
Napster vs. Record Labels, Sci-Hub vs. Publishers, Part 2: Differences

By RICK ANDERSON | JAN 4, 2018

BIG DEAL | BUSINESS MODELS | COMMERCE | CONTROVERSIAL TOPICS | COPYRIGHT | ECONOMICS | ETHICS | HISTORICAL | INNOVATION
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In [yesterday's post \(https://wp.me/p84tsU-dbg\)](https://wp.me/p84tsU-dbg), I discussed some of the interesting similarities between the conflict that existed between peer-to-peer copying networks (most notably Napster) and record labels during the late 1990s and early 2000s, and the conflict that currently exists between Sci-Hub and scholarly publishers. In today's post I'll discuss some of the differences between those situations, and then suggest two possible implications of both the similarities and the differences between them.



Some Things That Are Different

Price Dynamic. When Napster came on the scene, the real price of CDs (which were the default format for music at the time) had been falling steadily for 20 years. To those who weren't intimately familiar with the music marketplace for recordings during this period, this may come as a surprise. But I worked in a record store in the early 1980s, when compact discs first began to emerge on the consumer market, and can attest that at that time the typical list price of a CD was around \$17. Twenty years later, the typical list price of a CD was \$19. This means that in real dollars, the cost of a CD had dropped significantly during that 20-year period. (According to the U.S. Department of Labor's [online CPI Calculator \(https://www.bls.gov/data/inflation_calculator.htm\)](https://www.bls.gov/data/inflation_calculator.htm), \$17 in 1983 was worth \$31 in 2002.) This is in stark contrast to the pricing dynamic in scholarly publications: over the same period (and ever since), the price of scholarly books has risen [steadily but slowly \(https://humanitiesindicators.org/content/indicatordoc.aspx?i=10965\)](https://humanitiesindicators.org/content/indicatordoc.aspx?i=10965), while the price of scholarly journals has risen [steadily and more quickly \(http://www.ala.org/alcts/sites/ala.org.alcts/files/content/resources/collect/serials/ppi/05usppi.pdf\)](http://www.ala.org/alcts/sites/ala.org.alcts/files/content/resources/collect/serials/ppi/05usppi.pdf). The reason Napster succeeded wasn't that people were frustrated at the rising cost of music; the cost of music wasn't rising. Napster succeeded because people wanted music for free, and because people saw record labels as morally corrupt and unworthy of support. Napster's most obvious analog in the scholarly communications space is Sci-Hub, which is also succeeding because people don't want to pay for access to scholarship (or even just jump through the procedural hoops necessary to get legitimate access), and, often, because they [see publishers as morally corrupt and unworthy of support \(https://www.theguardian.com/higher-education-network/2016/apr/18/why-academic-journals-expensive\)](https://www.theguardian.com/higher-education-network/2016/apr/18/why-academic-journals-expensive) — but also, importantly, because they're frustrated at the genuinely rising cost of access.

Napster didn't succeed because people were frustrated at the rising cost of music; the cost of music wasn't rising. Napster succeeded because people wanted music for free, and because people saw record labels as morally corrupt and unworthy of support.

Urgency of Need for Access. People arguably have a real and, in some cases, urgent need for access to high-quality scholarship and science. It's harder to make the argument that they have a similarly urgent need for access to music. (Please bear in mind that I say this as a musician.)

Impact on Creators. When people created and distributed illegal copies of music albums, it didn't only take money out of the coffers of record labels — it also took money out of the pockets of the musicians who created the music sold by record labels, and who received royalties based on sales. (Exactly how much money it took from them is open to debate, since it has never been clear what percentage of the people who were willing to download albums for free from Napster would have bought legitimate copies of those same albums in the absence of Napster.) But the same isn't true for authors of scholarly papers that are pirated on Sci-Hub. The authors of those papers aren't paid by publishers, and so their pocketbooks don't tend to be directly affected by piracy of their work. (The same is not true of scholarly books that are pirated on Libgen, Sci-Hub's sister site. Lost book sales do have a direct financial impact on authors.)

Bundling. In my previous post I pointed out that the bundling of content is one practice that journal publishers and record labels have in common. But there is at least one very important difference between the bundling practices of record labels and publishers: in the pre-Internet era, record labels only made a small minority of the songs they released available as singles. If the song you wanted was not released specifically as a single, then it was indeed true — to the frustration of many music buyers — that the only legal way to get a copy of it was to buy the whole album. Publishers, on the other hand, have for decades made it possible (if not usually cheap) for readers to buy any individual article they might want.

Do these parallels and differences tell us anything useful? Maybe. I think there are at least two important lessons that publishers today can take away from the experience of record labels 15 to 20 years ago.

First, I think it's instructive that when the music industry was threatened with catastrophic change — and make no mistake, the change was catastrophic; apart from all of the small independent labels that went out of business entirely, the major labels that have survived are today mere shadows of their former selves — record labels typically responded with defensive litigiousness rather than opportunism. They could have seen the crisis as an opportunity, but instead they fought against the inevitable and lost. What is the “inevitable” which publishers, today, would do well to treat as an opportunity to innovate rather than an opportunity to fight? Some would say it's open access. That may be true, and if so, then commercial publishers seem to be embracing it both enthusiastically and successfully (<https://sustainingknowledgecommons.org/2016/05/13/elsevier-now-the-worlds-largest-open-access-publisher/>). The “inevitable” might also be wholesale piracy *à la* Sci-Hub, or something else entirely. One of the problems we have in dealing with crisis and disruption in our ecosystems is that (to paraphrase Kierkegaard) inevitability seems obvious in retrospect, whereas decisions have to be made prospectively.

