



## Profile

### Sven Fund

**Sven Fund is the Managing Director of independent Berlin-based academic publisher De Gruyter. With a history going back over 260 years, the De Gruyter Group has recently expanded to include the publishing houses of Akademie Forschung, Birkhäuser, Mouton, Oldenbourg and Saur. It publishes over 1,300 new titles each year, more than 650 journals, and a variety of digital media. Most recently, the company has launched a new imprint: *De Gruyter Open***

“After joining De Gruyter in 2008, I realized very quickly that we needed to correct some developments at the company ...”, Sven said, when asked about his role and vision for the company. “It had grown through a major acquisition in 2006, yet there was a failure to integrate the different organizations and cultures. More importantly, the opportunities offered by internationalization had been ignored for decades, with some exceptions. Finally, De Gruyter was too small to remain competitive over the long term.”

He continued, “... we expanded our US office to make it a fully-fledged publishing subsidiary, and not just a token presence for distribution and marketing. We also established an office in Beijing ... not only is our catalogue more international – our corporate culture is as well.” But, he was keen to emphasize the human side of the business too, noting that “... ultimately, publishing is about people, and we have invested significantly and continuously in our staff around the world.”

114 "Learning every day is an addictive experience, and I greatly enjoy working with highly gifted, complex and sometimes difficult people. There are very few other industries with such an abundance of talented individuals."

Returning to Sven himself, your Editor asked about his career. "The past 15 years in the publishing industry have been quite interesting for me personally", he said. "Before joining De Gruyter in 2008, I had the opportunity to work for Springer Science+Business Media for four years. During this period, I participated in the merger of Springer and Kluwer Academic and also witnessed the rise of e-books and open access (OA). It was a formative time for me professionally."

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"Prior to my position at Springer, I had the privilege of working for Bertelsmann's corporate development team during a wild time, when its CEO Thomas Middelhoff was trying to reinvent the media industry. I should also mention that I had a stint at Bertelsmann's German book club division, where I headed marketing and new member marketing in its major channel, the retail business. This position helped me to remain well grounded."

With such a dynamic working life, it came as no surprise to hear Sven say, "I am not always as relaxed as I would like to be ...", adding, "I really love what I do, and by now, people close to me accept my faults."

Sven is clearly passionate about his job and the environment in which he works, so your Editor asked whether any moments stuck in his memory. "Every phase had its high points", he said, but, when pressed, picked out "... the enthusiasm at Bertelsmann, as well as the positive momentum for change at Springer right after the merger ..." He was, even then, a man with ambition. "I always wanted to be an entrepreneur, not just a manager."

Continuing, he said, with understandable pride, "I have always enjoyed the trust of my bosses – and, since 2008, the trust of De Gruyter's shareholders, which is a wonderful basis for our work today. It is an exceptional state of affairs when a team of relatively young and inexperienced individuals is entrusted to reinvent a company, as the De Gruyter family has done ...", though he added with a note of caution, "...at the same time, this responsibility is a hefty burden."

This trust, allied with his enthusiasm and drive, has meant that De Gruyter has developed immensely under Sven's leadership. When asked about these changes, Sven said modestly, "Over the past four years, De Gruyter has grown quite a bit through acquisitions. Yet, compared to international publishing conglomerates, we are still a small player on the international scene." Referring to the rebranding of the recently acquired publishing houses, he went on to add, "By focusing on our core brand, we recognize that we have only limited resources to create visibility for our products. It is a tough choice to discontinue a traditional imprint or reduce a respected company name to an imprint, since there are a lot of sentiments attached to them." With characteristic frankness, he added "... we decided that we are publishing for the future and not for the past. Incorporating and honouring different publishing traditions is not a question of a company name."

