

**MINUTES OF THE ANNUAL MEETING
OF MEMBERS OF THE
BOOK INDUSTRY STUDY GROUP, INC.**

The annual meeting of the members of the Book Industry Study Group, Inc (“BISG”) was held at 11:00 a.m. at the offices of McGraw-Hill, 1221 Avenue of the Americas, New York, NY on the 28th day of September, 2005.

For a list of attendees, please see Appendix A.

Joseph Gonnella chaired the meeting and Sara Raffel took minutes. Mr. Gonnella welcomed those attending the Annual Meeting and opened the meeting with the recitation of the Wallace Stevens poem, “The House Was Quiet and the World Was Calm.”

Mr. Gonnella then introduced BISG Executive Director Jeff Abraham. Mr. Abraham thanked everyone for attending and showed members the number of attendees who had been at past annual meetings. In only three years, BISG went from having 17 people in attendance of the annual meeting to having over 200 people in attendance.

Mr. Abraham then asked for approval of the minutes from the 2004 Annual Meeting. Upon motion duly made and seconded, the minutes of the Annual Meeting of the Book Industry Study Group of September 23, 2004 were unanimously approved.

Mr. Abraham presented the nominations for the Board of Directors which included:

Class 1 – Initial term expires September 2005

- Craig Bauer*Houghton Mifflin*
- Robert Bolick.....*McGraw-Hill*
- Gary Brusseau.....*Quebecor World*
- Kent Freeman.....*Ingram Book Group*
- James Lichtenberg*Lightspeed*
- Michael Spinozzi*Borders Group*
- David Walker.....*American Booksellers Assoc.*
- Boris Wertz.....*Abebooks*

Class 2 – Initial term expires September 2006

- Ronald Weir.....*R.R. Donnelley*

Class 3 – Initial term expires September 2007

- none

The nominations were seconded, and the 2006 BISG Board of Directors was unanimously approved.

Mr. Abraham presented the Executive Director's Annual report to members. During his report, Mr. Abraham reflected on accomplishments over the past year. Beginning with some highlights, he pointed to the growing membership base, which now includes 170

member organizations – from small independents to Fortune 500 companies – in every segment of the publishing industry.

The Annual Report also focused on key activities and milestones of BISG—and how these initiatives fulfill BISG’s mission. The current BISG Mission is:

- Provide a forum for industry consensus, policy development and best working practices;
- Develop and maintain standards which enable effective communication along all segments of the industry supply chain; and
- Conduct research and gather data on issues affecting the book industry as a whole.

Mr. Abraham called upon BISG Committee chairs to discuss many of the committee initiatives in the past year which served the BISG Mission.

First, John Bohman (Random House), co-chair of the EAN Transition Task Force, spoke to membership about the accomplishments and difficulties the group has had in executing the transition from the UPC to the EAN in the mass merchandising sector. Mr. Bohman stated that the EAN Transition Task Force plans to continue working to improve and support the connections and communications between the publishers and wholesalers involved in the mass merchandise channel, and to investigate opportunities to bring greater efficiency to the supply chain in the future.

Then, Mr. Abraham reported on activities of the Distribution Executives Interest Group (DEIG) for Chair Joseph Franceschelli (HarperCollins) who could not attend the meeting. Mr. Abraham stated that the group had just finished a revision of the *Guidelines for Shipping Container Labeling* document. The revision, spearheaded by Chris Demyanovich (Random House), includes guidelines for returns labels and received official approval by UPS. Mr. Abraham also reported that the first-ever book-industry-specific Warehouse Benchmarking system, launched last year by DEIG, is progressing nicely. Once 30 warehouses enter their data, participants will be able to benchmark against a population of solely book industry warehouses.

Next, Robert Bolick (McGraw-Hill), Chair of the ISBN-13 Task Force, spoke to membership about the group’s efforts to educate and prepare the industry for a smooth transition to a 13-digit ISBN. Educational efforts by the ISBN-13 Task Force include:

- An ISBN-13 website (www.bisg.org/isbn-13) including both comprehensive information and specific guidelines for the transition
- *ISBN-13 For Dummies*[®], a printed brochure and online PDF document
- Hour-long ISBN-13 Webinars with approximately 100 callers attending each session
- An ISBN-13 Readiness Directory which includes readiness plans for Publishers, Retailers and POS Vendors

Joshua Wright (Random House), Chair of the Manufacturing Executives Interest Group (MEIG), then spoke to attendees about the first initiatives of the newly-formed committee. The group has formed an E-commerce/EDI sub-committee and is also discussing implementation of Collaborative Planning Forecasting and Replenishment (CPFR). Over the next year, some potential MEIG initiatives include:

- Carton labeling efficiency;
- Freight consolidation; and
- Digital work flow standards.

