from the platform services it provides and the data they generate.

Data Privacy

The trend of large scholarly publishers acquiring or merging with data companies (e.g., Elsevier and Interfolio or Clarivate and ProQuest) raises concerns about how the data collected through research tools and platforms is being used. Data collected through proprietary platforms is subject to corporate privacy policies and can be sold to third parties. For example, Elsevier is part of the company RELX, which sells personal data to the US Immigration and Customs Enforcement (ICE) through LexisNexis (Biddle 2021; Funk 2019; Lamdan 2022), a practice that has been denounced and protested by the legal and academic communities (SPARC 2022, “Possible”; see, for example, [#NoTechForICE](#)).

Commercialization of Open Access and Open Infrastructures

Because commercial publishers' mandate is to generate profit, many prefer the article processing charge (APC) route to OA, where the costs of making research open are borne by authors, often via funders. This economic model has been criticized for running counter to the ideals of the OA movement and exacerbating existing inequalities in scholarly publishing, since only authors with access to funding can afford to publish their work openly. As fewer commercial publishers gain more control over the publishing market, APCs may become further entrenched as well, at the expense of collective funding models and others that support more widespread open access.

In addition to this commercialization of OA publishing models, concerns have been raised about the commercialization of research and publishing infrastructures, particularly the acquisition, monetization, and monopolization of open infrastructures. A key example is that of [Knowledge Unlatched](#), which was founded as a not-for-profit organization in 2012 but was transformed into a for-profit company in 2016, a move that was widely criticized for its lack of transparency (Gerakopoulou et al. 2021).

A related example is the collective copyright licensing company [Copyright Clearance Center's \(CCC\)](#) acquisition of [Ringgold](#), which provides and manages persistent identifiers (PIDs) for organizations and their associated metadata. Although there are open PID registries for organizations, such as [Research Organization Registry \(ROR\)](#) and [International Standard Name Identifier \(ISNI\)](#), Ringgold has the resources to develop proprietary metadata for more robust disambiguation. As PIDs become more embedded in research, publication, licensing, and funding workflows (see “[The UK Persistent Identifier \(PID\) Consortium](#)” and “[ORCID Update: Integrating ORCID iDs into Research Funding Workflows](#)”), open and community-led, community-funded PID registries are at risk of being pushed out of the ecosystem in

favour of proprietary systems.

Scholarly Communications Market Consolidation in the Press

Market consolidation is a longstanding concern in the academic community, including in the academic press. A 2017 piece by [Marc Couture](#) in *University Affairs* discusses the role of APCs in monetizing OA: “Once considered a threat, open access has become an opportunity for them [commercial publishers] to maintain and even tighten their grip on the market and their revenue streams.” A 2018 opinion piece by [Adriane Macdonald and Nicole Eva](#) in *University Affairs* discusses market consolidation in the context of predatory practices in academic publishing, and calls upon the academic community to take collective action to reclaim control of the industry. A piece in *Research Professional News* calls for a transparent open tender system to replace the secretive negotiations between libraries and publishers.

A 2019 article by [Lindsay Ellis](#) in *The Chronicle* draws attention to increasing calls from within the academic community to pay attention to who owns and controls digital infrastructures. A 2021 article by [Marshall Breeding](#) in *American Libraries* magazine discusses Clarivate’s acquisition of ProQuest from an academic library perspective, noting that, although the merger offers the possibility of a comprehensive, integrated suite of tools for supporting research, the company’s expansion into data and analytics is cause for caution. Wiley’s acquisition of Knowledge Unlatched was also covered in *Library Journal’s* [InfoDocket](#).

The educational technology sector has also addressed the topic: Elsevier’s acquisition of Interfolio was covered by [ListEdTech](#), an educational technology market researcher, and Wiley’s acquisition of Knowledge Unlatched was covered in [EdSurge](#) and [IBL News](#).

Responses from the INKE Partnership

In 2016, the [Canadian Research Knowledge Network \(CRKN\)](#), an INKE partner, launched the [Journal Usage Project](#), which involved 28 member institutions of CRKN across Canada in a study of how consolidation in scholarly publishing affects libraries. This project built upon research led by INKE member Vincent Larivière on the consolidation of academic publishers, which is described in one study as an “oligopoly,” a market in which a few very large companies dominate an industry (Larivière et al. 2015).

In a 2018 [brief for the Canadian Association of Research Libraries \(CARL\)](#), an INKE partner, Kathleen Shearer identifies market consolidation as one of the major causes of unsustainable journal subscription costs. She notes that subscription costs are highest from large commercial publishers, which see profit margins in the range of about 28–40% (Shearer 2018, 3). Shearer points to consortial negotiations and collective action by the scholarly communities as strategies for mitigating these issues, and notes that “There will be no long-term relief from price increases unless we collectively promote a transition towards a more open scholarly communication system, and invest in infrastructure and services that are more sustainable” (7).

