

Financial & resource assumptions underpinning implementing Opening the Future

- **You can use OtF to convert a series of books to OA (on the frontlist), or it can be used to gradually convert your entire frontlist to OA. This will change the scale of your OtF activities and how many library subscriptions you need. It may also impact how many packages of 40-60 books you offer.**
- **The funds should only be used to fund frontlist rather than flip backlist. It works incrementally, so you publish OA books as and when you accrue the necessary funds.**
- **Membership should be for three year increments, with fixed prices banded by institutional size.**
- **First copy costs will vary by publisher and this will impact how much money you need to accrue in order to publish OA frontlist titles.**

Before we continue to the financial modelling tools themselves, it is important to contextualise them.

It is also important to note that at the beginning of the project, there was an assumption that most adopters of this model would be aiming to use it to transition all of their frontlist publishing to OA, as CEU Press are doing. However, this is not the only option. Our other partner LUP opted to apply it to one of their subject areas only, and discussions with numerous publishers during 2023 and 2024 indicates that, at least at this point in time, this is the approach more likely to be taken by presses. The modelling presented here works for both a press-level and series-level adoption.

There are several assumptions behind our model that underpin this modelling and that show the aspirations for scaling:

<u>Press-level Conversion assumptions</u>	<u>Series-Level Conversion assumptions</u>
The target output volume is 25 new OA titles per year.	The target output volume is 4-5 new OA titles per year.
It costs roughly £8,5000/\$11,000 to produce the ‘first copy’ of each new title.	It costs roughly £8,500/\$11,000 to produce the ‘first copy’ of each new title.

The press can define and curate an attractive collection of backlist titles to offer exclusively to members.*	The press can define and curate an attractive collection of backlist titles to offer exclusively to members.*
The number of packages correlates to the scale of conversion. Multiple packages will be necessary to scale with a full frontlist conversion. For CEU Press, this is 5 packages which supports c. 10-15 titles per year.	The number of packages correlates to the scale of conversion. One package may support a series-level conversion. For LUP, this is one package which supports 3 titles per year.
Library members will be banded according to their size - meaning their payments will be tiered high, medium, and low. We use Jisc and Lyrasis (Carnegie) price banding where relevant.	Library members will be banded according to their size - meaning their payments will be tiered high, medium, and low. We use Jisc and Lyrasis (Carnegie) price banding where relevant.

*So far, our presses have offered packages of around **40-60 titles** each. (Note that the backlist books in the subscription membership package would not be OA: **only the new frontlist titles that the membership fees pay for will be OA**).

Further Assumptions

Titles would be 'unlocked' (funded) only as and when enough members join – they would not be published upfront first or retrospectively funded.

- Membership will last a minimum of three years, with the option to renew for another three – access to the backlist is granted in perpetuity, after three years of membership or an upfront payment of three years' worth.
- Membership will build over a three-year period, achieving the target revenue at end of Year 3 (though ideally from Year 1). The number of OA titles will grow commensurately and gradually as more membership revenue allows more titles to be funded and published.

This model has a number of characteristics in its favour, including pleasing library economics. For example, if an annual membership of €812 gives access to 50 backlist titles, and funds a further 25 OA per year - with only 200 member libraries joining this equates to around €15 per library, per title.

Pricing will, of course, be specific to your own press, and you will need to adjust the financial modelling to e.g. take account of your own first copy costs, but for CEU Press we originally implemented three membership tiers in 2021 with the highest band paying £1000, the middle band at £700, and the lowest at £200. While the prices have slightly risen with inflation, they haven't deviated much from this (for 2025 they are £331, £735 and £1050 respectively). On this point, we suggest that you build in very modest annual increases; our presses work with a 5% annual increase, and also give libraries the option to pay three years upfront which includes a single initial 5% rise after the first year but no subsequent increases; this discount has been attractive to many of our library subscribers. The small rises in membership fees reflect rising inflation rates alongside rising production costs for publishers globally. The renewed fees have allowed both presses to continue to use membership revenue solely to produce new OA monographs, moving towards an affordable, sustainable model for the future of academic publishing. We strongly suggest you discuss price rises with library advisory groups, including Jisc and Lyrasis.

Our Experiences at Opening the Future

The fees our presses have charged have been within the affordability of many academic libraries worldwide, and have been successful for them. We modelled financial scenarios in 2020/21 towards a target membership of 270 libraries, including slow and steady projections, enthusiastic 'early adopter' subscriptions, and cancellations. While this last is not ideal for take up of OA, it was realistic to expect some, and it demonstrates a model that will allow flexibility: if the revenue is not in place, or if institutions cancel, then the volume of OA simply decreases until they pick up again, at which point a resurgence can occur.

Additionally, we strongly suggest that you sign libraries up on a calendar year basis, from January to December, rather than allowing libraries to begin their access in whatever month that they sign up. An ad hoc schedule makes it much more difficult (and time-consuming for a press) to keep track of which subscriptions are coming to their renewal point and who needs contacting, reminding, updating etc. One of our partner presses did ad hoc access periods, and the other opted for January to December access years (with libraries either slightly overpaying or slightly underpaying depending on which half of the year they joined in). The press that opted for strict annual access years has not had any trouble with explaining this to libraries, probably because many subscriptions run on this basis and libraries are used to it. This system has kept the renewal admin more straightforward and less time-consuming to manage.

Library uptake of the model and publisher FTE resource needed

Launching in 2021 as a new model it was difficult to predict how the library sector would view the price structure. At CEU Press, as of early 2025 they are currently at around 90 library members - this level of support has already enabled them to flip half of their monograph frontlist last year to OA via Opening the Future funds alone, with funds accrued for many more titles in the publishing pipeline. However this has been achieved in part with Copim project support - we have determined that the model needs some dedicated staff time at the press to support its smooth running. You may wish to factor dedicated FTE into your own modelling but that will depend on how implementation can be fitted into your existing sales channels, staff time flexibility etc.

As noted above, CEU Press opted to attempt to work towards publishing their entire monograph frontlist OA. LUP, meanwhile, took a different approach, applying the model to one of their lists (Hispanic and Lusophone Studies) rather than the entire frontlist, and have used this to publish about 3 titles per year on their Hispanic and Lusophone Studies list via Opening the Future funds, with funds accrued to continue this for some time. We envisage both presses continuing to run their programmes without Copim project support.