

# **BIC ORDERING BEST PRACTICE**

## **Receiving Orders**

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*The Book Industry's Supply Chain Organisation*

It may seem odd to concentrate on goods handling processes when we talk about ordering best practice. Why? Simply put, until the order has been successfully placed, acknowledged, supplied and merchandised, booksellers risk lost sales.

Receiving is complicated at the best of times. Not only can it be heavily dependent on manual effort, but supply chain challenges mean that stock consignments may be split; there may be shortages, damages or substitutions; and each supplier will have their own paperwork, conventions and system quirks - all presenting challenges when resources are stretched.

In recent years advances in technology have led to significant changes to how distributors service and fulfil orders. Their objective is to provide more accurate and timely deliveries through increased automation and integration with other systems, do it more cost effectively and do it more efficiently. Consider how much more socially and environmentally aware we are. Consider the impact of large boxes filled with packing materials, stock that is shrink-wrapped or never used point of sale materials for new title releases.

Therein lies a problem. Advances in technology mean that there is now a divergence in how suppliers fulfill orders. They now fall into two distinct groups: those where the invoice and delivery note are produced in advance of the stock being picked, packed and despatched (known as pre-pick), and those that produce the invoice and delivery note after the stock has been picked and packed (known as post-pick).

This divergence in systems used may mean that booksellers need to adopt different approaches to receiving stock when problems arise. One thing that can help overall is the adoption of ASNs.

An 'ASN' or 'advanced shipping notice' is an electronic document generated by distributors and wholesalers that provides information about upcoming deliveries of books to booksellers. It's the electronic version of the delivery note found in the box. Each ASN will relate to one consignment. It isn't an invoice, so there is no discount or cost price information. Nor does it provide the order status of backordered lines.

ASNs do require both the sender and receiver of the document to have technical capabilities. The wholesaler or distributor needs to be able to generate an electronic version of the paper delivery note, either from scratch or by spinning the inbound order or subsequently generated invoice into an ASN. This needs to be in a recognised electronic standard such as EDI or EDItX, or some other mutually agreed format. Likewise, the recipient of the ASN needs to be able to receive the ASN, translate or interpret the data and use the information to populate the relevant fields in its EPoS system, accounts package or receiving software. ASNs that don't conform to an agreed or recognised standard are described as corrupt and cannot be processed, undermining the whole point of the electronic transaction.



Created at the point when the stock consignment leaves the supplier's warehouse, the value of the ASN is that it literally provides advance notice of deliveries that are on their way to the bookseller. The ASN is available to the bookseller prior to the consignment of stock arriving. It removes the need to manually input much of the product and transactional metadata, such as ISBN13 and quantity, to update stock on hand information.

ASNs represent an efficient way for booksellers to compare the contents of a consignment received with an electronic delivery note on screen. They scan each book's barcode and see a running total of each ISBN as it is matched against the ASN. Once all books are checked in, any shortages are highlighted and can be readily reported to the supplier via manual or electronic means, depending on bookseller system capabilities.

Physical and online bookstores are facing even more pressure to be efficient and responsive with limited resources. ASNs are an invaluable way in which to help booksellers receive and merchandise stock speedily and accurately. We all know that books in boxes don't generate sales. Ordinarily booksellers may prioritise the processing of ASN accompanied deliveries over those requiring manual intervention. Whilst it is easy to check smaller consignments of stock against a paper delivery note, multi box consignments require greater effort and organisational skill.

Service providers such as MVB (including PubEasy) and Batch Ltd support ASN and invoice solutions. Key distributors and wholesalers such as Hachette UK Distribution, Gardners Books and Macmillan Distribution Ltd offer ASNs. These are a must for chain booksellers including Waterstones, as well as independents.

Remember, the ASN is distinct from the invoice, which will include far more information, such as discount, cost price and details of recorded (dues) lines. The ASN does not replace the need for the invoice.

Overleaf we have tried to capture the main issues with receiving stock and have provided guidance.



Scenario	Guidance
Consignment arrives (missing box)	<p>The delivery may have been split. This is not something that carriers should do. It affects both post and pre-pick consignments. Each box moves independently through the carrier's system on the assumption that the boxes are consolidated on delivery.</p> <p>Wait until the next delivery before reporting the missing parcel to the distributor. You may partially book in the consignment.</p>
Consignment arrives (wrong recipient)	<p>The consignment maybe mis-delivered by the carrier or input incorrectly by the distributor (order processing), rather than mislabelling in the warehouse.</p> <p>Ideally check the address upon receipt and don't accept the parcel from the carrier. If the parcel is accepted, either leave it for the carrier to collect the next day or contact the intended recipient who may wish to collect it.</p>
Consignment arrives (correct address, but contents are for a different recipient).	<p>Contact the distributor to find out where the correct books are. Arrange for redelivery of the correct parcel contents. Contact the recipient who may wish to collect.</p>
Consignment arrives (damaged box)	<p>This may have happened in transit. For problems with items in the consignment, see the entry on "Consignment arrives (damaged item)".</p> <p>If the box is badly damaged, refuse delivery, and inform the distributor. If accepted, photograph the box in case the distributor needs evidence to expedite the claim. If a Batch user, claim for damages via Batch.</p>

