

CrossRef 2004 Fee Changes

Introduction

At the beginning of 2003 the CrossRef Membership and Fees Committee undertook a Strategic Fee Review to look at a number of issues: Does the fee structure enable CrossRef to fulfill its mission? Does it enable CrossRef to cover its costs, pay back startup loans and invest in system enhancements? Is it fair?

The M&F Committee found a number of problems with the current CrossRef fee structure:

- The DOI Retrieval Fee acts as a barrier to the use of DOIs. While use of the DOI by primary publishers has grown very quickly, use by secondary publishers has not. Even for Members, the DOI Retrieval Fee (even if set at a low level) acts as a barrier to use of DOIs and this limits linking.
- A high percentage of CrossRef's revenue comes from the Retrieval Fee and the Local Host Fees, both of which are very variable and are difficult to rely on for a steady source of revenue. Only 5% of revenue comes from the Annual Membership Fees. Transaction fees are important, but there should be a better balance between fixed charges and transaction-based charges.
- Members that are Local Hosting or retrieving large numbers of DOIs are paying a disproportionate share of CrossRef revenue. CrossRef revenue should be spread more evenly across all Members.
- Having the Annual Membership Fee based on the number of journals is no longer adequate since CrossRef is now accepting books and conference proceedings.

In order to address these issues, a new fee structure has been developed to take effect in 2004. The main changes to the new fees are

- Per-DOI Retrieval Fees for Members and Affiliates are eliminated. This removes a barrier to looking up and using DOIs and will increase DOI use. Most importantly, it will lead to more traffic to Members' content.
- The Annual Membership Fee is based on total publishing revenue of the Member. The fee categories are scaled based on publisher size. This approach will provide CrossRef with a more secure base of revenue. A higher percentage (about 39%) of CrossRef's revenue will come from this category (up from the current 5%).
- Deposit and Membership Fees have been increased to cover the loss of DOI retrieval fees. About 44% of revenue will come from Deposit Fees.
- Fees for Local Hosting and Premium Query Accounts have been established (see details below).

Some of the positive aspects of the new fee structure are

- Fees are equitable, because they are based on the size of the organization and the number of DOIs deposited—small publishers pay a smaller amount and large publishers pay a larger amount.

- The elimination of the DOI Retrieval Fees encourages all users to create links without cost considerations, which will increase traffic to Member sites.
- CrossRef revenue is more predictable, improving the organization's financial stability.
- Members will be able to budget for CrossRef expenses more easily, since the Annual Membership Fee and the number of DOIs to be registered are much more predictable than the number of DOI retrievals.
- Some Members will pay more than they currently do and some will pay less, but the overall revenue that CrossRef collects in 2004 would be the same under either the existing or the new fee structure, allowing CrossRef to meet the target revenue required to cover costs, invest in system improvements, and pay off the startup loans.
- Once CrossRef pays off its startup loans (at the end of 2006 according to the current plan), it may be possible to lower fees.
- **NOTE: Eliminating the Retrieval Fee and relying on other fees does entail some risk, so it may be necessary to re-introduce a retrieval fee or further revise the fee structure.**

Annual Membership Fees

<i>Membership Fee</i>	
Total Publishing Revenue	Annual Fee
<\$2 million	\$ 250
\$2 million–\$10 million	\$ 1,500
\$10 million–\$25 million	\$ 3,500
\$25 million–\$50 million	\$ 7,500
\$50 million–\$100 million	\$ 12,500
\$100 million–\$200 million	\$ 20,000
>\$200 million	\$ 30,000

Rules for this category are

- Membership Fees will be assessed on a calendar-year basis. Invoices for 2004 will be sent at the end of 2003 (Members will be credited for the remainder of their Memberships paid in 2003).
- Categorization will be based on total gross publishing revenue of the Member organization. This is an efficient and simple way to classify Members.
- Total publishing revenue includes all publishing revenue from all the divisions of an organization (primary and secondary) for all types of activities (advertising, books, journals, databases, article

charges, etc). For membership organizations, member dues that are allocated to subscriptions will be included in total publishing revenue.

- The Member is considered to be the largest legal entity (a division of an organization may interact with CrossRef independently, but the Annual Member Fee is based on the revenue of the entire organization). One exception to this rule is government organizations—the largest operating unit will be considered the Member.
- Members will self-categorize and notify CrossRef as to which category they are in.
- CrossRef will have the right to verify the revenue of a Member.
- Payment of the Annual Membership Fee authorizes the deposit of any content accepted by CrossRef (journals, books, conference proceedings).
- Payment of the Annual Membership Fee covers retrieving DOIs for all types of products or content (primary and secondary) that a Member produces (e.g. there will be no separate fee for Members retrieving DOIs for secondary use). A separate fee is payable for Premium Query Accounts or Local Hosting (see below).