In addition, many INKE partners are developing open, community-led tools and infrastructures for open scholarship. For example, [Coalition Publica](#), a partnership between INKE partners [Érudit](#) and the [Public Knowledge Project \(PKP\)](#), is developing an open source, non-commercial, national-level infrastructure for digital scholarly communication that combines PKP’s [Open Journal Systems](#) software and Érudit’s open publishing platform. Other community members run community-led open access journals, such as [Pop! Public. Open. Participatory.](#), published by the Canadian Institute for Studies in Publishing at Simon Fraser University and led by INKE member John Maxwell, and [IDEAH: Interdisciplinary Digital Engagement in Arts & Humanities](#), founded by Alyssa Arbuckle, Lindsey Seatter, and Ray Siemens and published by the [Canadian Social Knowledge Institute](#) (C-SKI, INKE’s umbrella organization).

Reactions from the Broader Academic Community

Market consolidation in scholarly communications is a recurring topic in venues such as *The Scholarly*

Kitchen. Many of its pieces report on and analyze acquisitions. These include Wiley's acquisition of J&J Editorial and Hindawi as well as Clarivate's acquisition of ProQuest and Copyright Clearance Center's acquisition of Ringgold. It has also covered Elsevier's acquisition of bepress, Aries Systems, and Interfolio.

The Scholarly Kitchen authors have also analyzed overall trends in market consolidation and its potential effects, such as its overall benefits and its potential negative effects on scholarly society publishing. Other pieces examine how the publishing industry is changing, looking at publishers' transformations into publishers' transformations into "workflow businesses," market consolidation as a consequence of OA, and the possible resurgence of legacy publishers.

In response to Wiley's acquisition of Knowledge Unlatched, Community-led Open Publication Infrastructures for Monographs (COPIM) released a statement expressing concern about market consolidation and, in particular, "increasing attempts to monetise and, potentially, monopolise the infrastructures of open knowledge dissemination" (COPIM 2021).

The Scholarly Publishing and Academic Resources Coalition (SPARC) has been a leading voice in the academic community against market consolidation. It has been analyzing trends in the scholarly communications marketplace over the last four years and developed a resource about the commercial acquisition of digital research infrastructures in 2018 with updates in 2020 and 2021.

SPARC also advocated against the planned merger between Cengage and McGraw-Hill in 2019, including filing a letter with the US Department of Justice arguing that the proposed merger would violate antitrust regulations.

In response to Clarivate's planned acquisition of ProQuest, SPARC submitted an antitrust brief to the US Federal Trade Commission, as well as a statement in response to the completed merger. Invest in Open also voiced opposition to this merger, emphasizing the issue of surveillance capitalism and evoking the call for open infrastructures in UNESCO's Recommendation on Open Science (see "UNESCO's Recommendation on Open Science").

Market Consolidation and Open Scholarship

The shift from print to digital scholarly publishing that has enabled open access and open scholarship—and the digital infrastructures that make them possible—has also led to the collection and sale of researchers' data (Chen et al., 2019; Larivière et al. 2015). As Lamdan points out, platform monopolies lead to ethical problems for librarians in particular, who must consider users' research and access needs as well as data privacy concerns (2022).

Some in the academic community see the trend toward platform monopolies and the commercialization of infrastructures as a consequence of the OA movement, as commercial publishers shift away from subscription-based business models toward platform services and analytics (Schonfeld 2022). The technical and pragmatic requirements of OA policies such as Plan S can be seen as favouring larger, well-resourced publishers and pushing smaller publishers to join forces with larger ones or shut them out completely (Crotty 2021 "More").

The commercialization of the digital infrastructures that make open access possible is a key concern for the future of open scholarship (Joy 2019): as Geoffrey Bilder, Jennifer Lin, and Cameron Neylon state, "Everything we have gained by opening content and data will be under threat if we allow the enclosure of scholarly infrastructures" (2015).

However, the effects of market consolidation extend beyond open scholarship to the research enterprise itself: in SPARC's statement about the completion of the Elsevier and Interfolio merger, executive director Heather Joseph warned that "It should be of utmost national concern that the research enterprise is

dominated by an increasingly small number of firms with extraordinary market power who control vast swaths of our digital infrastructure” (SPARC 2021 “SPARC Statement”).

Conflict of interest is one such concern: fewer companies increasingly control the platforms and content undergirding the entire research process. This means that companies that publish journals control the data and metrics through which those journals are assessed. Some critics are concerned that a given company’s metric—calculated with proprietary methods and data—will privilege that publisher’s journals, but others such as Ellen Finnie at MIT Libraries note that, even if that is not the case, this type of market consolidation “creates a conflict of interest that is inherently problematic” (Straumsheim 2016). Moreover, researchers at institutions that subscribe to an FIS may make choices based on the sense of being surveilled, such as if they believe that submitting their work to a journal owned by the FIS’s parent company will positively affect their FIS profile more than publishing elsewhere, or that applying for a position at a different institution through the Dossier platform will affect their profile negatively (Chen et al. 2019; SPARC 2022, “Possible”).

