

Business Procedures

For Supplying Books
To Barnes & Noble

March 2, 2009

BARNES & NOBLE
BOOKSELLERS

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Introduction

This document contains guidelines for establishing and maintaining an effective and efficient business relationship with Barnes & Noble.

The information and procedures described apply to vendors supplying books to:

- Barnes & Noble stores
- Barnes&Noble.com
- Barnes & Noble distribution centers

The supplying of books to Barnes & Noble College Stores is not covered by these procedures.

Related Guidelines

This document addresses overall business procedures, and it highlights critical aspects of merchandising and distribution considerations related to supplying books to Barnes & Noble. It provides a framework for the operational interaction of our companies.

Other Barnes & Noble guidelines address the specific aspects of the interaction between vendors and Barnes & Noble. The practices and procedures in these guidelines are crucial to the successful purchase and resale of your books and other products.

The present document is intended to be an introduction to the related guidelines and to address topics not covered elsewhere; it is not intended to supersede any provision of the related guidelines. Please discuss any apparent contradiction with your DC Vendor Contact.

The related guidelines can be accessed on the Barnes & Noble, Inc. website at:

<http://www.barnesandnobleinc.com/vendorguidelines>

They consist of:

- Business procedures for supporting the Barnes & Noble specialty departments
- Business procedures for supplying bargain books and products to Barnes & Noble
- How to mark your products (*Policy on Product Identification and Bar Coding*)
- How to prepare your product data (*Product Data Preparation Guidelines*)
- How to mark your cartons (*Carton Specifications and Labeling Guidelines*)
- How to mark your pallets (*Pallet Specifications and Labeling Guidelines*)
- Domestic freight routing guidelines
- Import shipping and routing guide
- Efficient Receipts Program

Questions?

Your Barnes & Noble DC Vendor Contact can provide answers for questions regarding the procedures and related operational practices described in all Barnes & Noble guidelines.

In addition, Page 10 lists contacts in specific areas who can provide information related to those areas.

Compliance

Compliance with the instructions in this document is essential to enable Barnes & Noble to offer the books and other products of our vendors to our customers in an efficient and timely manner. It is also a significant factor in our being able to reorder promptly to replace sales.

Action that may be taken by Barnes & Noble in the event of non-compliance with these procedures is described in the Efficient Receipts Program (also posted on our website).

Vendors Active Before January 1, 2009

Vendors active with Barnes & Noble before January 1, 2009, are expected to be in full compliance, or actively working toward compliance, with all provisions of the Barnes & Noble Business Procedures and Vendor Guidelines.

Vendors New After January 1, 2009

Vendors new to Barnes & Noble after January 1, 2009, are expected to be in full compliance, or actively working toward compliance, within 60 days of selection as a vendor.

Electronic Trading Partnerships

It is the experience of Barnes & Noble and the book industry that electronic trading partner relationships result in fewer errors in placing and fulfilling orders, faster reordering to replenish sales, and lower costs for all trading partners. Please inform your Barnes & Noble DC Vendor Contact of any capabilities that you have for conducting business electronically, especially conventional Electronic Data Interchange (EDI).

Barnes & Noble has developed, and is continuing to enhance, applications to assist trading partners who do not now have facilities for conventional EDI interaction. It is our goal to achieve 100% electronic interaction with our vendors.

One of these applications is the Barnes & Noble Vendor Portal, a web-based electronic communication of purchase orders and invoices. Your DC Vendor Contact will provide information on participation in this program.

Most of the procedures described in this document apply to all vendors supplying books to Barnes & Noble. The procedures for purchase order receipt and invoice submission as described are primarily manual to assist vendors not yet capable of an electronic trading partnership.

Placing Books at Barnes & Noble

All solicitations for new books offered to Barnes & Noble, Inc., are to be made directly to the New York buying office in all cases. Direct solicitation to any retail store by any vendor is not permitted.

To be considered for store placement, please submit a finished copy of the book (no manuscripts please) to the Small Press Department in New York, at the address on Page 10. Marketing and promotion plans, trade reviews, and a note describing how the book meets the competition (what makes it unique) are important in support of submissions:

Barnes & Noble has established an e-mail box specifically for communications regarding new book solicitation, publisherauthorinquiry@bn.com.

This e-mail box is reviewed every day, several times a day; and responses are sent promptly. Once a book has been selected for placement, vendors may continue to use this e-mail box for ongoing communication. E-mails will be forwarded to the appropriate New York Buyer or DC Vendor Contact.

Content Submission and Publication Presentation

Product Identification

Proper product identification is critical for successful promotion and sales in today's retail environment. Barnes & Noble's *Policy on Product Identification and Bar Coding* (see Page 1) provides guidance for our policy on the identification of books and other products.