Second, it's worth repeating that the real-world impacts of copyright piracy on record labels and on publishers alike are very hard to quantify. This doesn't mean that piracy isn't a big deal; it just means that the moral and ethical arguments against it can be made more solidly than arguments based on rigorous analysis of financial impact. It's notoriously difficult to prove a negative, and it's also quite difficult to gather data from criminals in hiding (https://www.washingtonpost.com/local/this-student-put-50-million-stolen-research-articles-online-and-theyre-free/2016/03/30/7714ffb4-eaf7-11e5-b0fd-073d5930a7b7_story.html?utm_term=.7bfc40fd74b6).

Of course, one big problem is that the moral and ethical arguments against wholesale copyright piracy seem increasingly to fall on deaf ears. This is one of the interesting, though unfortunate, parallels between Napster and Sci-Hub: the world seems to love a copyright Robin Hood — even when he (or she) is robbing from the poor as well as from the rich.



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Discussion

45 THOUGHTS ON "NAPSTER VS. RECORD LABELS, SCI-HUB VS. PUBLISHERS, PART 2: DIFFERENCES"



Rick, I'm loving this series, thank you. I know you've restricted your analysis to the direct effects of Napster, but I wonder if you could also reflect on the broader changes in how musicians are compensated for their creative works today. My understanding is that the various changes in the music industry since Napster have led to substantial declines in compensation from “content sales,” and increases at least for some through performance, merchandising, etc. In a funny way that might have made musicians more like scholars? Anyway, perhaps for your next comparison between the two industries you could look at the iTunes and Spotify eras, and what if anything we can learn from those as well. Thanks again.

By ROGER C. SCHONFELD | JAN 4, 2018, 8:01 AM



Thanks, Roger, and those are good questions. It would be interesting to do an analysis of how musicians' earning patterns have changed in the iTunes/Spotify era. One thing I've definitely noticed is a vastly larger number of musicians releasing albums on their own, without label support, both in physical and digital formats. There's a burgeoning service industry for musicians who want to do that, and my impression is that it's growing.

By RICK ANDERSON | JAN 4, 2018, 9:49 AM



I too have a full second life as a performing musician, and Roger you're right that sales revenue has pretty much tanked. We still produce CDs or iTunes download cards to sell at shows, just to try and take advantage of the enthusiasm of the moment, but Spotify is quickly undermining iTunes as far as getting our music out there is concerned, and their payment structure is really so pitiful unless you're really huge and can negotiate.

So if you're trying to be even moderately successful and self-sustaining, you have to fill performance spaces. We try and get on a good Spotify playlist (like the old radio model) so we'll be well-known, then fill up the venue. Revenue generation has definitely moved to the live events and merch. Royalties from airplay are pretty much decimated.

The good news is we don't have to sign over our rights to get our stuff out there. The streaming era has also made it a lot cheaper and easier to produce and distribute music on your own, so if you can develop a good following you can keep more of what you earn.

By RUSTY SPEIDEL | JAN 4, 2018, 9:50 AM



I'm reminded of the writings of David Lowery (Cracker, Camper Van Beethoven):

<https://thetrichordist.com/2012/04/15/meet-the-new-boss-worse-than-the-old-boss-full-post/>

"Recording albums to sell a few t-shirts is a terrible way to make money. Thanks for the advice but no thanks. Plus t-shirts are just as bootlegable as music."

One point he raises that is relevant here is the investment that music companies (problematic as they are) make in developing artists:

<https://thetrichordist.com/2013/09/30/us-record-labels-invest-4-5-billion-annually-in-artists-pirates-0-any-questions/>

If we assume a future where Sci-Hub (or its equivalent) takes over as the main source of scholarly materials, who makes the sorts of investments in necessary infrastructure or for things like ORCID and CrossRef?

By DAVID CROTTY | JAN 4, 2018, 10:36 AM



Rick: An excellent two parter. The parallels between the music industry and scientific publishing are a fascinating topic especially as these relate to the sporadic mentions in the literature on scientific publishing of an imminent iTunes/Amazon "moment". Certainly the STM business was more prepared for the piracy of its product than the music industry as documented in Goodman's excellent book "Fortune's Fool" (2010) with the latter being a sitting duck for Steve Jobs. The STM business also appears to lack key elements that would include a Vivendi/ Seagrams/UMG conglomerate or an Edgar Bronfman Jr. Like Roger Schonfeld I'd appreciate hearing your thoughts on more recent developments in music sharing and their impact on resolving the current situation with SciHub. Will we be downloading or renting articles at 99 cents from iTunes or Amazon?

The interested parties in the recent SciHub lawsuits that include the STM publishers, federal funding agencies and university consortia differ in their vested interests in comparison to the humble music lover who use their own money (and ingenuity) to indulge their passion.

By MIKE WILLIAMS | JAN 4, 2018, 8:33 AM



Will we be downloading or renting articles at 99 cents from iTunes or Amazon?

I often wonder this myself. On the one hand, it doesn't seem like there's a big enough market for most scholarly articles for this model to be a money-maker for publishers. On the other hand, if you hook up with a popular and global distribution outlet like Amazon, even a very widely dissipated market can be profitable.