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Scenario	Guidance
<p>Consignment arrives (shortage)</p>	<p>This shouldn't happen with pre or post pick invoices. Although multiple controls are in place, shortages do occur.</p> <p>If a Batch user, claim for the shortage via Batch claims on receipt of the parcel, using 'Shortage - quantity invoiced not supplied in full'.</p> <p>Non-Batch users should contact the supplier's customer services team or follow established business processes for such issues.</p>
<p>Consignment arrives (wrong quantity) <i>Similar to a shortage, or consignment contains extra books</i></p>	<p>This should only happen if the order is input incorrectly or is ordered incorrectly by the customer.</p>
<p>Consignment arrives (damaged item)</p>	<p>Items may be damaged in transit or be imperfect (such as a printing error). The recipient needs to differentiate between damaged and imperfect stock (that could affect a whole print run).</p> <p>If a Batch user, claim for the damaged item(s) via Batch claims on receipt of the parcel using 'Supplied item received damaged'. There is a limited period to claim for damages.</p> <p>Non-Batch users should contact the supplier's customer services team or follow established business processes for such issues.</p>
<p>Consignment arrives (Imperfect item)</p>	<p>An imperfect book doesn't have a time limit in which to claim, given that the imperfection may not be apparent immediately. If the invoice hasn't been cleared on Batch, claim using "Supplied item has a manufacturing defect". If the invoice has been cleared or if a non-Batch user, contact the supplier's customer services team or follow established business processes for such issues.</p>



Scenario	Guidance
Paperwork (no invoice)	<p>For pre-pick suppliers, invoices will usually be put in the carton and/ or emailed when requested to a specific email address that the customer provides. Some booksellers rely on EDI invoices or documents made available via Batch. Supplier and bookseller capabilities as well as business processes will dictate the preferred method of receipt and steps to take if the invoice is not available.</p> <p>Occasionally, the consignment arrives before the invoice is on Batch or is received via EDI. Wait a couple of hours and check again before contacting customer services.</p>
Paperwork (no delivery note) <i>Pre-pick usually has an invoice rather than a delivery note</i>	<p>For pre-pick suppliers, use an invoice instead of a delivery note.</p> <p>For Batch users, the information should be available via Batch. Non-Batch users should contact the supplier's customer services team.</p>
ASN (should be available, but is not)	<p>There could be a possible delay due to order blocks, credit limits or title availability. Otherwise, this could simply be down to the timing of the outbound EDI message (i.e., successful sending and receiving) rather than not being sent at all. There are sometimes delays due to large volumes of internet/ ftp/ EDI traffic.</p> <p>Wait a couple of hours and check again.</p>
ASN (format or content issue)	<p>On occasion there may be an EDI format or content issue preventing the processing of the ASN.</p> <p>Contact the distributor's customer services team.</p>

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Scenario	Guidance
Order cancelled by customer, dued in error or not cancelled prior to supply	Booksellers need to remember that the attempted cancellation of an order after it has been picked, packed and/or despatched will fail.  If a supplier acknowledged an order as successfully cancelled and it subsequently arrives, contact the distributor's customer services team to arrange collection and credit.
ISBN supplied and invoiced was not ordered (or ISBN was supplied and invoiced twice)	Beware of substitutions (e.g., a different or newer edition).  If a duplicate item, decide if it would sell. If so, no action is required. If not, investigate why the book came in. Confirm that this is a distributor rather than a bookseller error. If the distributor's, contact to arrange collection and credit.
ISBN supplied was received damaged	If this is a returned return, then assume the book was originally sent back to the distributor damaged and therefore no credit will be issued.
Incorrect discount given	It may be difficult to pick up on discount errors. Query with the publisher rather than the distributor.
Incorrect price on invoice	On receipt claim on Batch 'Incorrect price on invoice'. Non-Batch users should contact the supplier's customer services team or follow established business processes for such issues.
ISBN supplied was not ordered and not invoiced, or too many copies were sent and not invoiced	If the item is not on the invoice this would be a processing error or potentially an order routing error (e.g., a 'no distribution rights' title). Communicate this back to the supplier.  This could also be a processing error or could be down to stock availability, but the invoice should show the status for the balance i.e., the recorded or not recorded quantity. If in doubt, contact the supplier's customer services team or follow established business processes for such issues.

