



**BIC Task & Finish Working Group**  
Project Briefing Document

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### BIC Committee Review

Reviewed by	Name	Organisation	Date

### BIC Committee Approval

Approved by	Name	Organisation	Date

### Document History

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## 1. PURPOSE

This project will carry out a review of the registration and use of Standard Account Numbers (SANs).

## 2. BACKGROUND

SANs are used as location and account identifiers in the booktrade. They are issued by the SAN Agency which is owned by Nielsen on a contract from BIC. SANs are also issued by Bowker in the USA. (In the past there has been occasional unfortunate overlap and duplication of SANs issued by the UK and US.) A set of rules is in place which specifies slightly ambiguously when and how retailers and other users of SANs should obtain them and when and how they should be used. The opportunity will be for this project to look at all aspects of SANs and come up with a new set of rules which suit members and the wider community.

At one time it was felt that the SAN should not be a UK and US only standard but should become a proper international standard. A new identifier was agreed called the ISAN or international SAN number. To make a SAN into an ISAN, an international country code was applied to the beginning of the SAN. So a UK SAN would have GB attached to the start of the number. This idea was superseded by the opportunity to merge SANs with the GLN system which was widely used in retail outside the book industry. The ISAN was therefore dropped in favour of the GLN.

Some book industry EDI messages and systems use location identifiers from the GS1 GLN system instead of or as well as SANs. SANs can be embedded into GLNs by applying a GLN prefix to the SAN and then revising the check digit. BIC has a GLN prefix via an existing arrangement with GS1 (503067). This is the GLN prefix for the book industry. Note that once the SAN merged with the GLN the long term expectation was that SAN would be phased out in favour of GLNs. This was prevented by the widespread use of SANs in the UK and the situation in the USA where most organisations only used the SAN and therefore conversion to GLN would have been difficult.

Originally SANs were used to identify a shop's location so that a retailer could order electronically using a SAN and the supplier would know where to deliver the books. Additionally, SANs are now used as the location address for a head office accounts department and as an account number for charging rather than delivery purposes.

SANs are issued by Nielsen on a cost-recovery basis and they represent a small revenue stream for BIC. Originally this cost was justified as part of doing business in the book industry but nowadays books are traded in many primarily non-book businesses and having to obtain and pay for a SAN for a relatively small part of a product mix is seen as a barrier.

SANs are used by the BA, Batch.co.uk, Batch returns, Nielsen and other book industry organisations. The SAN rules have been interpreted differently over time by different organisations. These differences include whether you have to obtain a SAN when you move location, over a small or large distance, when you buy a book business, when you want to set up

a head office account for central invoicing etc. Note that these rules may differ from the rules set by GS1 for the GLN system.

Other problems have been reported. For example,

- Distributors may issue dummy/temporary SANs to cope with orders from unidentified customers
- There may be mixed use of SANs and GLNs within the same EDI message e.g. GLN for head office and SANs for branches
- Some check digits issued on SANs and GLNS have been incorrect
- No SANs have ever been deleted from the SAN system so there are a lot of SANs issued which are no longer in use
- These can be seen as current businesses on the SAN database via the online search facility even though they closed and ceased trading years ago
- Some SAN owners have moved address without notifying the SAN agency (to avoid having to buy a new SAN) so the agency's address database is often out of date

### **3. PROJECT DEFINITION**

#### **3.1. PROJECT OBJECTIVES**

Resolve the problems currently encountered over SANs.