By RICK ANDERSON | JAN 4, 2018, 9:53 AM



Given users who have legal and free (to them) access through their university affiliations still use SciHub ... It is hard for me to see that inexpensive and licit is going to overcome free and illicit when free and licit does not.

By LISA HINCHLIFFE | JAN 4, 2018, 10:23 AM



Great analysis.

By HARVEY KANE | JAN 4, 2018, 1:34 PM



Lisa, the question then is, if they have free and licit through their university, why are they still using Sci-Hub. I assume it is about convenience and user experience – everything they need, all in one place

By JOSH FREEMAN | JAN 5, 2018, 4:59 PM



I don't think there is any question at this point. Answer is well established. Users say it directly. And, in reality, the experience of navigating from library through to publisher websites – or even just on the publisher platforms themselves – is fraught with pain for users.

See, for example, writings by Roger Schonfeld, who has documented this generally:

<https://scholarlykitchen.sspnet.org/2015/04/06/dismantling-stumbling-blocks/>.

Or, to take another example, see this reality that I recently documented where Elsevier fails to provide a way to access content via the Library subscription pathway at all: <https://lisahinchliffe.com/2017/12/21/logout-of-your-elsevier-account-to-get-library-access/>

By LISA HINCHLIFFE | JAN 5, 2018, 5:44 PM



I would argue that the biggest difference (at least in terms of business impact) is the layer of insulation provided by the purchasers of the product being different from the users of the product. Teenagers and young adults make up a huge portion of the music-buying public. This is a group that is largely without great economic means, and also without great economic holdings at risk from any potential legal response to infringement. For a teenager that wants to hear more music than they can afford, stealing it is a low-risk, high-reward activity.

The journals market differs in that the buyers are responsible adults (at least most of the librarians I know would qualify for this term). Even though stretched, they generally do have budgets for journal purchases. As part of their job, they have some legal responsibility to their employers not to openly encourage illegal behavior on campus. And those employers often have large endowments at risk to any subsequent legal action. A librarian that canceled all campus subscriptions and told the students to go use Sci-Hub would be taking an enormous risk.

By DAVID CROTTY | JAN 4, 2018, 8:38 AM



Yes, I think those are important differences as well — although it would be interesting to know what percentage of scholarly journal subscribers are individuals rather than libraries. I genuinely don't know what the mix is.

By RICK ANDERSON | JAN 4, 2018, 9:54 AM



Very few of the journals I work with even sell individual subscriptions anymore (with the exception that individuals can get a subscription as a benefit of society membership).

By DAVID CROTTY | JAN 4, 2018, 10:21 AM



I too think librarians are responsible adults. □ But, I think Rick refines this in an important way in his reply. Librarians steward institutional buying ... or, licensing as may actually be the case, which may be another interesting lens to put on this ... has music shifted to a licensing (or purchase + hosting fee) model and away from outright purchase? I suppose I could have read the fine print when I paid Amazon... Very useful two-part series Rick!

By LISA HINCHLIFFE | JAN 4, 2018, 10:19 AM



David — yes, I was assuming that most individual subscribers to scholarly journals would be society members who get the journal as a benefit of membership.

Lisa — thanks! And yes, the questions about ownership vs. licensing are also very interesting. Whenever I buy digital music from Amazon or iTunes, I always immediately download it and burn it onto a CD. But I suspect that by doing so I'm just showing my age — I can almost hear my daughter snorting at me as I type this. (Bottom line, for me, is that I love the cloud but I don't trust it.)

By RICK ANDERSON | JAN 4, 2018, 10:26 AM



You state that Napster succeeded because “people wanted music for free, and because people saw record labels as morally corrupt and unworthy of support.” The primary reason for the success of Napster was the lack of legitimate, reasonably-priced alternatives that provided equivalent access. iTunes eventually became that legitimate alternative. Yes, there were other legal alternatives, but all had limited content, high prices, and poor ease of use (similar to how the TV streaming services are currently operating).

By DAVID | JAN 4, 2018, 10:06 AM



A similar comment was made on yesterday's post (<https://scholarlykitchen.sspnet.org/2018/01/03/napster-vs-record-labels-sci-hub-vs-publishers-part-1-parallels/#comment-72803>), but as here, no evidence was offered to support it. In response, several people noted that despite the presence of iTunes, music piracy continued unabated until recent times when streaming services and YouTube provided free alternatives, rather than “reasonably-priced alternatives”.

<http://www.latimes.com/business/la-et-ct-state-of-stealing-music-20150620-story.html>

Even with these, piracy still continues at an alarming pace:

<https://www.digitalmusicnews.com/2015/07/16/if-you-think-piracy-is-decreasing-you-havent-looked-at-the-data-2/>

By DAVID CROTTY | JAN 4, 2018, 10:25 AM



Sorry, long reply:

The creation and popularity of iTunes did not stop all music piracy and neither will a changed publishing model prevent all article piracy. Music had already been freely available online for years, so the success of Napster was not due to availability. People seem to gravitate towards the services that are easiest to use and the cheapest (even when it is not the best option). At one time it was Napster, later on it was iTunes, and today it is the various legitimate services including YouTube. The legitimate alternatives to Napster did not start to appear until 2001-2002. This was during the era of attempts by the music industry to use highly restrictive DRM and software which worked poorly with it.

