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**Title:** 'The Science division will remain in the Netherlands,' interview with Nick Luff Finance Director RELX

**Author:** Milo van Bokkum

***The former Reed Elsevier is now completely British after 25 years as a British-Dutch company. Reed Elsevier became RELX, the publisher became a data analyst.***

From publisher of Winnie the Pooh to a developer of software to help banks recognise money laundering - the RELX Group has had quite a transformation over the past quarter century.

RELX - known as Reed Elsevier until 2015 - adapted its corporate structure in September. After 25 years as a British-Dutch company, it is now completely British. According to the company, this is mainly for technical reasons. You don't have to be in more countries to raise capital easily, and one shareholder meeting is also more transparent. RELX shares have remained tradable on the Amsterdam Stock Exchange. The choice for the British status would mainly be due to the fact that the head office was already in London. This has nothing to do with the planned British exit from the EU, according to the company.

The letting go of the 'dual nationality' - in which, unlike Unilever, the choice was not for the Netherlands - is the final piece of a complete metamorphosis. That started almost immediately after the merger of British company Reed and Dutch company Elsevier in 1993, with the sale of almost all 'print' products. Print books and newspapers were sold first, including NRC and AD. Around 2007, when advertising revenues from many print (trade) journals rapidly began to decline as a result of competition from the internet, these also followed suit. Eventually the company sold some 400 print titles; an attempt to sell all journals in one go failed. In the Netherlands, Elsevier Weekblad was the last title to be divested in 2016. Meanwhile, RELX still gets 10 percent of its turnover from print publications, mainly of scientific work.

At the same time, the Group (30,000 employees) invested in the acquisition of companies in information technology. Partly thanks to its scientific journals, it has a lot of legal and scientific data, sold with or without advanced data analysis.

"We help people make choices," says financial director Nick Luff on the phone from London. "So we have a database with bankers, which originates from our former banking magazine. And a legal database. A lawyer can see what has been decided in similar cases, or what the background is of a counterparty."

While other publishers went through harder times, Reed Elsevier managed to stay afloat. Sales have tripled to £7.35 billion in the past 25 years. The internet did not succeed in breaking down the company, The Guardian wrote a few years ago.

**Your strategy consisted of selling titles with lower margins: print magazines, newspapers.**

"It was not necessarily about lower margins. But it is about sectors where the revenues were much less predictable. Consumer products are highly cyclical, just like the advertising market. We sold those. Now we are no longer 'entertaining', but we are helping people to make decisions. That is much clearer in terms of added value."

**It took a while at the beginning of this century before the company started to have stable profits.**

"I was not there at the time, but it was indeed a big transition. In 1999 Forbes predicted that Reed Elsevier would be the first victim of the Internet. They thought that the earnings model for scientific publications would make the company irrelevant. We have adjusted the business model, but it took until 2007 before less than half of our turnover came from print products."

Luff expects further growth in data analysis. "But that is not so easy. You really need to understand which industries you serve, which data are relevant, which new data sets there are - and then apply the analysis. You should also think of techniques such as machine learning. In Amsterdam we have an artificial intelligence department in our office. In 1992, eight thousand people worked for our print publications, now we have eight thousand technology staff. "

RELX is regularly criticized because it charges university libraries and scientists high prices for subscriptions to scientific journals. Science would therefore be expensive and insufficiently accessible.

**Will the company be able to operate data analysis over time? The model for scientific publications is under discussion; a number of European science financiers recently showed that they wanted to ban research publications in scientific journals.**

"There are various payment methods in the academic publishing world: the reader can pay or the author can pay. The latter means that research is freely available; the research financier often pays.

"We can serve both models. The financiers of the news at the start of September - a small part of the global science funds - would like more open access. We have no problems with that, we want to help them. We also have open access journals. They are sometimes a little less good than the top magazines with subscriptions, but you can choose where you publish.

**"Does RELX earn the same?"**

"Maybe the economic model is somewhat different, but I do not think there are any huge differences. Moreover, we can also retrieve data and information from open access publications for our data analyses. Take a scientist who is looking for which chemical works best. That data analysis remains relevant, whatever the payment model is.

*At the end of the nineties, a merger attempt between Reed Elsevier and Wolters Kluwer broke down. That would have resulted in a large, predominantly Dutch publisher. At RELX there are currently two Dutch people on the Board of Directors left, Marike van Lier Lels and Ben van der Veer.*

**Has the Dutch role in recent years not become smaller?**

"We would not say it like that. Elsevier, the science division is in Amsterdam and will stay there. 120 people work on data analysis, it is one of our technology hubs. However, you see that the entire company has become more international. At the time of the merger almost half of the revenues came from the Netherlands and the UK. Now that's together less than 10 percent. "

RELX expects relatively few problems from Brexit. Only 7 percent of revenue comes from the UK, and less than one-sixth of the workforce is employed there. Apart from the head office, these are mainly at the relatively small trade exhibition division. The largest data departments at RELX are located in Atlanta and New York in the United States More than 55 percent of the turnover comes from that country.

**Is this trade exhibitions division not a bit out of place nowadays?**

"All kinds of other services have arisen from the print publications. These trade fairs resulted from the trade journals, and they have developed rapidly here. This division is about eight times as large as in 1993. We would like to remain owners of it. "

INSERT WITH PROFILE NICK LUFF:

**MATHEMATICIAN STUDIED WHEN HE WAS 17 IN OXFORD**

Nicholas Lawrence Luff (51) has been the finance director of RELX Group since September 2014 (then still called Reed Elsevier). He started studying mathematics at the age of 17 in Oxford and then worked as an accountant at KPMG and at ferry company P&O.

From 2007 until his arrival at Reed Elsevier he worked as finance director at the British energy company Centrica.

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