- International dimension (Bowker)
- SAN rules
- Deal with GS1
- New pricing policy
- Deliver a new solution for SANs which accommodates the needs of the industry

#### **3.2. PROJECT SCOPE**

The T&F WG will need to decide on the exact scope of the project and look at a number of areas:

- SAN and GLN rules
- International rules (Note this needs to be in line with USA as SAN is an international standard)
- Impact of SAN/GLN rules on international users of UK SANs
- Look at other industries (e.g. supermarkets, pharmacies, and related product areas, Music, DVD, Stationery, Cards) and see how they deal with location and account identifiers
- Pricing issue

- Systems options (e.g. website delivery, self-service, online payment etc.)
- Requirements of stakeholders:
  - Owners of SANs (Booksellers)
  - Users of SANs (Distributors)
  - Intermediary users of SANs e.g. Batch, Nielsen etc.
- SAN Agency – procedures, costs, management

### **3.3. OUTLINE PROJECT DELIVERABLES AND/OR DESIRED OUTCOMES**

The T&FWG should deliver a report covering the following:

- Liaison with Bowker to ensure an international solution
- Detail a new set of rules for SANs which incorporate user requirements
- Resolve any discrepancies between GLN rules and SAN rules.
- Recommend a way forward with regard to GS1
- Review the pricing and costs of SANs and look at pricing options
- Look at customer benefits and how these could be enhanced
- Outline marketing plan (brief for TEC Committee) for acceptance, promotion and take up of recommendations

### **3.4. CONSTRAINTS**

SANs are a revenue stream for Nielsen (cost recovery basis) and BIC so this is a slightly delicate commercial issue

There is no immediate likelihood of development resource for a new solution to issue SANs (e.g. on an online self service basis)

The SAN is supposed to be a legacy identifier to superseded by GLN in the future

Book trade systems which use SANs are not likely to be upgraded to accommodate any major change

Batch and Nielsen and others use SANs on a daily basis (business critical) and care should be taken not to interrupt this usage.

Chains of more than 5 shops are not supposed to use the booktrade GLN (although BIC can't actually stop them) They are supposed to join GS1, buy and use their own GLN prefix.

GS1 have recently contacted BIC and requested a full audit and BIC has agreed to meet with GS1 and discuss any issues.

### **3.5. INTERFACES**

BIC Physical Supply Chain Committee

BIC Technical Implementation Clinic

Karina Luke, Executive Director of BIC

Diane Delacini, Manager of the SAN Agency

Nielsen, Batch, Publishing Technology and other intermediaries

Booksellers, Distributors and Wholesalers both in the UK and internationally

Bowker and other agencies who may issue SANs

GS1

Some research of other alternative methodologies and a search for best practice across other industries would be useful.

International research e.g. how do SANs or equivalents work in Germany, France etc.

## **4. OUTLINE BUSINESS/INDUSTRY CASE**

Batch is a major user of SANs but has been unable to manage and expand their business without bending/breaking SAN rules. They specifically want to use SANs as account numbers rather than location addresses and they want their customers to avoid having to buy new SANs for a move next door. Also their overseas customers are reluctant to have to buy UK SANs just to source some books from the UK.

The information flow of SAN/GLN from SAN agency to SAN users is very poor or non-existent. This leads to users questioning what they are getting for their money. If it is just a number why can't they make one up, obtain one from elsewhere or use one which is already registered to a closed business?

SAN is a legacy system which BIC should be looking to phase out but it is heavily used in the UK and the GS1 GLN system has even stricter rules. BIC needs to be able to show leadership in this area and ideally produce a planned way forward.

EDI is very beneficial for the UK book industry and SANs and GLNs are an important component of EDI. Having a clear, efficient and beneficial system of registration and usage of SANs and GLNs will help to ensure that EDI delivers benefits. Rolling out EDI and related systems such as TeleOrdering, Batch.co.uk and Batch Returns, to more booksellers and distributors in more countries relies on implementing clear beneficial rules and at the moment SAN/GLN is a problem area for EDI implementations generating ambiguity and uncertainty leading to non-standard work rounds.

## **5. QUALITY EXPECTATIONS**

The T&FWG's solution must address the needs of the industry, BIC members and BIC. SANs or the equivalent should be an enabler of business rather than a barrier to business.

## **6. ACCEPTANCE CRITERIA**

The T&FWG should produce the acceptance criteria and have them signed off by the BIC Physical Supply Chain Committee. The acceptance criteria will depend on the research undertaken as an initial part of the work of the T&FWG.