From David Choi's article:

Napster's contributions to technology were noteworthy. A leading entertainment and media analyst considered Napster to be "absolutely a groundbreaking technology that changed the way consumers listened to music, discovered music, and interacted with music (Denison, 2002)." Before Napster, Universal, BMG and Sony had promised to make music available for downloading by the end of 1999, only to let the deadline pass, invoking "lack of adequate technology" as their reason (Anand and Cantillon, 2003). The major music labels later participated in industry collaborations such as the Secure Digital Music Initiative (SDMI), an industry standard-setting effort, but they were unable to achieve consensus and abandoned the project in 2001.

David Y. Choi, Arturo Perez, Online piracy, innovation, and legitimate business models, In *Technovation*, Volume 27, Issue 4, 2007, Pages 168-178, ISSN 0166-4972, <https://doi.org/10.1016/j.technovation.2006.09.004>
(<http://www.sciencedirect.com/science/article/pii/S0166497206001040>)

Article by Rajiv Sinha:

Recent decreases in piracy may not be due to the RIAA's legal actions but rather to the availability of attractive legal alternatives, such as iTunes, which was launched in 2003 and accounted for more than 25 million legal downloads by the end of that year (Wade 2004).

Sinha, Rajiv K., and Naomi Mandel. "Preventing digital music piracy: the carrot or the stick?." *Journal of Marketing* 72.1 (2008): 1-15.

Another good one:

I did not want to sell "secure" music, because in reality there wasn't such a thing. It just made executives feel good, but the consumer didn't want it; it made it too hard for them technically in the 1990s, before iTunes. That's one reason why the mp3 format took off. It was easy to download and it worked across all computers.

<https://www.billboard.com/articles/business/7964771/history-music-industry-first-ever-digital-single-20-years-later>

By DAVID | JAN 4, 2018, 3:20 PM



As this article shows, piracy in the US continues to rise, despite the presence of iTunes (2003) and streaming services (Rhapsody 2002, Spotify 2011). If it was just a matter of "easiest" then the problem would be solved, but "free" continues to win out over easy and cheap:

<https://www.digitalmusicnews.com/2015/07/16/if-you-think-piracy-is-decreasing-you-havent-looked-at-the-data-2/>

By DAVID CROTTY | JAN 4, 2018, 3:41 PM



The problem with that article in particular is that it was from before many of the large BitTorrent sites were shut down. Most of the articles I've seen about audio piracy in the last year have shown stream piracy increasing and download piracy (such as BitTorrent) steadily decreasing as barriers to pirating increase on the download model (i.e. sites going down, viruses and malware, network throttles, etc.). Stream piracy increases as more users stream quickly and easily on YouTube or Spotify, but want to backup or move content outside of the legitimate environment.

By KATE BENDER | JAN 5, 2018, 12:14 AM



Yes, as noted here, piracy is shifting from torrent and file locker sites to stream ripping:

<https://www.digitalmusicnews.com/2016/05/05/what-music-piracy-really-looks-like/>

By DAVID CROTTY | JAN 5, 2018, 7:49 AM



This is a great pair of posts. I think that there are probably more differences than similarities between record labels and academic publishing. Two analogue industries have undergone digitization (or are still undergoing). That has made distribution and copying easier. But the differences are significant. First of all, often the buyer is not the end user; secondly it's someone else's money that is being spent; thirdly the need to make the numbers in publishing journal articles in order to survive in academia (this might be more extreme in science -I don't know) distorts the market. Whilst I think there are more similarities between art and science than is usually accepted, in terms of the creative output in arts and humanities it is mainly works (music, pictures, literature) or expressions based on ideas, in science it is mainly ideas and data, packaged in an often fairly standardized expression.

By MARTIN HICKS | JAN 4, 2018, 10:46 AM



Very, very interesting couple of articles, Rick. Thank you. Sitting as I do at Berklee College of Music, I often think about the similarities and differences between the music publishing and scholarly publishing — and specifically, the relationship our faculty and students have towards music publishers versus the comparable relationship faculty and students have towards scholarly publishers at a “normal” research institution. You comment a couple of times that we cannot really determine with any accuracy the effect of piracy on music industry revenues — and that is certainly true. I can, however, supply what I hope is an interesting set of data points with regard to the use (more specifically, circulation) of CDs in our library. Interestingly, circulation of CDs at Berklee's Stan Getz Library continued to grow during the years that Napster (the pirate site) was in operation. In 1998 we did 85,000 CD circulations (for a student population of ~2500). Circulations continued to grow over the next few years, reaching a peak of 117,000 in 2001 (the year Napster was shutdown as a free service). By 2005, however, circulations had declined to 80,000 (for a student population of ~3000); by 2007, we were down to 35,000; and by 2015 our CD circs amounted to a mere 20,000 (for a student population of more than 5000). It would seem for our students, it was not so much the availability of Napster, but rather the rise of iTunes (iTunes store launch: 2003), YouTube (2005) and the rise of streaming services that has had the greatest impact on CD consumption. The sharpest drop came in the years 2004 – 2006 (80,000 down to 45,000). I realize that it would be unwise to extrapolate from our circulation trends to overall music-consumer habits — not least because factors such as curriculum changes might also have been a factor in some of these changes. But overall, it's an interesting trend to observe. Of course, there are several other really important issues here — which I realize lie beyond the direct scope of your articles — but which deserve a mention. Not least of these is the impact on libraries when content is made available under business models that more or less make it impossible for libraries to collect the content. And — relatedly — the impact on libraries when content, which patrons used to rely on libraries to provide, becomes effectively ubiquitous and “free”. In that regard, are music libraries the “canary in the coal mine”, so to speak for library challenges in an all-open-access world? Topics for another article perhaps. Thanks again, Rick, for two very thought-provoking pieces.

