BIC TECHNICAL IMPLEMENTATION CLINIC MEETING - Minutes
CILIP Building, 7 Ridgmount St, London WC1E 7AE
Wednesday 23rd October 2014, 2pm

Present
Francis Cave, BIC Consultant
Simon Edwards, BIC Consultant (Chair)
Angus Gormley, Random House
Mike Maxwell, Cengage Learning
Peter Morley, Publishing Technology
Simon Parker, Batch.co.uk

Apologies
Alaina-Marie Bassett, BIC
George Bogdanovic, Bertrams
Gareth Bradley, Hachette
Karina Luke, BIC
Darren Lussenden, MDL
Paul Meynell, Cengage Learning
Barry Richardson, Nielsen

1. Welcome
SE thanked the Clinic attendees for coming and commented that this was the poorest attended Clinic in a long time. AB will re-institute sending out reminders two weeks before the meeting.

2. Current EDI Standards (TRADACOMS and EDIFACT)
   - 2.1 Price & Availability issues
SE updated the Clinic on the P&A T&FWG which met recently. The next meeting is on 19th November. Gabrielle Wallington is chairing and the group has started by circulating Tradacoms S4 code list containing codes and meanings. Angus asked if there were technical people on the P&A group. SE suggested circulating a list of members. This group will be crucial in making metadata fit for purpose for future needs.
   ACTION: AB to circulate P&A T&FWG members or include a link to the web page.

MM mentioned that Cengage have decided to move away from PRICAT which is not recommended for new implementations and is developing a CSV solution containing monthly P&A information for trading partners.

AG stated that they see lots of issues with P&A data e.g. accuracy and timing. It is very difficult to provide timely data if a data aggregator (such as Nielsen) is used because the data will always be delayed by the intermediary. But delay is vital for quality control and direct delivery of P&A data is quickest but puts a burden on the retailer to receive data from many different senders. This area is very important to Penguin/Random (and TBS/GBS client publishers) and they are fully engaged in the work of the P&A T&FWG.
SE recalled Simon Davidson's (Waterstone's) call to arms at a meeting of the BIC Physical Supply Chain Committee to the effect that availability data was why he can't have the books he wants. This perspective is useful in keeping a focus on customers and users of P&A data as we work to develop a P&A solution which reflects the way that books are now printed and supplied.

- **2.2 The use of ONIX Codes in EDI messages**
  There have been instances of ONIX codes being used in EDI (TRADCOMS and EDIFACT) messages. This should not occur. SE suggested that PM could check to see if Vista applications have any ONIX codes in their code lists used in EDI. PM responded that users can update the codelists on their own systems and input ONIX codes in error. BIC needs a simple way of pointing out a problem with some advice on how to do it better. This is not really suitable for the new BIC Bites format which is in production and will be published soon. The P&A T&FWG should be made aware of this issue.

- **2.3 Allocation and use of SANs**
  The group were informed that a SAN Review Task & Finish Working Group is being set up to discuss this matter and the Physical Supply Chain Committee will manage their progress. SE noted that there is not yet a date for the first meeting but that a call for volunteers will go out shortly. SE, SP, PM and BR had volunteered to be on this T&FWG.

**ACTION**: KL to send out a call for volunteers for the SAN Task & Finish Working Group.

SP stated that he has a customer who bought a SAN before they started trading. They then found premises and now they want to change the address on the (never previously used) SAN to include their premises and they have been told they can't make changes and they need to buy a new SAN. In practice, businesses get around this by informing suppliers directly of a change of address and then the SAN database remains out of date. This is the sort of issue that the T&FWG should address and the rules should be clarified and then implemented by the SAN Agency.

SE suggested that the scope of the review should include when to use SANs in EDI messages. At the moment it is ambiguous as to whether you can or must use SANs or GLNs in some EDI messages. This should include the EDIFACT Returns message.

SP stated that Batch is going to revisit how it processes Returns messages and rather than just pass on what is sent they will now load the messages onto a database and then extract the data and send the message on. This will ensure that SANs or GLNs if available are used. So if senders don't send all the necessary fields, Batch can fill in a missing SAN etc. so that the messages are valid and accepted by the receiver.
- **2.4 Industry Returns Initiative Review**
  This subject has been raised to the BIC Physical Supply Chain Committee and it has not been chosen as a new project but further investigation of the issue by the committee is happening. The idea was to undertake a review, revisit the IRI rules, and so try to increase the number of participating publishers. In practice many publishers distributors are on board the main principles of IRI but may not be fully compliant. This project is therefore parked until further notice.

