

BIC CODE OF PRACTICE FOR BOOK SUPPLY TO RETAILER HUBS

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Background and issues

Publishers are increasingly doing business with the supermarket sector direct rather than through intermediaries. This is exposing them to the stringent attention to detail which retailers are increasingly requiring in order to match orders and order fulfilment details to payment. Failure to comply with the requirements may result in rejected deliveries but also, much more significantly, in delays to payment because of the need for manual intervention in what is intended to be an automated process. As more retailers focus their attention to the cost of their supply chains, there will be an increasing need to comply with their delivery requirements.

Two things must be emphasised: there will be variances between the practices adopted by different retailers; and few of them will be using BIC book trade standards. It is hoped that over time, however, there will be increasing standardisation of messaging and documentation.

Among the supermarkets, Tesco is furthest advanced in the process of automating deliveries and mandating supplier compliance. Other companies are planning to impose similar requirements in the future. The process required by Tesco is as follows:

1. Order sent to supplier by EDI (Tradacoms or EDIFACT, but not in BIC standard format)
2. Before delivery, supplier provides an EDI Advance Shipping Notification (ASN) in the EDIFACT Despatch Advice (DESADV) format per vehicle per delivery depot
3. Supplier produces and attaches GS1 Serial Shipping Container Code (SSCC) labels to each pallet
4. Manual booking-in by telephone
5. On receipt, Tesco sends back via EDI from its central hub an EGIN (Electronic Goods In Notification) acknowledging delivery
6. Subsequently – after the goods have been checked – Tesco sends an EPOD (Electronic Proof of Delivery)
7. Only at this stage should invoices be raised and must include the EPOD reference, also known as the TRN (Tesco Receipt Number) as well as order and other references, in order for payment to be made

This process, though already challenging for some BIC members, is made much more complex when

- The retailer's customer is a publisher which has outsourced its fulfilment, invoicing and credit control to a third party
- The publisher wishes to make a direct delivery from the printer
- The printer makes a delivery using a contract haulier

and, in particular, if

- The printer wishes to consolidate despatch instructions from different customers in the same consignment
- Contract carriers consolidate consignments after collecting from the printer

Advice to publishers

Communication – electronic and automatic whenever possible - between all parties is essential. That most importantly includes communication within the individual organisations involved. For instance:

- Since most publishers – unless fully integrated with their own distribution centres – are not EDI-enabled, many orders will be received by publishers using non-EDI methods including email and spreadsheets. All the details of the order must be copied to the distributor and, in the case of printer-direct deliveries, to the production department.
- It must be made clear to the retailer that the order will be fulfilled and invoiced by the publisher's agent (i.e. the distributor).
- All relevant order details must be provided by the publisher's production department to the printer when requesting direct deliveries.

The printer must be made aware that it is responsible for fulfilling the entire retailer's documentation and other requirements when making direct deliveries. It is recommended that the distributor or publisher with the relationship with the retailer contacts the retailer to explain which third parties may be involved in the process and where each message type can be expected to emanate from.

This responsibility must be communicated in its entirety to contract carriers used by the printer.

The printer must be capable of generating SSCC labels.

The printer must have sufficient EDI capability to generate and send EDIFACT DESADV messages containing full delivery specifications ahead of despatch.

The printer must notify both distributor and publisher's production department as soon as goods are ready for despatch: either by copy of the DESADV message if it can be received; or by using the BIC EDItX Printers Despatch Advice; or by other agreed EDI standards; or by email if necessary. This must include all documentation references, including any provided by the retailer when booking in the delivery.

Because of system constraints, some distributors will have genuine problems in delaying invoicing until the EPOD messages (possible multiple EPOD messages from different delivery addresses) are received. However, failure to quote EPOD references (particularly in the case of Tesco and the TRN) will interfere with payment routines. Some distributors may decide that, given the small number of orders involved, some manual intervention at this stage may be desirable.

The retailer should be asked to copy the EGIN and EPOD messages to all relevant players capable of receiving them. Typically the EGIN is returned by the retailer to the sender of the ASN message (be that the distributor or the publisher); it is worth asking whether the retailer is able and willing to send this to multiple recipients. With regard to the EPOD, this is normally returned only to a single nominated recipient; this needs to be agreed between the distributor, publisher and printer at the outset and it may be necessary for these messages to be forwarded between the various parties using another route if required.

Adherence to the specifics of a retailer's requirements is essential. Failure to do so in the smallest degree – unless by prior agreement – will result in payment delays or rejection of a delivery.

Resources and contacts

GS1 UK

Maintenance of standards for generic supply chain EDI and bar code labels, including SSCC
www.gs1uk.org

Book Industry Communication

Maintenance of EDI (Tradacoms and UK EDIFACT) for the book trade
www.bic.org.uk

EDItEUR

Maintenance of EDIFACT EDI standards for the international book trade
www.editeur.org

EDI service providers

Freeway Commerce

www.freewaycommerce.com

Atlas Products International

www.atlasproducts.com

Transalis

www.transalis.com

Nielsen BookNet

www.nielsenbooknet.co.uk