## **7. RISKS**

- SANs are BIC's responsibility and at present the system is a mess. It is poorly understood and poorly implemented.
- The online SAN look-up service doesn't work well and displays out of date data.
- SANs are perceived by some as unnecessary and expensive
- SANs may prevent expansion overseas
- GS1 could withdraw the BIC GLN prefix if BIC is found to have broken the agreement and whilst GLNs could in practice still be used, it would be embarrassing for BIC.
- BIC could lose some revenue by reducing the charge for issuing SANs
- BIC could upset major supporters such as the BA/Batch or Nielsen by either doing nothing or by choosing a solution which does not suit their business so obtaining their buy in at an early stage would be sensible.

## **8. OUTLINE PROJECT PLAN**

- The T&F WG will need to be commissioned by the BIC Physical Supply Chain Committee.
- A chair will need to be appointed.
- Members of the WG will need to be invited to take part.
- The WG will then need to meet to initiate the project. There is a fair amount of historical information and detail from previous meetings and policies/rules and members should bring themselves up to date by revisiting this material.
- Further meetings can be by conference call and then a final meeting could be held face to face to ensure all party support and sign off
- The consultant will need to take in the ideas and requirements of the T&F WG and then write a up a report detailing the new SAN solution.
- Other deliverables will need to be written up e.g. Detailed SAN rules, website briefing, marketing brief, input to a communication plan
- The deliverables will need to be presented and signed off by the BIC Physical Supply Chain Committee
- The solution and deliverables will need to be signed off by the BIC Executive Director

This process will probably take about 6 to 9 months. The T&F WG will also need to produce a full project plan for the BIC Committee to agree.

BIC Costs will be:

- BIC Business Manager's time booking people to attend project initiation meetings
- Room hire
- BIC Consultant's time and expenses over the period of the project

Suggested timing for the project.

1. This briefing document should be reviewed by the BIC Executive Director by the end of February 2014.
2. The BIC Physical Supply Chain Committee will need to decide the commissioning of the T&FWG by the next meeting (5<sup>th</sup> March 2014)
3. The T&FWG will create need to be recruited, meet and put together a project plan and this will need to be signed off by the BIC Executive Director and the members of the managing committee(s) by the end of March 2014.
4. Depending on the above decisions and timings, the project will then run until the final sign off in July 2014.

## **9. BIC BUDGET/COSTS**

BIC Consultant's time is estimated at: £4000 (Note this is included in existing arrangements and does not constitute an extra fee.) plus expenses of about £300

## **10. AUTHORITY RESPONSIBLE**

BIC Executive Director

## **11. PROPOSED TASK & FINISH WORKING GROUP LEADER/PROJECT MANAGER**

It is assumed that one of T&FWG members may be willing to act as project leader for. If not then Simon Edwards could do this role as well as the consultant role on the project.

## **12. CUSTOMERS AND USERS**

Fraser Tanner (Batch)  
Simon Parker (Batch)  
Sydney Davies (BA)  
Peter Morley (Publishing Technology)  
Stephen Long (Nielsen) ([stephen.long@nielsen.com](mailto:stephen.long@nielsen.com))  
Barry Richardson (Nielsen)  
Diana Delacini (SAN Agency)  
Simon Edwards (BIC) ([simon.edwards@dial.pipex.com](mailto:simon.edwards@dial.pipex.com))  
Karina Luke (BIC) ([Karina@bic.org.uk](mailto:Karina@bic.org.uk))

- BIC Physical Supply Chain Committee
- Additional BIC members may be interested in serving on this T&FWG e.g. Wholesalers

Distributors  
Systems suppliers  
EDI suppliers

### **13. REPORTING**

The T&F WG will report to the BIC Physical Supply Chain Committee. Simon will brief the BIC Technical Implementation Clinic during the project.

The committees will want to know that the project has started and then will want to see a project plan, a summary of the research and a draft of the options being discussed. They then need to sign off the T&FWG's draft report. Progress will be reported at each committee meeting.

BIC Project costs will be reported to the BIC Executive Director