- **2.5 EDI with supermarkets – use of mixed-rate VAT**
  AG raised the issue of mixed rate VAT in EDI invoices with Tesco. There is an on-going problem which is caused by a misunderstanding of the rules and with a tolerance of only 1p the invoices which contain mixed rate products e.g. a book and toy, often fail due to different rounding rules or misapplication of the mixed-rate VAT. This causes non-payment of invoices. The technical people on both sides have eventually agreed what the problem is but the businesses have to communicate to agree for the problem to be solved. The problem may be that Tesco has always previously side-lined and processed them manually. Tesco’s initial suggestion to just send the “A” line is not a valid solution (Can’t record the VAT correctly.) Also rounding to 4 decimal places rather than 2 is recommended.
  **ACTION:** Other members who trade mixed-rate VAT product with Tesco should check to see if their EDI invoices are being passed correctly.

  MM described an issue caused by supplying T-shirts as part of a product and involving the need to report to HMRC the number of units sold as well as the value in a supplemental declaration. This was a one-off as Cengage don’t normally sell items with mixed-rate VAT. (Members should be aware that some books which contain an additional digital component may count as mixed-rate VAT.)

  When this is solved BIC should issue clear advice for how to process Tradacoms and EDIFACT invoices with mixed-rate VAT e.g. Don’t use the “A” line, process the “S” and “Z” line. ISBN then multiple MOAs – sequence rules should be tightened up. EDIFACT is open to interpretation and could be tightened up. The ideal would be the sequence: ISBN, A, S, Z.
  **ACTION:** This should be clarified further in the next meeting. AG to write up the issue and SE will circulate to other distributors to see if they are on top of this issue.

- **2.6 Electronic code lists**
  The group was informed that Celia Burton had sent a file to Publishing Technology regarding the automation of electronic code lists. PM will look into this.
  **ACTION:** PM to report back on this to see if it can go live. BR may wish to be involved.
  **ACTION:** SE to see if ISO Country and currency codes can be included.
2.7 VAT future (EU VAT rules change in January 2015)
It was noted that the BIC Breakfast on EU VAT was being held early on the morning of this meeting. Hopefully this will have opened up a formal channel of communication with HMRC. Some members have undertaken quite large IT projects to cope with these changes. BIC has a BIC Bite on the subject which will be published soon. There is also the possibility that an EDI message (or web service) will be needed to report the EU VAT data to HMRC.

2.8 VAT country codes
SE noted that especially with the new EU VAT changes in 2015, a country code in VAT may be crucial at the front of the VRN so that organisations know where to charge and which VAT rate to charge. He commented that Celia Burton had recommended the following solution:

2.8.1 Tradacom
It would be possible to allocate RTEX codes – one for customer and one for supplier – for the country code (to be used in the following DNA segment).

Note: if the requirement is for customer only it may be possible to use code 237 (destination country) which is already allocated for use in the DNA segment.

2.8.2 Edifact
Use the Country Code element which is available in the NAD segment.

BIC suggests that if trading online and for digital products, you should always supply both VRN (VAT Registration Number) and VAT Country Code as this may be needed when EU VAT rules change.

It should be noted that BIC cannot give specific advice or guidance on legal, taxation or accountancy matters. BIC can only suggest some possible areas of concern for members to look at. Any comments in these minutes on the 2015 changes to EU VAT rules should not be seen as a substitute for obtaining proper advice from qualified professionals or detailed information from HMRC.

2.9 ONIX missing cover images
Everyone agrees that in theory dummy images should not be supplied but they are being supplied by some major publishers. It is not clear if this practice is to temporarily fill in a blank space with a dummy jacket for the benefit of the customer (understandable) or whether it is designed to improve the publisher’s score in the BIC Product Data Excellence accreditation. The problem is that jackets often come late in the publishing process. If
retailers and other receivers of product metadata always implemented the update files then this would be less of a problem. It is impossible for Nielsen and other data aggregators to eyeball every jacket image supplied by retailers could report occurrences.

- **2.10 Back orders / dues reports**
  In the last meeting, GB asked that suppliers send Bertrams their backorders/dues reports either by using the order response/acknowledgements message or by a simple ASCII text file. SE commented that a lot of booksellers would benefit from getting a dues report.
  ACTION: SE to chase GB to send an example of a dues report to SE

- **2.11 Printer direct deliveries**
  At the last meeting, GB (Bertrams) reported that Bertram’s requires an EDI Invoice from the distributor even when the delivery is direct from the printer. This invoice needs to arrive in advance of the goods so that they can be received against it. John Garrould and SE worked on a solution to this problem which involved a despatch note triggering the sending of the EDI invoice. SE submitted this idea to the BIC Physical Supply Chain meeting on 30 September and the meeting decided that this solution would be difficult to implement in practice due to the volumes, split deliveries and timing issues. A better solution might be simply to add Bertram's to the existing list of big retailers who already receive an EDN/ASN from the printer. This seems to work for Waterstone's and others.
  ACTION: GB to report back to see if this solution works for Bertram's.