By HEATHER REID | JAN 4, 2018, 12:30 PM



Very, very interesting stuff, Heather, thank you. One question:

the impact on libraries when content is made available under business models that more or less make it impossible for libraries to collect the content.

I assume you're talking specifically here about multimedia content — is that correct?

By RICK ANDERSON | JAN 4, 2018, 12:45 PM



Yes — I was referring primarily to the T&C's of services like Spotify, Apple Music, Tidal etc which really do not allow for institutional-level subscriptions. The license is limited to personal use. Here's a quote from the Spotify T&Cs as an example:

“We grant you a limited, non-exclusive, revocable license to make use of the Spotify Service, and a limited, non-exclusive, revocable license to make personal, non-commercial, entertainment use of the Content”

One (very reasonable) question that we often get from students and faculty is: can the library provide me access to music through Spotify etc. Our answer to that sadly has to be no — at least right now.

Going beyond the issue of immediate access to the question of preservation and archiving, we similarly have no ability to preserve in any meaningful way the (increasing) amount of music that is distributed today only in digital format.

By HEATHER REID | JAN 4, 2018, 2:22 PM



Really interesting, and I’m wondering if there’s a parallel in what you saw as far as CD use with the shift in technologies. As people moved to digital music (the first iPod was released in 2001), so perhaps an increase as people were widely ripping their collection (and that of their library) for digital use. Then this declines as people grew less and less used to using the hard copy (CD) and instead relied more on the mp3 as the original format in which the music was acquired. Now many (most?) of us use computers and tablets that don’t even have CD or DVD drives in them anymore. If I needed to rip a CD I’d have to dig a USB drive out of a drawer somewhere.

By DAVID CROTTY | JAN 4, 2018, 1:07 PM



Interesting speculation, David, and I think you could well be right. We certainly believe/know that even today, a goodly amount (majority?) of our CD discs are for the purpose of ripping CDs, rather than listening to them “as is”.

By HEATHER REID | JAN 4, 2018, 2:28 PM



Thanks for this analysis Rick. It’s very interesting. I’m going to quibble with your entire list of differences, however. I agree with your list of similarities but think the differences are minor at best (or nonexistent).

For instance, take your observations about cost pressure. Sure—the cost of CDs fell in real dollar terms between 1980 and 2000. But CDs weren’t the norm in 1980. Most people bought their music on 8-tracks and tapes, which were far cheaper than CDs. Even in the late 1990s, tape decks were still standard in new cars—CDs were still the emerging new technology. As technology shifted and pushed more and more music onto CDs, consumers were forced to pay more (and buy new hardware), and their reluctance to do so helped fuel the emergence of Napster and other peer-to-peer file sharing workarounds. So, I think price pressures are fundamental in both music and scholarly publishing. Please correct me if I’m wrong here—I’m not a music scholar but it does seem that simply tracking the cost of CDs from 1980 to 2000 isn’t the right approach. We should look instead at how people consumed music over this period and how this pattern changed.

Second, you say the urgency is different. You have kids so clearly you didn’t consult them before writing this paragraph! The urgent need to see the latest movie, read the latest book, wear the latest fashions and own the latest song is what keeps the 13-24 year-old economy ticking. I’ll wager that just in terms of sheer dollars, this “urgency” is far greater than the entire scholarly publishing economy.

Third, the financial impact of scholcomm piracy on “creators” is real, as you know. Defining “creators” just as authors is a bit of a stretch because in scholcomm, there’s more of a symbiosis between publishers and authors. While piracy may not be affecting researchers directly in a financial sense, it is financially affecting the publishers on whom the researchers rely, and on which research relies.

And finally, with regard to bundling, the music industry's wholesale response to unbundling (not including single LPs way back when) was iTunes. The iTunes solution was and remains infinitely more affordable than the scholcomm solution of \$40 per download. That's not "unusually cheap"—to the contrary, some call this highway robbery. If there is a real, pent-up, and unaddressed demand for single article downloads in scholcomm (and I don't know if there is, but anecdotally I would say there is), then the \$0.99 SciTunes approach is definitely worth exploring. That is, I don't think scholarly publishers have come even close yet to addressing the unbundling issue, and this issue remains a major driver of discontent.

By **GLENN HAMPSON** | JAN 4, 2018, 12:38 PM



Great comments, Glenn, thanks. A couple of responses:

As technology shifted and pushed more and more music onto CDs, consumers were forced to pay more (and buy new hardware), and their reluctance to do so helped fuel the emergence of Napster and other peer-to-peer file sharing workarounds.

Yeah, I don't know. As you point out, the LP and (to a much greater extent) the cassette eras both overlapped significantly with the CD era. I'm not sure anyone was really "forced" to any significant degree to adopt CDs as a format — by the time the cassette had effectively gone away for good, Napster was on the scene and iTunes was on the horizon. I guess it's possible that Napster's early success reflects resistance to the emergence of the (more expensive) CD and its hardware, but I'd need more data to be really convinced. (And of course, there's the rub — what data?)