Finally, Mr. Abraham called Jim Lichtenberg (LightSpeed), Chair of the New Technology Interest Group (NTIG), to speak about the activities of the RFID Working Group. Mr. Lichtenberg reported on NTIG's participation in CDT and NISO RFID initiatives, and also spoke about the September 9th meeting of the RFID Working Group, which included a tour of the library in Corona, Queens where RFID technology has already been implemented.

Mr. Abraham then asked Wendell Lotz (Ingram Book Group), BISAC Committee Chair, to report on the many initiatives in the various BISAC Committees that have also worked to fulfill the BISG Mission over the last year. In his report, Mr. Lotz spoke to membership about the following key initiatives:

- Launched the Product Identification (PI) web pages, the foundation for the ISBN-13 informational website
- Released BISAC Subject Codes, version 2.9 and transitioned to a new distribution method. For the first time, the full list of codes is offered for browsing on the website at no cost. A Use License is available for organizations who want to incorporate the codes into their systems at databases
- Released BISAC Merchandising Themes, version 2.0
- Drafted and released Product Metadata Best Practices, version 1.1. This document is currently under review on the BISG Standards web page.
- Released ONIX Code List 4
- Released X.12 Version 4010 Documentation, which is also under review on the BISG Standards web page and includes capability for using the ISBN-13 in XML transmissions
- Drafted and released Roadmap of Identifiers with the help of Tom Clarkson (Barnes & Noble). The extensive document follows the life of a book or other printed material through the various industry standards

Mr. Abraham then stated that though Committee Chairs had spoken about many important initiatives, there were many others that still had not been touched on:

- Making Information Pay 2005
- BEA 2005
- Under the Radar

- TRENDS 2005
- Used Book Study
- Cooperation Agreements with BIC and ECPA
- And more...

Mr. Abraham then displayed a list of BISG's goals which had been displayed at the previous Annual Meeting in 2004:

- Continue membership growth
- Manufacturing Executives Interest Group (MEIG)
- Support ISBN-13, Sunrise 2005 and related transition
- Investigate:
 - Collaborative, Planning, Forecasting & Replenishment
 - RFID business case
- Kick-off new research initiatives

Mr. Abraham stated that, as displayed by the Committee Chair reports, BISG met and exceeded these goals over the course of Fiscal Year 2005. He then stated that BISG also met and exceeded its financial goals.

Pointing to a substantial rise in revenue from membership dues and publications and events, Mr. Abraham stated that he was happy to report a record surplus of \$179,000, an increase of 22% over last year and record assets of \$462,000, an increase of 78% over last year.

Mr. Abraham then posed a question to members: where do we go from here? He stated that attendees would have a chance later in the morning to discuss their priorities and goals for BISG when the group reviewed the results of the Membership Survey and Strategic Planning Process.

Lastly, Mr. Abraham concluded the Annual Report with a word of thanks to the Board of Directors, Committee Chairs, and Committee Members and with a word of congratulations for a record-breaking year.

There being no questions or comments for Mr. Abraham, Jan Nathan, Chair of the Finance Committee, presented the 2005 Financial Results and Balance Sheet, as well as the 2006 Budget. Ms. Nathan stated that BISG is in a strong financial position, and that the budget reflects continued increases in revenue from membership dues. Upon motion duly made and seconded the budget was unanimously approved.

John McParland, BISG Auditor, presented the audited financial statements. Mr. Abraham asked for a motion to approve the financial statements, which was seconded and unanimously approved.

To conclude the meeting, Mr. Abraham presented the results of the BISG Membership Survey conducted in September, 2005. The survey was conducted as Phase I of the

larger strategic planning process initiated by the BISG Board of Directors. It was sent to 815 member contacts of BISG, and 191 responses were collected—a 23.5 percent response rate. Questions were designed to gather feedback on (1) general member satisfaction, (2) the mission statement, (3) committee structure, and (4) future services that members would like to see provided by BISG. These issues will also be discussed by the board, and additional telephone interviews will supplement the response by membership.

