

## Medical journals: a gaggle of golden geese

By: Dr. Richard Smith

I used to be part of running a course for editors of medical journals, and on each course we'd encounter editors, usually distinguished professors, who worked evenings and weekends on journals for free. They did so as a contribution to their specialty and for a dollop of honour. In their naivety they imagined that the journals made little or no money. In fact some scientific journals are considerably more profitable than oilwells. The editors were being taken for suckers and exploited more cruelly than the people working in fast food joints.

I was reminded of this, a favourite theme of mine, when I read [the paper on high reprint orders in medical journals posted on bmj.com last week](#). The main message of the paper is that high reprint sales are strongly associated with pharmaceutical funding. The authors have laboured long and hard to produce this result, but it won't surprise anybody who knows the inside of medical publishing. The big sales of reprints are almost always to pharmaceutical companies, and the publishers are very active in selling them.

*What the authors of the article don't say (and perhaps don't know) is that the profit margin on reprints is very high, perhaps 80%. The paper shows that one Lancet reprint was sold for £1.55m, which would mean a profit for Elsevier, the owners of the Lancet, of well over a million pounds. That's one of the reasons why Elsevier makes a profit margin of over 30% by publishing its 1200 or so journals, a far higher margin than in most industries.*

The conflict of interest is clearly huge. If Elsevier had to maintain its profit margin by cutting costs rather than publishing that one article then it might mean firing 25 editors. I've written about this before in my article arguing rather painfully that "[Medical journals are an extension of the marketing arm of pharmaceutical articles](#)."

I applaud the *Lancet* and *BMJ* for providing data on reprints, but the publishers of the *New England Journal of Medicine* (Massachusetts Medical Society), *JAMA* (American Medical Association), and the *Annals of Internal Medicine* (American College of Physicians) all declined. They clearly have something to hide.

Indeed, have you ever seen the financial accounts of a medical journal? Probably you haven't. Although most medical journals are owned by medical organisations, their finances are much less transparent than any publicly quoted company. So let me share with you the financial statement of what I've called "an average medical journal," of which there are hundreds. This is an imaginary British journal; American numbers would be much bigger.

### Income statement of an "average medical journal"

<b>Income</b>	<b>(000s)</b>
Subscriptions	600
Display advertising	200
Classified advertising	100
Reprints	250
Copyright fees	50
Total	1200
<b>Expenditure</b>	
Salaries	100
Typesetting and printing	100
Paper	200
Website costs	75
Communication costs	25
Editorial expenses	25

Marketing	25
Total	550
Gross margin	650 (54.2%)
Overheads	150
Profit	500 (41.7%)



You can see that this a very profitable activity. Let me now imagine the financial statements of a very unaverage journal—the *New England Journal of Medicine*. My guess is that the journal has an income of around \$100m a year—and perhaps \$20m of that may come from reprint sales. It is generously staffed, the editors are no doubt well paid, they are generous with people from the developing world, and the whole thing is a Rolls Royce operation—so expenses are high. Even so, I bet the journal makes over \$20m in profits. That’s why the Massachusetts Medical Society has grown fat and has an expenditure per member way above any other state medical society.

But there downsides to all this opulence. The society wants more money and would like, as one editor of the journal put it to me, to start “New England Journal of Medicine Fried Chicken.” There are anxieties that the need to keep up the profits will lead to compromised decisions. But the biggest downside is the journal’s opposition, sometimes vehement, to open access. It’ll be tough, probably impossible, to make the same profits from with open access publishing.

This is the age of transparency and accountability. Whatever is not transparent is assumed to be corrupt, biased, or incompetent until proved otherwise—like it or not and fair or not. The time has come for journals to open up their financial statements. I apologise to the *New England Journal of Medicine* if my guesses on its finances are wildly wrong. If I’m wrong, please show me. This blog overlaps to some degree with a rapid response sent to the *BMJ* in response to the paper on reprints.

**Competing interest statement:** RS was the editor of the *BMJ* and the Chief Executive of the BMJ Publishing Group. He is a zealot for open access and was from 2004 to 2011 a member of the board of the Public Library of Science. Richard Smith is director of the United Health Group’s chronic disease initiative.

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