The main goals for the Annual Membership Fees are

- 1) The system should be fair and easy to administer.
- 2) The lowest price level should remain affordable for small publishers.

Deposit Fees

<i>Deposit Fee</i>	
Type of Deposit	Per DOI
Current (2002-2004)	\$ 1.00
Backfile	\$ 0.17

Eliminating Retrieval Fees means that Deposit Fees must increase, although the new structure keeps Deposit Fees as low as possible.

Note that although the International DOI Foundation (IDF) charges CrossRef an annual maintenance fee based on the number of DOIs in the system in addition to a charge for each new DOI that is registered, CrossRef Member Deposit Fees are one-time fees, with no additional maintenance fees.

Member Premium Query Account

<i>Member Premium Query Account</i>	
<u>Total Revenue</u>	<u>Annual Fee</u>
Revenue <\$10 mil	\$ 10,000
Revenue >\$10 mil	\$ 25,000

The Premium Query Account Fees are in addition to the Annual Membership Fees for Members who need a dedicated connection to CrossRef that will allow on-the-fly queries with very fast response times. On-the-fly queries can be sent to the current system, but there is no guaranteed response time. With a Premium Query Account, the Member will have software on their system that will enable a permanent connection to the CrossRef system. CrossRef will have dedicated hardware available to deal with queries and guarantee certain response times. The fees reflect the high level of CrossRef system resources required to support real-time queries.

Local Hosting

<i>Local Host</i>	<i>Annual Fee</i>
Member – Partial (<30% of DOIs)	\$ 5,000
Member – Full	\$ 15,000
Affiliate – Partial (<30% of DOIs)	\$ 15,000
Affiliate – Full	\$ 40,000

Members who chose Local Hosting receive a direct feed of XML data from CrossRef. They get all the records deposited with CrossRef, and Local Hosting acts as a replacement for querying the central CrossRef system. Until now, Local Hosters have paid an Annual Administrative Fee and a Per-Record DOI Fee. The new fee structure removes the Per-Record DOI Fee to make it consistent with the elimination of DOI Retrieval Fees.

Under the new fee structure, there will be the option to locally host part (up to 30% of records) or the entire CrossRef database for a flat annual fee.

The Local Hosting Fee is set lower than the Premium Query Account Fee since Local Hosting doesn't put a burden on the CrossRef system, although it does require more Member resources to implement.

Affiliate, Agent and Library Annual Fees

<i>Affiliate/Agent Fees</i>	<i>Annual Fee</i>
Std. Query Account < \$10 mil	\$ 2,000
Std. Query Account > \$10 mil	\$ 10,000
Premium Query Acct < \$10 mil	\$ 25,000
Premium Query Acct > \$10 mil	\$ 50,000
Agent	\$ 2,000
Sponsoring Agent	See Below
Linking Solutions Partner	\$ 5,000

Non-paying Affiliates.

- As of May 2003, libraries (academic, corporate, single or consortial) who require a CrossRef query account are required to sign a no-fee agreement covering terms and conditions. Giving the libraries free Standard Query Accounts increases the dissemination and use of DOIs and leaves a very favorable impression in the marketplace.

Paying Affiliates. The new categories for paying non-Member Affiliates are based on the way they use the CrossRef system rather than on the type of organization:

- Standard Query Account—two fee levels based on revenue
- Premium Query Account—any organization using the real-time query functionality, with two fee levels based on revenue
- Agents—act on behalf of a CrossRef Member to query.

Agents can have their own CrossRef accounts and cache DOIs, as long as the DOIs are only provided to CrossRef Members. The new fee structure eliminates the distinction between a caching and a non-caching Agent.

- Sponsoring Agent—an online journal collection that agrees to deposit all the content available in its system/collection and to administer all CrossRef obligations and payment of all CrossRef Member fees on behalf of its participating publishers.

The annual fee scale for Sponsoring Agents will be the same as that for CrossRef Members, based on the Sponsoring Agent's revenue from licensing the collection.

- Linking Solutions Partner—organizations that integrate CrossRef/DOI functionality into their software or services provided to CrossRef Members and Affiliates.

Organizations that do not require a CrossRef query account will pay the linking solutions license for system integration and use of the CrossRef mark.