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BIC PRINT ON DEMAND & SHORT RUN TASK & FINISH WORKING GROUP – Minutes

Ricoh UK Ltd, The Broadgate Tower, 22nd Floor, 20 Primrose Street, London EC2A 2EW
Wednesday 15th July 2015, 11am

Present	Apologies
Alaina-Marie Bassett, BIC	Andrew Bromley, Ingram Content Group
Roger Christiansen, Ricoh Europe (Deputy)	Andy Cork, Printondemand-worldwide
Tim Cruickshank, Cambridge University Press	Alma Weber, Penguin Random House
Alison Lewis, Ingram Content Group	Andy Williams, Palgrave Macmillan
Karina Luke, BIC	
Kate McFarlan, Clays	
Alan Rakes, Hachette UK	
Jean Roberts, Printondemand-worldwide (Chair)	
Nancy Roberts, Cambridge University Press	
Claire Walker, Harper Collins	
Mark Walker, Macmillan	
Gabrielle Wallington, Waterstones	
Linzi Webb, Wiley	

1. **Introduction & apologies**
    The Group were welcomed to the meeting and introduced themselves for the purpose of the minutes. JR read out the apologies for this meeting.

2. **Review minutes and follow-up on actions from the last meeting**
    - Macmillan's feedback on workflow diagram
      At the last meeting of this Group, it was noted that it would be useful to obtain feedback from Macmillan regarding the workflow diagram. Since MW was present at this meeting, AB asked him to feed back any information about the workflow diagram after this meeting.
      ACTION: MW to provide AB with any additions / comments / amendments to the Group's workflow diagram to date, before the next meeting.

    - Cambridge University Press' (CUP) Virtual Stock
      GW confirmed that CUP's titles are available on Waterstones' website, though availability for some titles is poor (up to 3 weeks for the book to be supplied). KL commented that it would be good to ascertain how and why this issue occurred. TC informed the Group that he is looking into this matter and has requested further information about how Waterstones work out lead times. He suggested that the message received could be generic and as such may exist outside of the metadata feed; he noted that some online retailers have similar practices. JR asked the Group whether this information should be included in the metadata henceforth. KM noted that the metadata would need to be set up per title, on an individual basis, since the terms may differ from one title to another. GW commented that Waterstones have experienced trouble with lead times in the past and noted that they are usually informed by both the supplier's lead time and the availability status code for that title. They can also be based on the Hub's experiences too.

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GW informed the Group that, since the last meeting, she has liaised with her contacts and noted that Waterstones err on the side of caution, in terms of the lead times they promise their customers; for the sake of customer service. AR asked GW whether Waterstones receive this information or create it themselves. GW informed him that Waterstones creates the lead times itself. She also noted that a book ordered by Waterstones is supplied via the Hub and the Hub therefore needs to be included into the workflow diagram.
ACTION: ALL to include the Hub within the Virtual Stock workflow diagram.

TC asked GW whether orders are supplied faster when they are sent directly from Lightning Source. GW commented that this is not necessarily the case. She also noted that Waterstones hold only the main distributor's contact information in their records, and as such Lightning Source would be listed as a representative.

- Top suppliers
At the last meeting, AR volunteered to collate a list of the Top 10 suppliers in order to use this information in a strawman document. AR reported that a list of the Top 5 suppliers was circulated to this Group prior to this meeting. He noted that there were not ten suppliers of note, since those over the initial 5 suppliers have significantly less volumes than the Top 5.
The Top 5 suppliers are as follows:
- Amazon
- Gardners
- Bertrams
- Waterstones
- Hachette UK Distribution (3rd party clients / subsidiaries / agents)
AR informed the Group that the above suppliers are not necessarily listed in any order and Amazon are therefore not at the top of the list in terms of volumes. MW noted that Amazon supply high volumes for Macmillan and suggested that he can provide a similar list of top suppliers from Macmillan's perspective. KL noted that, now this information has been provided, the strawman document needs to be produced. She suggested that the content of the document should be discussed during this meeting and a volunteer from this Group should be allocated to produce the document. She noted that terms need to be defined in this document; particularly an identifier for when commercial terms are altered / different to usual. It was noted that this Group no longer intends to use Publisher Status Codes to help make this distinction, so the "identifier" should be used in the place of this. KL noted that this deliverable should be produced, then the requirements of the deliverable should be mapped out, finally the strawman document and all supporting material will need to be sent to EDItEUR for their feedback.
ACTION: MW to supply a list of Macmillan's Top Suppliers and circulate to the Group (via AB) before the next meeting of this Group.
ACTION: ALL to agree who should put together the strawman document for retailer requirements at the next meeting of this Group.