Second, you say the urgency is different. You have kids so clearly you didn't consult them before writing this paragraph! The urgent need to see the latest movie, read the latest book, wear the latest fashions and own the latest song is what keeps the 13-24 year-old economy ticking. I'll wager that just in terms of sheer dollars, this "urgency" is far greater than the entire scholarly publishing economy.

I think you have a good point in terms of pop culture generally, but in terms of music specifically, I think it's been an awfully long time since kids were lining up for the opportunity to buy the latest song as soon as it came out. (Maybe the 1960s?) I could be wrong about that, obviously. But I guess this also goes to the question of what we mean by "urgency." I can't really accept that the level of legitimate need for access to music is equal to the level of legitimate need for access to scholarship. Maybe it's a Twinkies vs. vegetables thing — at any given moment, I'll bet that more people want a Twinkie than want a piece of broccoli. But for which of those is there more of an actual need? That's really what I was trying to get at.

Third, the financial impact of scholcomm piracy on "creators" is real, as you know. Defining "creators" just as authors is a bit of a stretch because in scholcomm, there's more of a symbiosis between publishers and authors.

We agree here. The difference I was pointing out is that in the case of music piracy, the effect on the actual creators of the content is much more direct than it is in the case of scholcomm piracy. But that's not to say that the indirect impact isn't real in the latter case.

The iTunes solution was and remains infinitely more affordable than the scholcomm solution of \$40 per download. That's not "unusually cheap"—to the contrary, some call this highway robbery.

We also agree here — I'm wondering if you might have misread my phrase "not usually cheap" as "not unusually cheap"?

By **RICK ANDERSON** | JAN 4, 2018, 12:57 PM



Ah—I did indeed misquote you and misinterpreted your last sentence as well. Sorry about that Rick. You wrote, “Publishers, on the other hand, have for decades made it possible (if not usually cheap) for readers to buy any individual article they might want.” I read this to mean “Publishers, on the other hand, have for decades made it possible (and affordable) for readers to buy any individual article they might want.” And that’s not what you meant.

By GLENN HAMPSON | JAN 4, 2018, 1:30 PM



You know reading all this reminds of another thing that was happening in the late 90s as the CD era morphed into the MP3 era. The sheer volume of unsolicited ‘get your free MP3s’ pop ups that were appearing whenever you logged on (via dial up in those days).

They were a real nuisance. But also because of that totally undermined the idea of paid-for music. Especially for those who were becoming teenagers, had little experience of discovering and buying music (half a day with headphones in a music store anyone?), and so never really developed the habit. It’s free! Why go to a store? Why pay for God’s sake?

Record companies couldn’t cope with that level of competition at the personal level, as they still promoted in stores. And if people stopped going to stores...

Piracy doesn’t play by any rules, including the promotional ones.

By MARTIN SUGDEN | JAN 5, 2018, 8:10 AM



If there is a real, pent-up, and unaddressed demand for single article downloads in scholcomm (and I don’t know if there is, but anecdotally I would say there is), then the \$0.99 SciTunes approach is definitely worth exploring.

As was noted in yesterday’s comments, this potential market has been the target (and the main pitch) for DeepDyve since 2010. Despite offering access to more than 10,000 journals from 150 publishers for \$49 a month (and they now allow printing of articles and discounted PDF purchases), uptake remains fairly low, which continues to make me question whether this “pent-up, and unaddressed demand” actually exists.

By DAVID CROTTY | JAN 4, 2018, 1:11 PM



But is this even the same thing David? \$49/mo is huge for folks who are just looking for one article. Plus that article may not even be available on DeepDyve—all the latest greatest stuff isn’t in there.

By GLENN HAMPSON | JAN 4, 2018, 1:27 PM



When DeepDyve started, they sold access to individual articles, prices ranging from 99 cents to \$4.99. Clearly there wasn’t enough demand for this to make it a viable business, so they’ve since moved on to the current plan of \$49 a month for unlimited access. And yes, it’s not entirely complete, but does have some 12 million articles (all OUP journals, for example, are available) so you’d think there’d at least be a decent amount of uptake if this was really an enormous and untapped market.

And for folks who are looking for just one article, they offer free trials...

By DAVID CROTTY | JAN 4, 2018, 1:47 PM



Hi Glenn, just to clarify – while we at DeepDyve don't have all the greatest stuff (there are indeed still thousands of journals not yet in our service), for what we offer, it is the latest stuff as our collection is not embargoed. And it's true, \$49 is a lot for one article – and as David astutely points out, that is precisely why businesses offer free trials, to allow someone with minimal needs to try the service, and hopefully if their needs are recurrent, some subset of them will eventually 'upgrade' to a subscription. And for those users who have minimal needs or would otherwise never pay, well they were never likely to be a valuable customer anyway, but at least this approach fosters readership and dissemination which are also important to our mission.

By BILL PARK | JAN 4, 2018, 6:24 PM



Hi Bill,

I'm terribly sorry for my shorthand. I didn't mean to sound disparaging—just defend the 99-cent article idea as not dead yet. Maybe a more apt comparison would be that you're like Netflix. Many customers find great value in the Netflix lineup, and some won't subscribe to it because this service doesn't give them access to the stuff they're looking for. So in this case, to say that a full-fledged on-demand 99 cents per download access model won't work in scholcomm because it didn't work for DeepDyve isn't a correct conclusion—you never offered users the full library.