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Sven clearly has a definite idea of how he sees the company developing over the next few years, and that future will, inevitably, include open access. He noted, "Open access has been a major issue since I joined De Gruyter. We knew we needed to make a move in this area, and make it part of our strategic orientation ...", before going on to say that, "... in 2008, De Gruyter had a narrow focus on German-language print books in the humanities. While there is nothing bad about this – indeed, this is where the roots of the company lie – this focus was not conducive to international growth. Open access, particularly for books, remains a potential game changer. Ultimately, we can't afford the arrogance of dictating how our authors should publish their research results."

115 A few years ago, Sven was quoted as saying *"In my opinion, there is nothing bad about green OA in general, it is just not something that we can offer"*, so your Editor asked him whether those views have now changed. He responded, "Open access is a legitimate way of enhancing accessibility to scientific content. While gold OA clearly addresses the question of who will pay for it, green OA does not. And regardless of my role in managing an academic publishing house, I learned early on that there is no such thing as a free lunch. If funders and authors really want to change the publishing environment, they have to change the flow of money. Otherwise, open access will always be a by-product of something else – and I think it deserves more."

"OA is... about 'traditional' publishing values, but it is much more about service."

So, how will this affect De Gruyter's journal portfolio? "After successfully experimenting with open access and analysing our competitors, we realized that we needed more momentum behind OA to give it a fair chance to achieve critical mass and transform De Gruyter as a whole. In 2013, we published more papers in open access – mostly under a society-pays model, rather than under a subscription-based model", he responded. The acquisition of the Polish OA publisher, Versita (relaunched as 'De Gruyter Open' in January 2014) has, in Sven's mind, "been the force behind this". He continued, proudly, "It is exciting to see a start-up like Versita and a very established publisher like De Gruyter intermingle, and to watch people learn from each other. Open access is of course about 'traditional' publishing values, but it is much more about service. This is the biggest change, in my eyes. Institutions and individuals paying for publishing expect a set of services, and publishers will have to stretch a lot to meet these requirements. Our industry has put a weird focus on costs, and has little understanding for providing service to authors. I expect this will change."

And, on the question of pricing models for hybrid and fully OA journals, he was very clear. "For me, this is a key issue. For everybody participating in the academic ecosystem, including authors, readers, funders, libraries and publishers, it simply doesn't make sense to launch a new open access journal next to established subscription-based journals. I understand that libraries don't want to pay twice, and I don't know any publisher who seriously sees this as a business model. It is not in the publisher's interest to marginalize important, traditional journals by choosing the wrong business model. It could make sense to establish a smart, industry-wide model to return proceeds that could be labelled 'double-dipped'. And funders as well as libraries need to become more active in this; they cannot simply leave the problem to publishers."

So, what does Sven see as the way forward? "We need to find a mechanism to co-ordinate the shift in spending from subscription and purchase-based publishing to open access,



116 and to date none of the leading luminaries of open access have really offered a pragmatic solution. Open access is neither an individual issue, nor an issue solely for major institutions. I believe it has to be implemented at every university with sufficient funding, and it should be located within the library. The experimentation phase is over. Enough money has been spent on 'projects', and we know enough to get started." But, on the question of OA publishing models for textbooks, Sven was very clear. "I don't think that open access will be a major driver in changing the textbook market; here, other technologies and approaches will be important."

And so, in bringing the interview to a close, your Editor asked Sven to reflect on the challenges that lie ahead for him. "It is exciting to work in this industry right now, and I assume we won't get bored over the next few years. Academic publishing will increasingly be a segment with slow or no organic growth overall. I believe that competition will depend less on sheer size and more on innovation, and if you look into the mergers and acquisitions activities of major publishers in our segment in recent months, you can already see some of that."

"There will be major changes within the next five years, both in publishing houses and libraries, but particularly in the research community. Aside from the demographic aging of the populace, there will also be large changes in regional distribution globally, as well as in gender. Aside from the impacts this will have in other social contexts, it will impact how we do business, and I am very much looking forward to the future."

Your Editor thanked Sven for his time, and left the last words to him. "I am grateful to my family and friends, who help me to take a step back from my work and unwind when need be," though, he added ruefully, "I regret spending too little time with my family in recent years – a mistake that is difficult to correct."

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