- Requirements for Terms
KL asked the Group how retailers and other organisations identify when / if the terms have changed for a Virtual Stock item. She noted that Virtual Stock items where the terms have not

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changed do not need to be brought to the stockist's attention. GW agreed, noting that the retailer only needs to know when terms have changed, in order to find out how this may affect lead times. She noted that currently, for retailers, an ASR item does not need such an identifier but assured the Group that an indication of the product being ASR does need to be present in the circulated metadata.

GW commented that Virtual Stock terms need to be addressed by this Group and that BIC Discount Codes may facilitate expressing these terms. KL reminded the attendees of the meeting that, at the first meeting of this T&FWG, this Group had decided to separate ASR from the definition of Virtual Stock; the Group also included MOD, PTO, etc. as interchangeable terms for Virtual Stock. For this reason, KL suggested that it may be prudent for this Group to discuss the requirements for each term.

GW suggested that discount information should be made available at stock level. KL asked GW whether this discount information is seen by those involved in the ordering process. GW informed KL that the information can be viewed to an extent, however the retail stores do not need discount information since the customer wants the titles regardless of the discount available to the store. She noted that the use of discount information is more relevant to those higher within the organisation. MW informed the Group that there is discount information in the order acknowledgements. GW agreed but noted that there is not currently a way of expressing the fact that a book is firm sale, separate to this order acknowledgement message. She commented that ONIX may already be capable of expressing the terms of a book but noted that, if it is a possibility, it is not in use within the book industry.

AB asked the Group whether terms should be a mandatory field, following the above discussion. GW noted that this is commercially sensitive information and some publishers may not want to send it to data aggregators, particularly since not all of the information disseminated will be relevant to all the aggregators' customers. For this reason terms should not be a mandatory field within metadata. GW suggested, however, that it will be beneficial to ascertain whether it is possible to provide this sort of information to chosen recipients, since it affects decisions on stock for retailers. JR noted that this is an issue that effects more than just Virtual Stock.

TC commented that CUP currently lists the availability of their Virtual Stock titles as 'POD'. GW noted that Waterstones would presume that these books are firm sale. She suggested that publishers should instead list their Virtual Stock titles as 'available'. TC noted that the lead time for delivery may be 5 days, for example, rather than the usual 2 but noted that CUP has discussed this as a possibility in the past. GW informed the Group that retailers do not need to know if a title is Virtual Stock providing it is returnable. She suggested speaking to Graham Bell (GB) of EDItEUR about the possibility of creating broader availability codes but noted, at the same time, that these new codes could be misused. She suggested that a code for 'Virtual Stock' could nonetheless be introduced to show that a title is returnable but will have a slightly longer lead time (to supply the title) compared to 'traditionally available' titles.

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The Group agreed that a combination of availability codes and a terms change indicator for a title would help to establish that a book is, or is not, Virtual Stock. They noted that how and when this information needs to be provided still needs to be discussed. KL noted that this information will need to be fleshed out in the Best Practice Guidelines for this Project.

GW commented that Virtual Stock orders which are stored up until a substantial figure of orders has been received should not be listed as 'POD'. NR asked whether any publishers are known to practice this ordering process. The Group could not name a publisher that does carry out orders in this way. NR highlighted the dangers of this practice, noting that an organisation could place the same order in a number of locations and subsequently return a large number of them once all the orders have been fulfilled. She noted that this is a risky strategy for publishers. AL commented that the organisations practising this ordering process may be small academic publishers, particularly in relation to hardback titles. She suggested that the number of orders that these organisations store up would more likely be 20 rather than a more extensive figure.

