



## **BISG Task Force Conclusions and Recommendations September 8, 2004**

### **Mission**

Explore and facilitate the transition of bar codes from UPC to EAN on all books while minimizing any negative impact on publisher, wholesaler and retailer sales.

### **Investigation of Retailer Preparedness**

- In order to ensure clarity of responses and to facilitate quick response, it was agreed that wholesalers would survey their retail customers to ascertain status of compliance with 2005 Sunrise.
- Majority of retailers responded that they anticipate being in compliance in the first half of 2005.
- Retailers who stated to their wholesale suppliers that they will be able to store, scan and process EAN bar codes on books by July 1, 2005 account for more than 85% of the wholesalers' volume, with the most of the balance of retailers complying by the end of 2005.
  - Mass Merchants such as Wal-Mart and Target are capable of scanning EAN today and manage their book inventory at an item level.
  - Grocery and Drug retailers may be challenged with sku maintenance on mass market books.
- All participating wholesalers have plans to sticker UPC over EAN for retailers still not capable of processing an EAN or the related sku maintenance, to prevent any loss of sales.
- Several wholesalers plan to test actual retailer capability as early as Fall 2004 by providing books with EANs.

## **Proposed Timelines for Transition**

The following timelines are proposed by the BISG Task Force in the interest of coordinating the transition to practices enabled by the 2005 Sunrise initiative of the Uniform Code Council.

### **New Publications**

**Adult Titles** (mass market and other formats): Only a single Bookland EAN bar code on Cover 4 (back cover). Books which may be stripped for return should continue to have the Bookland EAN printed on Cover 2 (inside front cover).

<b>Target Date for Implementation</b>	<b>Third Quarter 2005</b>
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**Children's Titles** (all formats): Only a single Bookland EAN bar code on Cover 4 (back cover). Books which may be stripped for return should continue to have the Bookland EAN printed on Cover 2 (inside front cover).

<b>Target Date for Implementation</b>	<b>Third Quarter 2005</b>
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### **Existing Publications**

**All Titles** (adult and children's titles, all formats): Only a single Bookland EAN bar code on Cover 4 (back cover) of all books which previously carried a UPC bar code. Books which may be stripped for return should continue to have the Bookland EAN printed on Cover 2 (inside front cover).

<b>May start by:</b>	<b>Third Quarter 2005</b>
<b>All publications should comply by:</b>	<b>Third Quarter 2007</b>

## **Process Opportunities**

The following were identified as opportunities to facilitate the transition:

### **Advance Communication of Backlist Titles Switching from UPC to EAN –**

Wholesalers stated that receiving advance notice (up to 60 days) would allow them to manage inventory in their facilities and at retail so as to minimize return of UPC stock. Publishers' processes do not readily accommodate providing a specific future date on which a reprint will begin to ship. It was suggested that each publisher consider transitioning its top 50 mass market backlist titles at one time in order to minimize transition challenges at wholesale and retail.

**Bar Code Type on Single-Title Cartons –** Wholesalers and Publishers agreed that including the type of bar code printed on a title (i.e., EAN, UPC, Dual) in the information stenciled or labeled on single-title cartons would help to ensure that stocks do not get mixed. It will also alert receiving staff throughout the supply chain to the arrival of product that may carry a different bar code than their current inventory, in the event that advance notification cannot be facilitated. It is recommended that publishers begin including this information as soon as possible.

**Advance Communication of Price Changes –** The majority of mass merchandise retailers will not be able to process the price extension of the EAN and can only store one price per sku in their databases. Wholesalers stated that receiving advance notice (up to 60 days) of price changes would allow them to manage inventory in their facilities and at retail so as to minimize return of stock carrying previous price. Publishers' processes do not readily accommodate providing a specific future date on which a reprint will begin to ship.

### **Data Synchronization**

Publishers and wholesalers identified the need to find ways to communicate title information throughout the supply chain in a standard, efficient manner. Most wholesalers are not currently capable of processing book industry standard electronic data files nor do they provide such data electronically to their retail customers. Most retailers set up titles and assign SKUs manually.

## **Next Steps**

The BISG Task Force proposes that it extends its mission and life to address the opportunities above, allowing for a smoother transition to EAN and reaping the benefits afforded to all through improved business practices resulting from this transition.