Mr. Abraham presented select results of the survey, then opened up the floor for discussion. Attendees of the meeting provided feedback on the mission, committees, and types of services they would like to see in the future.

There being no further business, the meeting was adjourned.

APPENDIX A: ATTENDEES

Members and Guests Present:

Jeff Abraham.....	Book Industry Study Group
Rich Abramowski	Harcourt Education Group
Greg Aden.....	NetRead Software and Services, LLC
Gary Aiello.....	RR Bowker
Judy Appelbaum	Sensible Solutions
Jen Armstrong.....	Aspen Publishers
Anthony Astarita.....	Barnes & Noble.com
Robert Baensch	New York University
Keven Bahouth.....	Follett Educational Services
Peter Balis	John Wiley & Sons
Michael Bamberger.....	Sonnenschein Nath & Rosenthal
Beat Barblan.....	RR Bowker
Craig Bauer	Houghton Mifflin Company
Frank Bellantoni.....	McGraw-Hill
Jeff Belle	Amazon.com
Charlie Benante.....	Pearson
Gary Bennett	Penguin Group (USA)
Maile Bergen.....	Levy Home Entertainment
Dirk Biskup.....	Berryville Graphics
Livia Bitner	Baker & Taylor
John Bohman	Random House
Angela Bole	Book Industry Study Group
Robert Bolick	McGraw-Hill Education
Helen Boltson.....	Scholastic, Inc.
Ed Bourgeois.....	Time Warner Book Group
Gil Brechtel.....	IPDA
Melanie Britton	Random House
Don Burden.....	McGraw-Hill Higher Education
Michael Cader.....	Publishers Lunch
Michael Cairns	RR Bowker
Mia Camacho	Houghton Mifflin Company
Max Chafkin	The Book Standard
Lisa Charters	Random House
Doug Cheney	Barnes & Noble
Tom Clarkson.....	Barnes & Noble
Amanda Close.....	Random House
Carol Cooper.....	RR Bowker
Len Cornacchia	Taylor & Francis Group
Roy Crego	RR Bowker
Dana Crossgrove.....	Amazon.com
Gerry Cummings.....	Time Warner Book Group

Michael Curro	Barnes & Noble.com
Yvette Dano	Penguin Group (USA)
Peter Dart	Pearson Australia Group
Anne Davies.....	Simon and Schuster
Laura Dawson.....	LJNDawson.com
Sally Dedecker	Sally Dedecker Enterprises
Chris Demyanovich	Random House
Frank Desiderio.....	HarperCollins Publishers
Tim DeYoung	Dorchester Publishing
Kasey Dibble.....	Brodart Company
Rachel Dicker.....	Reed Business
Marianne Fairclough.....	Pearson Education
Edward Febinger.....	Pearson Education
Gayle Feldman	The Bookseller
Tim Foster.....	1SYNC
Joe Franceschelli.....	HarperCollins Publishers
Kent Freeman.....	Ingram Book Group
Kelly Gallagher.....	Evangelical Christian Publishers Assoc
Gus Garciaarena.....	Pearson
Al Garton	GS1 US
Janet Gervasio.....	HarperCollins Publishers
Joe Gonnella.....	Barnes & Noble
Paul Gore Time.....	Warner Book Group
Doreen Gravesande.....	RR Bowker
Steve Greechie	McGraw-Hill Companies
Stanley Greenfield	Dial-A-Book, Inc.
Carol Greenough.....	Pearson
Vicky Griffith.....	Amazon.com
Gail Gross	Royalty Review, LLC
Connie Harbison	Baker & Taylor
Mike Harrigan.....	Harcourt Trade Publishing
Jeff Hayes.....	InfoTrends/CAP Ventures
David Henson.....	Houghton Mifflin Company
Matt Herman	IPDA
Mike Hesselbach.....	Levy Home Entertainment
Ted Hill	THA Consulting
Jackie Hilles.....	VISTA International
Mark Hochman	Time Warner Book Group
Christopher Howard.....	Pearson Education
Michael Hoynes	
Michael Huling	VarsityBooks
Claire Israel.....	Simon and Schuster
Bruce Jacobsen.....	Bridgeport National Bindery
Naseem Jamali	Books & Research, Inc.
Jon Jarocha.....	Pearson
John Jenkins	CQPress