For the skeptics out there who would say that there should be some indication from your download data that this would work, they may be right. Or maybe this mirrors book sales instead: The vast majority of book profits come from a sliver of best-seller titles, and these profits make possible the publishing of everything else. We can assume the scholcomm demand curve should be linear, tapering off gradually from the top-selling downloads to the less popular stuff, but for books anyway, lop off the top and you have an unsustainable revenue model.

Make sense (hopefully)?

Best,

Glenn

By GLENN HAMPSON | JAN 4, 2018, 11:19 PM



Or maybe this mirrors book sales instead: The vast majority of book profits come from a sliver of best-seller titles, and these profits make possible the publishing of everything else. We can assume the scholcomm demand curve should be linear, tapering off gradually from the top-selling downloads to the less popular stuff, but for books anyway, lop off the top and you have an unsustainable revenue model.

Isn't this then an argument that an iTunes model would not work for most publishers? That it's only reasonable for the Science/Nature/Cells of the world, and not viable for the vast majority of research published?

To be clear, OUP publishes around 400 journals, 25% of which are in the top 10% of their JIF subject category ranking (for whatever measure of quality that is worth), and more than 50% of which are in the top 25% of their JIF category. One would think that if there was an enormous pent-up demand, we'd be seeing more of an indication of it.

By DAVID CROTTY | JAN 5, 2018, 7:56 AM



Hi David,

These are great questions and I wish I had the answers. Maybe this is something that OSI can dig into. In general, though, there are several layers to this parfait. The topmost layer is what do we mean by “top” articles anyway? It’s probably not the top 50 or even 25 percent, but more like the top 1% or even less—wherever the demand curve starts to flatten out. If you look at the dataset from Altmetric for the 100 most popular articles of 2017, for instance, the demand curve starts to flatten out after about 20 articles and then starts a gradual descent. So, if you then look at what fraction of these articles can be found on DeepDyve, it’s about 20 percent. Going back one year to 2016, it’s about 50 percent. I don’t have time to dig into this any more deeply, but it’s an interesting dive. A few things stand out, like how the vast majority of top articles are medical related (about 75% of the top 100 articles from 2017), and about half are either open access or free to view. Also, being open or free doesn’t necessarily translate into findability.

Why does it matter that the topmost layer is fully represented on a service like DeepDyve? Because it matters to shoppers, of course, but also because that’s where the profits are generated. Take away the revenues from the best-seller table and you’re really scraping by, not only because you’re missing out on profits but because you’re not giving customers a reason to stick around and buy something else (or even visit). It’s why Barnes & Noble puts the best-seller and new releases tables by the front door, and why Macy’s has 50% off sales—getting the customers inside is job one.

“Fixing” this situation for DeepDyve and others who might want to try to 99-cent per download approach might be relatively straightforward: just try giving the audience what they want. Again, most of the hyper-popular journal content is medical-related and indeed, over half of the top 100 articles for 2017 came from just a few journals— the Lancet, BMJ, Nature, NEJM and JAMA. So, design a site (or a category landing page) that gives readers 99-cent (or free) access to everything medical, and as part of this business plan (maybe in partnership with the Lancet and others), figure out how to get more of their hyper-popular content open or at least more accessible. If I had a few million dollars to invest, I would bet that there’s a big audience of patients, practitioners and even researchers who are ready and willing to pay to read the latest medical research, and that the download revenue from this arrangement would dwarf what these journals are currently making from their subscription models.

FWIW.

Best,

Glenn

By GLENN HAMPSON | JAN 5, 2018, 1:45 PM



I don’t think Altmetrics is the right measure here. These are attention metrics that basically measure Twitter activity and news coverage (<https://scholarlykitchen.sspnet.org/2017/12/13/news-fits-whats-really-driving-altmetrics-top-100-articles-list/>). I’m not sure how that would translate into pay-per-view purchases.

Regardless, the problem that has always plagued this approach is that it would spell the end for many publishers and journals. As Rick notes (<https://scholarlykitchen.sspnet.org/2018/01/03/napster-vs-record-labels-sci-hub-vs-publishers-part-1-parallels/#comment-72824>), his library currently pays \$2-\$3 per download of each Elsevier article. I can’t see them voluntarily cutting their revenues in half or by 2/3. In order for this to make sense, you would have to assume that the number of article downloads would at least double or triple. And I find that hard to believe.

Further, if your assessment of the desirability of the literature is correct, then only a small percentage of journals (1%) would see significant revenue, and the rest would likely go under.

By DAVID CROTTY | JAN 5, 2018, 2:24 PM



Again, I don't know David—this is all just a lot of thinking aloud. But if we see the scholarly record as something that has broad appeal outside of academia—and this may definitely be the case for medical research (as noted)—then altmetrics are a better measure of this popularity than downloads. And if we also recognize that getting customers through the door is key, then everyone benefits. If, for example, you visit the new dollar-download-store site to get the latest article on the Zika virus, the “you may also like” feature will direct you toward other similar work and resources (that you wouldn't have otherwise noticed). And along the way, you'll also see some relevant ads and promos for other features/items (including books on Zika, government reports, news articles, testing kits, hospitals, etc.).

