

BIC ORDERING BEST PRACTICE

Order Management: Dues Style Guide

Version 1.0 June 2022

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The Book Industry's Supply Chain Organisation

What are 'dues'?

'Dues' are book orders that have been recorded for future supply but have not yet been fulfilled.

What is the role of the 'dues' list or report?

'Dues' lists or reports capture all orders for a bookseller that have been recorded due for future supply. They will be based on a pre-defined set of parameters determined by the book supplier or established in agreement with a specific bookseller to meet their order management needs.

This document is intended to inform booksellers, distributors, self-distributed publishers and wholesalers about how they may collaborate to better manage dues and collectively make more informed and proactive order management decisions. System capabilities and existing business practices will need to be considered when designing and implementing a dues management process.

Most book suppliers will have some flexibility when it comes to setting parameters for how and when dues are recorded (number of days, weeks, months). Different parameters may be required to cater for different types of stock and supply chain models.

For example, given the sales cycle for new publications, booksellers will be ordering these titles several months ahead of publication date. Dues parameters will need to reflect a supply date that could be quite far ahead to avoid new title orders being cancelled before they are supplied. Recording dues for 6 months on new titles may well be an acceptable benchmark.

However, most booksellers would not want to record backlist orders for more than 1 month. Whilst backlist titles are subject to reprints, new editions, new formats, reissues and (sometimes lengthy) disruptions to availability, ordinarily fulfilment is quick. From an order management viewpoint, recording and building up backlist orders where availability is disrupted can present a headache when trying to remember what is not available for immediate fulfilment, the quantity on order, the current non availability status and likely supply date. It is far better, in most situations, to cancel backlist orders that can't be supplied within 1 month, understand what the options are for sourcing alternatives (wholesaler vs. distributor supply; other edition; upcoming publication in a new format). Not only does this potentially mitigate lost sales and reduce the risk of returns, but it also means that booksellers are aware of supply issues and can proactively manage orders and customer expectations.



Setting 'dues' parameters

Setting dues using days as a parameter is far more precise (and offers more flexibility, granularity, control), than using weeks or months.

Given the volume of orders booksellers place, it is difficult to keep track of backlist items recorded due when immediate supply is not possible. Setting optimum dues parameters (shorter for back list, longer for front list) will ensure that unfulfilled orders don't become unmanageable.

Once the front list/ backlist dues parameter is set, you can determine what happens when it is reached, subject to system capabilities:

1. All dues that reach the parameter are automatically cancelled by the supplier with or without reports confirming the action taken.

Or...

2. The supplier sends a regular report detailing all ISBNs that are near the dues cancellation threshold to the bookseller. The bookseller reviews the report and decides which dues can be safely cancelled and which need to be retained by marking up the report and returning it to the supplier. Again, this is subject to the respective parties' system capabilities.

In an ideal world, BIC recommends that these reports are sent monthly by email in Microsoft Excel or CSV (comma separated values) format. The advantage being that the bookseller can review on screen. With the CSV format, booksellers can potentially upload the file to their stock management system to reflect changes they make to recorded dues. This reduces the manual steps required to action changes to dues orders. Sending the updated CSV file back to suppliers potentially allows them to ingest the information directly to fulfilment systems without manual intervention should they have the capability to do so.

However, you should first check on the required file format. Usually, there will be a specific layout and sequence required for the information, as well as stipulations about how to separate each piece of data. See overleaf for a report template. Page 5 shows an example CSV format.



From: Distributor Name Address 1 Address 2 Address 3 Postcode	To: Bookseller Name Address 1 Address 2 Address 3 Postcode	Customer Account Number: Customer Reference (overall PO number):
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Line No	Overall PO Number	Line Order Ref	Order Date	Quantity	ISBN13	Title	Author	Retail Price	Ack Status	Expected Supply Date	Cancel Y/N
1	54321	SJL230721	01/10/18	10	9780241408506	Agent Sonya	Ben MacIntyre	25.00	OB	15/10/18	N
2											
3											
4											
5											
6											
7											
8											
9											
10											

Instructions:



CSV format:

A CSV dues file may look like this, with a comma separating the 8 required pieces of data:

OverallPONumber,LineOrderRef,OrderDate,Quantity,ISBN13,AckStatus,ExpectedSupplyDate,CurrentDuesCancellationDate

54321,SJL230721,01102018,10,9780241408506,OB,15102018,14112018

Once a bookseller has annotated the file, an additional field is added:

OverallPONumber,LineOrderRef,OrderDate,Quantity,ISBN13,AckStatus,ExpectedSupplyDate, CurrentDuesCancellationDate,CancelDues(Y/N)

54321,SJL230721,01102018,10,9780241408506,OB,15102018,14112018,Y (or N, depending on the action)

BIC recommends using a simple CSV format, with the minimum amount of information needed to create the dues report. The above is a good example. The advantage of the CSV format is that it can be revised, be sent by different means and the data organised to suit the reviewer (orders by store, SAN, bookseller/ buyer, department or subject category).

The bookseller reviews each ISBN13, selecting those for cancellation or in specific cases, requesting that the order remain recorded and/or the due extended for a specified period of time.

More information is available on the Ordering Best Practice Resources page of the BIC website:

<https://www.bic.org.uk/232/Ordering-Best-Practice/>