

CONSORTIA

What are consortia?

Increasingly our library customers have joined together in groups to form consortia, or groups of libraries with common purchasing mechanisms. Wiley-Blackwell offers consortia the same options on purchasing IUCr titles as our global customers that continue to purchase as individual institutions

Purchasing options

- 1 IUCr titles can be purchased as a standalone journals (title-by -title subscription)
- 2 IUCr titles can be purchased as a part of a core collection, either of Wiley-Blackwell medical journals or all Wiley-Blackwell journals (core collection subscription)
- 3 Consortia and individual customers can purchase discounted print copies of IUCr titles (deep discount print subscription)
- 4 Consortia can include IUCr titles as titles in a collection of journals which they have not previously subscribed to and are not core titles (unsubscribed collection licensing fee). That is, customers who license their Core Collection may also be eligible to obtain access to titles to which they are not subscribers by licensing subject collections comprising clusters of journals related by subject area. The fees for Subject Collections are set at a small percentage of the prices of the individual titles in the collection (between 2 and 12%). Existing institutional subscriptions to the IUCr titles have to continue to pay full price for a journal if they join a consortia. There is, however, a very substantial community of customers for whom IUCr titles may be out of reach at its full institutional rate or for whom this is not a “must have” but a “very nice to have” purchase. Within a consortia they are entitled to have access to the Journal for paying the “unsubscribed collection licensing fee”. The revenue generated by these types of licences is therefore additional to the core subscription revenues for the Journal.

Through the unsubscribed licensing fee we have been providing access to the IUCr titles to relevant institutions that are unable to afford full subscriptions. For instance, we reach individuals such as nurses whose institutions would not normally consider urology titles as a budget priority for full subscriptions. The additional distribution through consortia arrangements also provides valuable additional exposure and readership, and of course substantial additional revenue. Consortia pricing is calculated by adding up the prices for all the individual consortia members under the agreed terms of the license.

Allocation of Revenues

To ensure that the IUCr receives its appropriate percentage of the revenues of each of the types of sale to institutions, we employ the following allocations:

- Title - by - Title Subscriptions: We allocate 100% of the price paid by the customer for the IUCr titles to each title.
- Core Collection Subscriptions: We allocate 100% of the price paid by the customer (potentially with price increases capped) to the titles ordered.
- Deep Discount Print Subscription: We allocate 100% of the price paid by the customer to the IUCr titles.
- Unsubscribed Collection Licensing fees: These fees are calculated as a percentage of the full rate e - only subscription price. We allocate to the IUCr titles 100% of the amount charged for the journal. (between 2% and 12% of the full e-only price for IUCr titles)

The merger of Wiley and Blackwell in February 2007 provided an opportunity to refine our pricing model, utilizing the best of what each company had learned in this domain, and ensuring that a higher value is placed on the online journal. As we created the new model, we consulted closely with our library customers to ensure that we offer in easily - understood options choices our customers want. The new sales model, which has been applied to the IUCr titles for 2009, offers the following:

Option 1: Title-by-Titles Subscriptions

Customers can order subscriptions annually at the full - rate price on a title - by - title basis. They can choose from

- Print Only
- Electronic Only
- Electronic + Print
- There are restrictions on cancellations by customers with capped multi-year licences – they are not allowed to cancel at all or are allowed minimal cancellations – ie swapping of up to 5% of titles. In reality customers tend to swap far less than their allotted 5%. Electronic subscriptions include full access.
- Electronic - only and Print only subscriptions are the same price, exclusive of any postage charges for print. Electronic + Print subscriptions are 10% higher than the price of print or electronic alone.
- Prices are set in three currencies: (US: \$USD; United Kingdom: £GBP; Europe: euro; Rest of World: \$USD).

Option 2: Licensing Options

Institutional customers can also choose a longer - term e - only license arrangement, either as part of a consortia or as independent customers. Consortia pricing is calculated by adding up the prices for all the individual consortia members under the agreed terms of the license. The licensing option has three parts:

- **Core Collection:** This includes all the full - rate Wiley - Blackwell journal subscriptions the customers hold at the time the license is agreed. In return for their commitment to retain these subscriptions for two to five years and accept very restrictive cancellation rights, we cap the annual price increases on these subscriptions (usually by 4 - 7.5%) for the duration of the license. Our experience thus far is that Core Collection licensing minimizes cancellations, which more than compensates for the reduced pricing power introduced by the annual price increase cap.
- **Unsubscribed Collection:** Customers that license their Core Collection are also eligible to obtain access to titles to which they are not subscribers by licensing subject collections comprising clusters of journals related by subject area. The fees for Subject Collections are set at a small percentage of the prices of the individual titles in the collection (between 2 and 12%). Societies may opt to keep their journals out of these subject collections (also known as “unsubscribed access deals”), but we strongly recommend participation. Where there are existing institutional subscriptions to the IUCr titles, these subscriptions are protected by mandatory inclusion in Core Collections (see above). There is, however, a very substantial community of customers for whom the journal may be out of reach at its full institutional rate or for whom it is not a “must have” but a “very nice to have” purchase. Inclusion of IUCr titles in these subject collections, therefore, presents very little threat to your existing customer base and provides an opportunity to broaden access to the journals via peripheral customers, generating incremental revenue.

- **Deep Discount Print:** We also offer customers that license electronic content the right to purchase print subscriptions at a deep discount price (15% of the print subscription price). There is no obligation to retain print subscriptions and we are seeing, particularly in the US, customers dropping their print subscriptions. We predict that budget pressures will accelerate this elimination of print.

Corporate customers may also choose from the Licensing Options described above, but, in most cases, they will incur an additional fee to extend access to their global research facilities.

The Licensing option is the foundation of our subscription revenue growth in developing markets such as India and China, where the majority of institutions do not have mature libraries and cannot afford expand their journal collections at full - rate pricing. This model enables us to introduce these customers to journals they could not previously access and utilizes trial rates or short - term deals to build usage and demand. We can then increase the prices over time at rates commensurate with uptake and usage.