KL asked the Group whether a definition for ASR should be included in the definition for Virtual Stock. GW noted that ASR will not give the right impression, (an impression that this Group is trying to dispel), regarding lead times. She suggested that ASR should remain separate for this reason. JR noted that ASR is the one process that causes issues / doesn't fit in with the definition for Virtual Stock.

JR questioned whether this Group should explicitly discourage organisations from storing up orders in this way. NR suggested that storing up orders is not best practice and is not the same as ASR. The Group agreed that the Best Practice Guidelines should state that short run orders should not be stored up and should subsequently explain why this is the case. They noted that this explanation may not fully discourage organisations from carrying out this practice but it may at least persuade them that the practice is now out of date and other methods are available. NR noted that the publishers should also be made aware that this type of ordering may adversely affect retailers' decisions regarding ordering.
ACTION: ALL to include a note of discouragement regarding the accumulation of 'ASR' orders in the Best Practice Guidelines for this Project.

GW questioned how this storing up of orders is communicated to customers. She noted that the availability status code could not be 'available' since the title is never available using this supply method. She suggested that this Group should liaise with the Academic Publishers Group for their opinion on this matter. CW asked GW whether it is possible to ascertain from Waterstones' records which publishers do practise this ordering method. GW noted that she will discuss this with her colleagues and report back to the Group at the next meeting. JR suggested that the Group could also liaise with IPG.
ACTION: GW to liaise with her colleagues at Waterstones to ascertain whether it is possible to find out, from Waterstones' records, which publishers are storing up orders for ASR.
ACTION: JR to liaise (or assign someone to liaise) with the Academic Publishers Group for their views on the accumulation of ASR orders.

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NR noted that a roll-out strategy needs to be produced to address / engage with this issue. KL agreed, noting that a strawman guide will provide publishers with good grounds for discussion. GW suggested that this may lead to publishers discussing their reasons for carrying out this practice in the first place. AL noted that many smaller organisations may not have the infrastructure to carry out this process is a suitable way. He suggested that the solution to this issue will need to be something that will work for all organisations. JR suggested that the issue is a matter of education, and that organisations also need to understand the logistics of the associated metadata process.

3. **Determining workflows and expectations (per term)**
   Following on from the last meeting of this Group, the Group members went on to discuss the remaining sequences within the Virtual Stock workflow process (from Publisher onwards):
   - Metadata
   - Channel
   - Publisher
   - Distributor
   - Printer
   - Channel

- Publishers
  JR noted that this workflow begins with demand, which is created by sales teams and editorial staff. The method of production and vendors are subsequently decided upon by the publisher. She noted that, during the last meeting, this Group had discussed whether it is good practice to issue a new ISBN for new stock that is manufactured using a different method. KL noted that the published ISBN Best Practice Guidelines should be observed. How to achieve a global standard for quality was also discussed. The Group agreed, however, that these issues need to be resolved by publishers internally.

  GW informed the Group that the ISBN Agency will shortly be releasing a revision to ISBN practice / usage. NR informed the Group that CUP were recently advised that allocating a new ISBN for each eBook format is best practice. The Group noted that Pan Macmillan and the Random House Group already follow this practice for Virtual Stock titles. KL commented that Virtual stock isn't a different format, but a method of manufacture.

  JR asked the Group what the decision-process behind making a title purely Virtual Stock is. The Group suggested that this decision could be made for a number of reasons. AL noted that some suppliers are putting pressure on publishers to reduce stock holding requirements and KM commented that this Group will need to look into how stock holding affects the workflow diagram. GW noted that authors' and editors' perceptions of stock holding must also be taken into account in the decision-process, since they would often prefer that their title is stocked rather than having it as a Virtual Stock title. She noted that many authors are unhappy for their title to become Virtual Stock. TC agreed, but noted that holding the title as Virtual Stock is a low risk strategy for publishers.

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RC asked the Group who decides how many titles are to be printed / supplied on any given occasion and suggested that the decision may be based on history of sales. KM noted that this Group does not need to know each organisation's individual reasons for the number of books they print per order, providing that the availability / answer code, etc. is expressed properly. She also noted that any book that is in-stock in the warehouse does not need to be addressed in the workflow. JR agreed, noting that this is the same with litho production practices.