These discussions also point to larger questions about values related to scholarly communication (see Chen and Chan, 2021). Samuel Moore notes that market consolidation and publishing oligopolies “means that the values and practices of the larger publishers are hegemonic in their influence over what publishing should look like” (2021). Data collected from research platforms can also be used to determine what kinds of research should be funded, which shifts power away from the academic community, raises concerns about academic freedom, and further entrenches existing inequities (Aspesi, 2022; Chen et al. 2019; Lamdan et al. 2022; Sly and Koivisto 2023).

The increasing consolidation of the scholarly communications industry and the rise of the “publication-as-data” model (Sly and Koivisto 2023) raises questions about the role of commercial publishers, who are increasingly also platform and service providers, in the open scholarship ecosystem as a whole.

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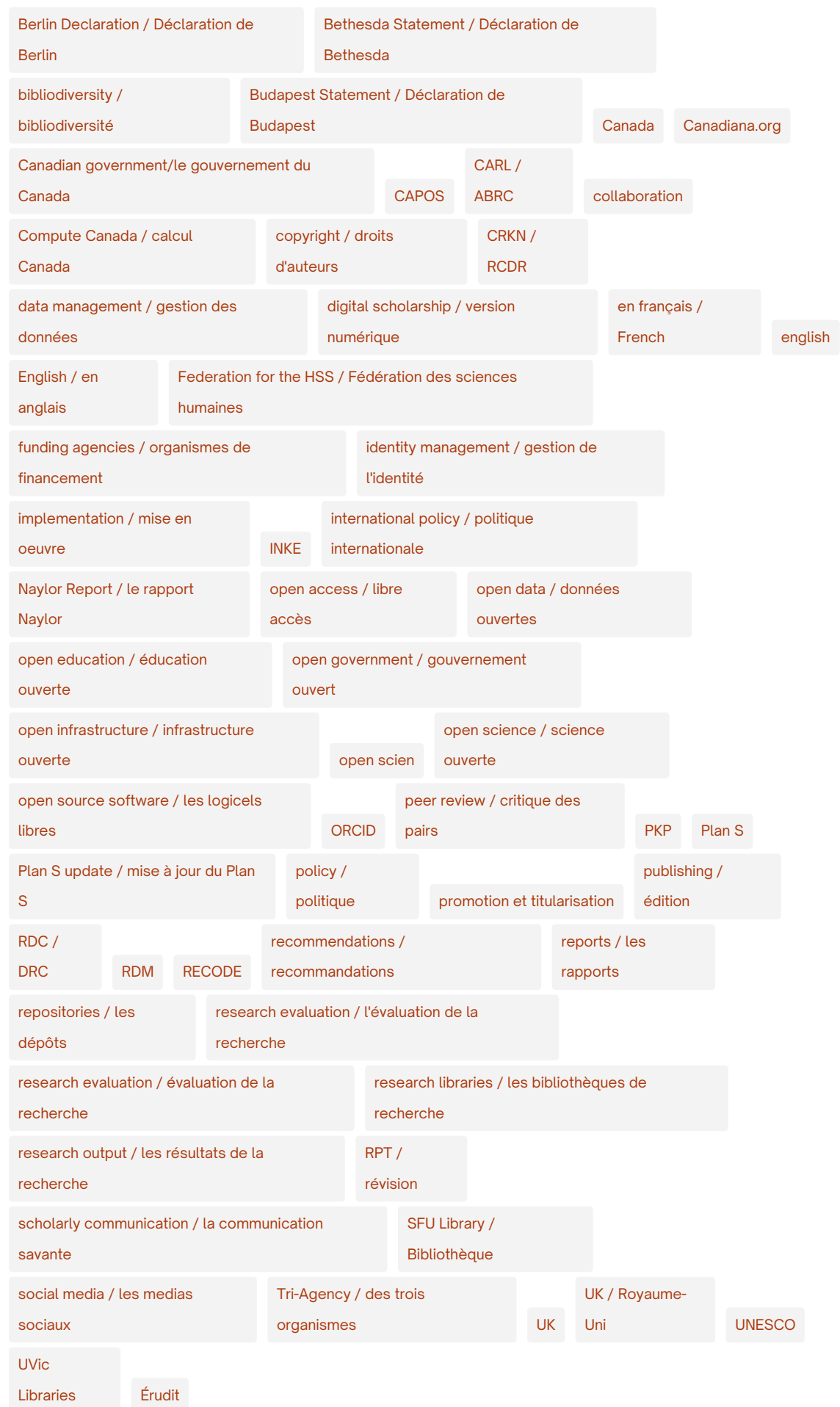
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