

PBAA

Suggested Best Practices for Newsstand Publishers in Uncertain Times

In these uncertain times for the single copy supply chain, PBAA offers some best practice suggestions to publishers. These best practices may be followed whenever there are unexpected developments in the supply chain.

Of course, each business needs to evaluate its own situation and options, and arrive at its own decisions.

RESIST SCUTTLEBUTT ...

CONFINE YOUR ACTIONS TO RESPONSES TO ACTUAL METRICS

Distribution Activity

- Talk with your National Distributor Account Executive daily
 - AE should provide updates on “tie-line” status at all wholesalers for your title(s)
 - AE should provide updated information on any new delivery points, and how these new hubs can execute magazine delivery for your product
 - AE should provide a regular, frequent update on your retailer base where transitions may occur—have the retailers acknowledged any change in supplier?
 - AE should clearly advise all wholesalers and distributors of any special handling needs for your title(s) which might involve multiple packaging types, cover wraps, special editions, etc. If the incorrect version of your product is delivered to a retailer, you may have 100% prematuring and thus zero sales
 - AE needs to be aware of any promotions you may have booked during any transitional period, and should advise you of steps the National Distributor has taken to ensure compliance (from delivery of the product to the retailer, to the promotional display location with any integrated signage or special racking)
 - AE should advise what compensation you will receive if a promotion is cancelled or diminished, or if the full delivery is not made on a timely basis, or not placed in all agreed upon locations and stores
 - AE should be authorized to provide your title(s)’s historical sales data and current draws to any wholesaler or local distributor who may be commencing distribution to stores previously not serviced by that wholesaler or local distributor
 - AE should know where your product is, whether can be held or diverted, and how much notice your printer or shipper needs for diversion
 - AE should determine and notify you whether your copies will be invoiced and delivered if retail accounts are in transition
 - Work with your AE to consider allotment adjustments where appropriate for any transitional accounts

- Publisher strategic considerations re: distribution options
 - Consider pushing back your on-sale date if you are uncertain of deliver dates to retailers
 - Consider alternative shipping pools
 - Consider adjusting draw to “high risk” locations (ask your National Distributor for help in identifying these locations)
 - Look at other single copy sales options (e.g. direct or non-traditional sales) to see whether there is upside potential with draw adjustments to balance some of the risks
- Within your own Publishing Company
 - Advise all internal departments including editorial, production, creative, traffic, and finance of the changing distribution situations
 - Particularly keep upper management apprised of the single copy uncertainties
 - Keep the company advised of revised expectations of estimated sales outcomes during uncertain distribution periods (provide both the worst-case scenario as well as the expected scenario)
 - Particularly work carefully with in-house traffic and production groups to ensure daily two-way information flow between them, the printer, and logistics groups
 - All parties need to be apprised of any shifting on-sales dates

Financial and Forecasting Activity

- Factor in risks on sales due to copies being
 - Late on sale
 - Not placed on sale
 - Any new delivery agents unable to access some stores
- Factor in together with your National Distributor risks remaining despite completing distribution best practices above
 - Risk may involve revenue declines
 - Risk may involve rate base challenges
 - Risk is likely to diminish over time after the immediate situation
- Work with your consumer marketing/subscriptions department
 - Consider replacing any copies withheld from newsstand distribution with additional subscriptions
- **FACTOR RISKS AND ASSOCIATED COSTS INTO YOUR FORECASTS**