The Group noted that the workflow for Virtual Stock will need to take the following into account: answer codes, terms change indicator, warehouses, drop shipments, and retailers (i.e. printing to fulfil an order with retailers). AR suggested that online orders which are fulfilled by warehouses will also need to be included. JR suggested that a solution to this type of ordering may be for retailers to order the books directly from a wholesaler. GW noted that some organisations may not be happy about this proposed solution. JR noted that Virtual Stock provided by retailers and wholesalers are not lean models and costs are often added at each step of the workflow. GW noted that it is not up to this Group to make this process leaner in this context – that is the responsibility of the publisher / a decision for publishers to make for themselves.

The Group referred back to AR's workflow diagram for Hachette. AR noted that this is the entirety of Hachette's workflow process. He noted that the information, regarding the ASR / Virtual Stock processes, is most often supplied by publishers but all of the systems in the supply chain that handle these processes have to be set up appropriately for the process to work. He commented that the backend of this process involves receiving information back from the printer(s) and noted the importance of this information for the Distribution Centres (DCs). AR informed the Group that Hachette do not themselves process Virtual Stock / POD orders. He noted that the PDF of the book is sent to the printer from Hachette early on, and the printer does the rest on Hachette's behalf. KM asked whether the paperwork for the order goes to Hachette or the printer. AR informed the Group that the paperwork is sent to Hachette and they have answer codes to express certain responses, such as 'order received', 'sent to supplier', 'printing', etc.

AR noted that Hachette has one main distribution centre (DC) with a pre-invoicing system meaning that Hachette does not wait for the order acknowledgement to come back before the customer is charged. JR asked whether Hachette holds dues for Virtual Stock. AR informed the Group that Hachette does not hold dues for Virtual Stock. However MW informed the Group that Macmillan do hold dues for Virtual Stock for a few days. He noted that dues would be stored for titles which go out of stock and then, if the title subsequently becomes Virtual Stock, the order would be sent to the printer. The Group questioned what the main benefits of the order being sent to the DC (rather than from the printer) would be. MW noted that costs are the main factor taken into account. NR agreed, noting that customers often want consolidation, i.e. 15 books in one box, rather than 1 book arriving at a time. MW noted that this is a choice that is decided on by the publisher. He noted that there is a two-week window in which Macmillan has control of this process from a distribution point of view.

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JR asked whether there are any hurdles that DCs need to overcome in order to be able to change to a Virtual Stock programme. MW informed the Group that each printer has different technologies so DC's need to ascertain which technologies are available to them from the chosen printer.

JR noted that the main pressure put on suppliers is data exchange and integration with printers. She questioned what, if anything, would help printers to integrate with DCs. KM noted that Clays want to be properly integrated regardless of whether they are channel reselling. JR questioned whether the lack of integration is an issue caused by systems that do not format data in the same way as one another. AR suggested that this is not that case; Hachette, for example, compile their data in any way that it is needed, i.e. CSV, Excel, etc. GW commented that there is nonetheless interest in the possibility of standardising this process but noted that the scope of this prospect falls outside of this Project Brief. AR agreed, noting it would be an ideal area for future work.

KM noted that, in trade publishing, many organisations use Virtusales systems which do integrate with one another. She noted that EDI links can be created in this way. KL agreed that communication tends to be achieved via EDI. The Group suggested looking at the ways in which data is shared, taking note of the similarities / differences between organisations. KL asked AR which required data fields, in general, are not received by Hachette. AR noted that the fields excluded from the data are often sporadic or, on other occasions, can be populated inappropriately. He noted that there would not be an easily attainable answer to KL's question. JR noted that, in this sense, it is the consistency rather than the quality of data that is supplied. She noted that there will always be mistakes but, since this appears to be a consistent issue, it needs to be addressed by this Group. AR disagreed, noting that Hachette monitor their feeds and there are not a lot of mistakes being made.