- **2.12 Amazon returns**
  Darren Lussenden of MDL reported, at a previous meeting, some challenges with handling Amazon returns.

  Distributors have to log into Amazon to obtain a report that then has to be manually checked and then uploaded again roughly within 72 hours. Some distributors do this for their client publishers while some client publishers do this for themselves. If there is an error the returns authorisation is refused and it is not clear where the error lies. Any error or refusal or lateness i.e. outside the 72 hours deadline, means Amazon will return all the books involved. Distributors have also reported a problem in that you don’t know when the spreadsheet will become available on the Amazon website so you have to monitor it regularly. Often recently the file has been made available on a Friday which leaves little time to process within a 72 hour timescale which seems to include the weekend. This is affecting many distributors and many of their client publishers. I BIC would be ideally placed to help with this and to obtain buy in from publishers and distributors to an improved technical solution. SP had suggested using Batch to convert the spreadsheet into EDI format.
  ACTION: KL to raise this item with Amazon at the next opportunity if deemed appropriate to do so by the Physical Supply Chain Committee.
3. Report from the Library Technical Implementation Clinic
SE informed the group that the Library Technical Implementation Clinic met on Wednesday 17th September. The minutes will be out imminently. There was little to report from this meeting but it might be useful to know that for some libraries EDI is being used to order e-books. The issues are that the EDI messages are not very flexible for specifying all the extra usage rights e.g. availability timescale, printing rights, no of users etc. Please see minutes for more detail.

4. ONIX / EDItX XML / Web services
- 4.1 ONIX
Routine ONIX Meeting at Frankfurt. There is now some movement towards ONIX 3 in Europe and the USA and the UK needs to not be left behind. From January 1st the ONIX 2.1 DTD will no longer be available. Please contact BIC or EDItEUR to find out more.

- 4.2 EDItX
At the last meeting FC had commented that some changes were suggested to EDItX in May 2014 for use with physical and digital sales. He noted there are two different types of reports: 1) those with each transaction taking up one line on the report and 2) those with each ISBN and price point as a different line. He noted that four new code values have now been added, including two new ways to report sales trends and pre-orders (by product). Most activity outside Germany has been in the US. He informed the Group that BISG have a new representative replacing Karen Forster – with whom he hopes we can reignite the discussion about sales reports in the future. In the US market there is a separate tax report for local sales tax. This could be used for VAT. SE had wondered if this could be used for UK e-booksellers to report tax to HMRC and MOSS. FC suggested sending a copy of the sales tax report to HMRC to see if this would prompt a decision. KL agreed.
ACTION: BIC to contact HMRC and provide a copy of this report format and ask if this would be suitable for tax reporting under the new VAT rules for e-books from Jan 2015. BIC’s recent BIC Breakfast on EU VAT changes should enable BIC to have a meaningful dialogue with HMRC.

4.3 Web services
The Task & Finish Working Group had been parked but has now been approved by the BIC Physical Supply Chain Committee. Note this not a full review of BIC’s web services. There are a number of new web services which have been requested and the group will work to deliver these. John Garrould has agreed to chair this group. The next step is for BIC to output a Call for Volunteers and for the group to set its first meeting. If you are interested in web services or would like to request an additional web service please contact BIC.
ACTION: BIC to issue the Call for Volunteers.
5. Training, Events & Communication Committee
There was a BIC Bash in September. BIC Open Day is in November. Come along if you can.

At the last meeting, KL had questioned whether the group would like to raise awareness about the Technical Implementation Clinic for future meetings and increased turn outs. The group agreed this would be a good idea. BR suggested sending the TIC minutes to all BIC members – though they are currently available on the BIC website. BR commented that it would be helpful to see the distribution list for the TIC minutes so he could suggest some who might benefit from receiving the minutes.

ACTION: AB to send a list of members’ organisations and the BIC TIC distribution list to BR for his input. AB to send out a campaign to all members about the clinic which will include these minutes.

6. Date of next meeting
January 2015 - to be agreed by Doodle Poll.
ACTION: AB to send out Doodle poll.

BIC website address: [http://www.bic.org.uk/](http://www.bic.org.uk/)
BIC EDI listserv: [http://uk.groups.yahoo.com/group/BIC_ECOMMERCE_IMPLEMENTATION_GROUP/](http://uk.groups.yahoo.com/group/BIC_ECOMMERCE_IMPLEMENTATION_GROUP/)
BIC training courses: [http://www.bic.org.uk/93/All-Courses/](http://www.bic.org.uk/93/All-Courses/)

BIC is very active on twitter so if you use twitter you may want to follow BIC and keep up with BIC announcements, activities and events via twitter: @bic1UK

As always any comments, corrections etc. by email please to simon.edwards@dial.pipex.com