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**Title:** Elsevier remains loyal to the Netherlands also under British flag

**Author:** Job Woudt

### **Elsevier remains loyal to the Netherlands also under British flag**

With 99.99% of the votes in favor it was quickly decided at the shareholders meeting that RELX Group REN held €19.44 + 2.99% at the end of June. Shareholders voted massively with the proposal to give the former Reed Elsevier the British nationality.

But, says Ron Mobed, that does not change the Dutch presence of Elsevier in the information and data analytics group. "A thousand highly qualified people work here, just as much as in the United Kingdom. That is more people than anywhere else in Europe working for us."

Ron Mobed (59) is a Briton who leads Elsevier, the division that provides scientists and medical professionals with information. It is by far the largest scientific publishing company in the world, with 7,500 employees and a turnover of €2.8 billion. The most well-known title is The Lancet, the authoritative journal for medical professionals.

#### **Smart IT systems and algorithms**

Mobed has a background as an engineer. He landed at Elsevier seven years ago, after he had previously worked in the oil industry. He is still impressed by the academic work environment in which he ended up at Elsevier. "We have a common goal: to bring science and health care to a higher level. That motivates me."

In a large office building in Amsterdam-Sloterdijk, Elsevier has accommodated typical head office functions such as legal and finance. But it also houses publishers and marketers, in addition to a growing number of IT professionals and data analysts. That last group (now 120 men) is gaining in importance. The editors of scientific publications are still important, but smart computer systems and algorithms bring science to a higher level.

Elsevier is also collaborating with various academic institutions worldwide to improve health information systems. Collaboration is also sought with corporates, such as with fellow citizen Philips, which is increasingly using data analysis in its medical equipment. The knowledge and experience of Elsevier could come in handy here. Mobed emphasizes that the collaboration is at an early stage, but speaks of a natural connection. "We do not build MRI-scanners, but we do know everything about research and medical science. And we know better than anyone how to get relevant information to a doctor as quickly as possible."

#### **Solid profit margins**

Within RELX Group, Elsevier has been traditionally the division with the highest returns. In the past year, the Dutch division achieved a profit margin of almost 37%, or 37 cents of operating profit was booked on every euro of turnover.

This often gives a distorted view in the scientific world and amongst university libraries that are purchasing the articles. The British newspaper The Guardian published for instance a strong opinion article last month in which a scientist sweeps the floor with Elsevier. In Germany criticisms flared up again from the corner of the libraries, which argued that subscription costs are too high.

Mobed knows these kinds of sounds, which come up now and again: "Elsevier is by far the largest

supplier, seen by some as a big and profitable dog. But institutions also do not want to do business with a company that can't fall over. They prefer a party that can take the initiative and build systems for the future."

According to Mobed, Elsevier has five thousand customers with large contracts, which usually last about three years. The number of scientific articles published by Elsevier rose from 258,000 in 2006 to 426,000 last year. This means more value for money, emphasized Mobed: "Every year we offer more research information of ever-better quality, against lower costs on balance."

*n.b: this article originally appeared in Dutch and has been translated to English in-house.*