NR suggested that the Group should list the most important fields to supply – the minimum requirements. She noted that there will always be ad hoc requests but this best practice will help to ensure that the necessary information is disseminated as standard. JR suggested that the following fields should be included: order acknowledgements, fulfilment (can/can't), and consolidated ASN. TC also suggested that shipping tracking could be provided, if required. MW informed the Group that Macmillan use ASNs to chase-up any missing orders, however AR noted that Hachette do not use ASN because this information is not sent to them by the printer. MW commented that the inclusion of dimensions in the data field would be beneficial to Macmillan. GW agreed, noting how this information is often provided for eBook data but not physical book data. The Group noted that the measurement field can be amended / altered but it very rarely is, and the information provided in this field can therefore become outdated due to its lack of revision.

JR noted that the main issue is bad data. NR agreed, commenting that there is an on-going debate surrounding the early supply of data / correctness of data supplied. She noted that some organisations do not refresh their data as often as they should. GW informed the Group that Graham Bell of EDItEUR believes that all metadata is provisional and is not, therefore, a static

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medium. NR noted that there is a dichotomy between UK and US on this matter. She noted that the UK leans towards the early supply of data (over the correctness of the data), whilst the US prefer to ensure that their data is as correct as possible before disseminating it, even if this takes time.

- Printer
  JR noted that printers require clean metadata and good product data (specifications). She noted that Virtual Stock programmes include thousands of titles, and as such the system used needs to be able to store this information and hold it for future use – this is precisely why the data needs to be as correct as possible. KM noted that all publishers know their book's specification before it goes to print, and as such problems with the data would be identified before the book goes to print. She commented that the cleanliness of data is not an issue for this reason. JR disagreed, noting that, on occasion, there are times when the data provided does not correspond with the specification provided. NR noted that there will always be mistakes but providing the minimum set of product data could help raise awareness about the importance of this data and subsequently diminish the likelihood of errors occurring.

  GW asked whether a standard set of requirements is already established. The Group were not aware of any standards for this particular sort of data. They noted that online retailer's individual formats need to be taken into account and agreed that the basic requirements / minimum fields for title set-up need to be included in the Best Practice Guideline for this Project. The following six fields were agreed upon as minimum basic requirements by the members of this Group:
  - Title
  - ISBN
  - Format
  - Binding
  - Trim size
  - Paper type

  ACTION: ALL to include the above basic requirements / minimum fields for title set-up in the Best Practice Guideline for this Project.

  JR noted that the printer will print the file they are provided with, changing only the inside page – removing the litho printer and adding in their own details. She noted that it is part of EU regulations to include the country of origin on any product. TC noted that this information will be on the last line at the back of the book for CUP. JR noted that printers do not like this practice since it's seen as tampering with the file.

  JR asked the Group how and where they set the bar for printer quality, globally (including retailers that produce stock themselves). She asked whether this information should be included in the Best Practice Guidelines. GW commented that the last line identifier, mentioned in the above paragraph, will help. JR questioned whether it should be included in the specification. TC noted that it is not practical for publishers to supply individual first pages for all the printers they use and, as such, the last page identifier should be made best practice. He noted that it is safer

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for publishers to produce these pages themselves. JR commented that pre-press teams would be able to provide these pages, where necessary. TC noted that the possibility of this will depend on the volume of books being disseminated.

JR asked the Group whether there are any further items that need to be included in the Best Practice Guidelines for printers from the DC's / publisher's perspective. GW commented that the PO number for orders needs to be included on all and especially final paperwork, and should comply with the DC's terms of trading, i.e. labelling, split deliveries, etc. KM noted that any issues with pallets would be passed back – rightly – to the printer, and so Virtual Stock printers need to be made aware about the requirements. RC asked whether publishers have issues exporting their books. NR noted that this is not a frequent issue for CUP since most orders are sent directly to internal branches. TC noted that some orders have been held at customs in the past. He suggested that this issue is related to Virtual Stock and that it needs to be addressed quickly. NR noted that organisations need to have a clear idea (within the book industry supply chain) of what is required of them.

- Best Practice Guideline
  KL noted that a draft Best Practice Guideline / strawman document now needs to be produced and circulated to the Group for comment. The Group agreed that a working document would be beneficial and that the draft should be disseminated widely for further comment once it has been signed off by this Group.
  ACTION: JR to produce a draft Best Practice Guideline document and circulate it to this Group prior to the next meeting.

4. **A.O.B.**
   None.

5. **Date of next meeting**
   Wednesday 23rd September 2015.