The point here (and one that I'm always emphasizing in OSI) is that as we think about the future of scholcomm, we should try to keep an “expand the pie” mindset. Changing the way things work now doesn't necessarily need to mean giving up revenues or market share or cutting back products and services. It can also mean adapting our models to a changing world and along the way figuring out how to expand products, services, and even revenues so the world is a better place for all stakeholders—more data, more integration, more analysis-on-demand, and more access (=more customers). In our forecasts and business plans, we shouldn't assume a static outcome for scholcom and just divide this into smaller pieces—expand the outcomes instead.

I'll sign off on this now. I don't want to sound too wild-eyed about this idea, and I've probably already taken up enough of your virtual ink!

Best,

Glenn

By **GLENN HAMPSON** | JAN 5, 2018, 3:32 PM



I'm surprised that there has been no mention in the two articles (both interesting and timely) or the comments that the vast majority of science, leading to published papers, if funded by our tax dollars. I understand that there are additional expenses to publish content. But I also feel righteous indignation that “we the people” funded the research, and the writing up of it, and the peer review of it, and there's no direct profit mechanism for any of the people involved. Then a publisher has the right to restrict access because of their minor contribution resulting in a copyright. It's not quite that simple, and I don't mean to completely discount the value added by publishers, but these points are important and driving much of the open publishing movement.

By **MIKE SCHMIDT** | JAN 4, 2018, 1:10 PM



These points have been widely discussed in other posts (and perhaps best approached in Paula Stephan's book on the economics of science: <https://scholarlykitchen.sspnet.org/2012/04/11/interview-with-paula-stephan-economics-science-and-doing-better/>). And I think it's worth separating out the actual research results, which are sometimes paid for via tax revenue, and the stories written about those results and their formal publication. If “we the people” funded the research, why are universities and their spin-off companies allowed to patent that research and charge us millions of dollars to use those results (discussed here <https://scholarlykitchen.sspnet.org/2013/08/06/is-access-to-the-research-paper-the-same-thing-as-access-to-the-research-results/>)?

By **DAVID CROTTY** | JAN 4, 2018, 1:24 PM



“If “we the people” funded the research, why are universities and their spin-off companies allowed to patent that research and charge us millions of dollars to use those results?”

Have always been mystified as to why this point doesn't get more "air time" in the ongoing scholarly communication debate. Why so much passion about gaining access to research articles, but hardly a whiff of outrage about how much the resulting drug (e.g.) actually costs, the access limitations those costs impose and the profits entailed for companies and institutions (including universities).

By HEATHER REID | JAN 4, 2018, 2:51 PM



Thanks, Mike. As you can imagine, these are issues that get discussed here in the Kitchen (and elsewhere) quite a bit. Rather than rehash them here, allow me to refer you to some earlier treatments:

Kent Anderson — 96 Things Publishers Do

Rick Anderson — On the Likelihood of Academia "Taking Back" Scholarly Publishing

Rick Anderson — Darnton, Coppola, and the Impossibility of Free Information

Other Chefs will probably kick in some other examples, but those are the ones that (unsurprisingly) came to me off the cuff.

By RICK ANDERSON | JAN 4, 2018, 1:24 PM



With sadly ironic timing, just this afternoon I received word that Cuneiform Records (never heard of them? well, they've been one of the more important and successful new-music labels for the past three decades) is taking a year off of releasing albums in order to radically reassess its business. The publicity department is being dissolved. Some pull quotes from the press release, which doesn't seem to be online yet:

"The digital revolution changed everything for everyone in the music industry. When Cuneiform began, its international business was conducted by mail or phone, and later, fax. When the internet arrived, we became 'early adopters,' embracing it as our ideal 'dream' tool for international commerce. But there was also a downside to the internet; digital theft. When digital theft began taking a toll on physical sales around 2009, we had to adapt to survive. We began releasing music in electronic format in addition to traditional physical ones, making it available for sale on a variety of digital platforms, and we embraced new media, expanding promotion to internet radio, online press and social media.

"But as sales of recorded music in all formats have steadily declined, it's become increasingly difficult to finance the release of new high-quality musical content..."

"Cuneiform Records, via its Department of Publicity & Promotion, has long been one of the world's most vocal and pervasive champions of cutting-edge music, promoting avant-garde music of all genres to press and radio internationally, and receiving coverage everywhere, from fanzines and blogs to major music magazines (The Wire, DownBeat) and mainstream publications (New York Times, Wall Street Journal, The Guardian), and on air from college radio to national public radio worldwide. It currently maintains an email contact list of 10,000 press, radio and fans worldwide, in addition to another 20,000 social media (Twitter+Facebook+Instagram) followers. The Promo Department has gotten thousands of reviews, hundreds of articles and interviews and thousands of hours of airplay worldwide for Cuneiform's artists.

"But in recent years, music sales have not been able to support Cuneiform's in-house promotion costs. Despite efforts to trim postage and other costs by using digital promos and newsletters, cutting back on international shipments/promotion, adopting shared postage/promo plans, adopting 'white-label' non-commercial packaging for promo CDs, and other efforts, promo expenses are no longer sustainable. Cuneiform's Department of Publicity and Promotion will cease activities at the end of January 2018."

This is a story that I've seen unfold over and over and over since the late 1990s.

By RICK ANDERSON | JAN 4, 2018, 5:27 PM



The mission of the Society for Scholarly Publishing (SSP) is to advance scholarly publishing and communication, and the professional development of its members through education, collaboration, and networking. SSP established The Scholarly Kitchen blog in February 2008 to keep SSP members and interested parties aware of new developments in publishing.

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