Jim King.....	Nielsen Bookscan
Jerome Kramer.....	The Book Standard
Hendrik Kraneburg	McGraw-Hill Education
Peter Krause	Muze, Inc.
Mark Kuyper.....	Evangelical Christian Publishers Assoc
Andrew Lacroix	RR Bowker
John Lancaster	F A David Company
Doug Lessing	Quality Solutions, Inc.
Jim Lichtenberg	Lightspeed, LLC
George Logan.....	Klopotek International
Wendell Lotz.....	Ingram Book Group
Greg Loxton.....	RR Bowker
Jeannie Luciano	W. W. Norton & Company
Mike Luthman.....	Thomson Learning
Jerry Lynch	Wegmans Food Markets
Philip Madans	Time Warner Book Group
Joe Mandato.....	Pearson
David Marlin.....	MetaComet Systems
Kimberly Maul.....	The Book Standard
Keith McCloskey	Anderson Merchandisers
Mark McCready	Jaakko Poyry Consulting
Deborah McKirdy	Anderson Merchandisers
Peter McMahan.....	Harlequin
John McParland	McGladrey & Pullen, LLP
David Mead.....	Banta Book Group
Jim Milliot.....	Publishers Weekly
Roger Milroad.....	John Wiley & Sons
Mark Monaghan.....	Global Exchange Services
Helen Moore	HarperCollins Publishers
David Morav	HarperCollins Publishers
Tim Muench.....	AAUP
John Mutter	Shelf Awareness
Jan Nathan.....	PMA
Gary Nunamaker.....	Berryville Graphics
Jim Nye	Ingram Book Group
Tim O'Brien	The Book Standard
Joan O'Donnell.....	Harvard University Press
Eugene Okamoto.....	Harvest Book Company, LLC
Shigeharu Ono	Kinokuniya
Paul Palumbo	RR Bowker
Jill Perlstein.....	American Booksellers Assoc
Susan Peterson	Strategic Team Partners
Meredith Phebus	Penguin Group (USA)
Michael Polizzi	Lippincott Williams & Wilkins
Dominique Raccah.....	Sourcebooks, Inc.
Sara Raffel	Book Industry Study Group

Barrie Rappaport.....	Ipsos BookTrends
Enzo Reale	Quebecor World
Tom Reed.....	RR Donnelley
Seth Reichlin.....	Pearson Higher Education
Tracy Robinson.....	Penguin Group (USA)
Shane Rosenheim.....	Map Link
Rachel Rushefsky.....	Barnes & Noble
Constance Sayre.....	Market Partners International
John Schaffer	McGraw-Hill Education
Dave Schanke.....	Banta Book Group
Joann Scherf.....	ICG/Holliston
Aaron Schlechter.....	Sourcebooks, Inc.
Gideon Schlessinger.....	General Binding Corporation
Margery Schneider.....	Lippincott Williams & Wilkins
Hanita Schneiderman	Global Exchange Services
Eugene Schwartz.....	ForeWord Magazine
John Shableski	Brodart Company
Paul Shannon	Houghton Mifflin Company
Brian Sharlach.....	McGraw-Hill Companies
Mike Shatzkin	Idea Logical Company, Inc.
Brendan Sherar.....	Biblio.com
Susan Siegel.....	Book Hunter Press
David Siegel.....	Book Hunter Press
Albert Simmonds	Simmonds Associates
Allen Singleton	Biblio.com
Dan Slater.....	VISTA International
Michael Spinozzi	Borders Group
Jean Srnecz.....	Baker & Taylor
Laurie Stark.....	Random House
Richard Stark	Barnes & Noble
Mary Beth Staron.....	VISTA International
Jonathan Stolper.....	Time Warner Book Group
Mike Strauch.....	Amazon.com
Michael Tamblyn	BookNet Canada
Don Taylor	Anderson Merchandisers
Kate Tentler	Simon and Schuster
Eric Thronson.....	Baker & Taylor
Carol Tobin	John Wiley & Sons
Fran Toolan.....	Quality Solutions, Inc.
Angela Trilli.....	VISTA International
Jeffrey Turner.....	U.S. Gov't Printing Office
Andrew Van der Laan.....	Random House
Andrew Weber	Random House
Jonathan Weiss.....	Oxford University Press
Boris Wertz	Abebooks
Maureen Whelan.....	U.S. Gov't Printing Office

John Wicker JEEAL
Deborah Wiley John Wiley & Sons
Josh Wright Random House
Ed Wyatt New York Times
Tom Zoda..... RR Bowker