The Barnes & Noble policy is compliant with the international policies of GS1 and the International ISBN Agency, and it is also compliant with national product identification policies of GS1 US, the US ISBN Agency, and the Book Industry Study Group (BISG). Contact information for the US organizations is shown on Page 10.

The International Standard Book Number (ISBN), in the recently adopted 13-digit format, is the only acceptable product identifier for books. In addition, the ISBN and the suggested retail price are to be encoded in the Bookland EAN bar code and displayed on Cover 4 (back cover) of the book.

Our *Policy on Product Identification and Bar Coding* (see Page 1) provides detailed product identification guidance. The following identification and bar coding occurrences are especially important instances of non-compliance with this policy:

- A U.P.C. in addition to the ISBN (two bar codes are non-compliant)
- A U.P.C. instead of an ISBN
- An EAN that is not the Bookland EAN

Bibliographic Data

Complete and accurate product description data is essential to successfully promote and sell your publication. Guidance covering the data elements required and methods of transmitting data to Barnes & Noble are described in *Product Data Preparation Guidelines* (see Page 1).

The purpose of these guidelines is to assist vendors in the preparation of bibliographic data for submission to Barnes & Noble. Contacts are identified in that document to coordinate the actual data submission process.

It is especially important that Barnes & Noble receive data on new titles 180 days prior to publication.

The receipt of any data changes on a timely basis is also critical, to ensure the most accurate information is available to our customers. Monthly updates (price, discount, status, carton quantity, etc.) as well as a full title review twice a year are requested.

See Inside the Book

See Inside is Barnes & Noble.com's online book browse tool. It allows customers to browse the contents of books – just as they would in a bookstore – in order to help them make the best possible purchasing decision. The *See Inside* program provides customers an excellent preview of the book and what they can expect if they buy it.

A publisher or author wishing to participate in *See Inside* must have a Barnes&Noble.com account (the same account used to shop at Barnes&Noble.com). Steps to participate are then:

- Access the *See Inside* website at seeinside.com
- Sign in with your Barnes&Noble.com account
- Fill out and submit the *See Inside* application
- Receive an e-mail confirming your participation

Once you are an active *See Inside* participant, you can:

- Access instructions on how to upload documents,
- Check on the status of recently submitted books,
- View reports on *See Inside* activity, and
- Perform other tasks related to the program.

Book Cover Images

Vendors are encouraged to submit quality images that display books in their best light. The images are used to sell your book on Barnes & Noble.com and are made available to Barnes & Noble retail booksellers.

Successful processing requires that all images be composed, formatted, and submitted in accordance with the specifications developed for this purpose by Barnes & Noble.

It is especially critical that book cover images are correctly named in accordance with the Barnes & Noble convention. Incorrectly named images cannot be used, and presenting your book to our customers will be delayed until a correctly named image is received and can be processed.

Detailed specifications for book cover images are included in the guidelines for content submissions at:

<http://www.barnesandnoble.com/help/cds2.asp?PID=8150>

The contact for book image questions or additional information is shown on Page 10.

Publisher Identification in Books

In order to meet Weights and Measures guidelines, all books shipped to Barnes & Noble must include the following information, generally printed on the copyright page (back of the title page):

- Name and principle place of business of publisher
- Publishers not listed in the current public phone directory must clearly print street address, city, state and zip code (listing a web address only is not acceptable).

Business Procedures

Confidentiality

All contractual relationships and transactions between Barnes & Noble, Inc. and our suppliers are to remain in strict confidence and are not to be shared within the market, with the press, or with competition.

Ordering Quantities

Casepack Order Quantities

Barnes & Noble strongly prefers ordering in casepack quantities for efficient handling. Please submit casepack quantity as a part of initial product data. Changes in casepack quantity must be provided prior to shipping. Carton weight must not exceed 45 pounds.

Purchase Orders

Purchase Order Delivery

Electronic delivery of purchase orders to vendors via conventional EDI or via the Barnes & Noble Vendor Portal is preferred. Barnes & Noble is continuing the development of electronic means of purchase order delivery, with the goal of achieving 100% participation in these methods by vendors.

Vendors who are not yet capable of either method above may receive purchase orders as e-mail attachments (.tif file format). If you do not currently have a suitable e-mail address, you must obtain one in order to receive purchase orders.

Vendors receiving purchase orders in this manner must acknowledge receipt following the confirmation instructions on the purchase order cover sheet.

Modifications

Requests for modifications to payment, purchasing or freight terms must be submitted in written form to the New York Buyer at least 60 DAYS IN ADVANCE OF THE PROPOSED CHANGE. All requests are subject to Buyer approval. Any open purchase orders must be honored at the previously established price or terms.

Unauthorized changes or substitutions are not permitted. Information on new editions, revised formats, and price or other status changes (including ISBN changes), must be delivered to mtdsrl@bn.com 180 days before new editions are published, and 60 days before price changes take effect.

Expected DC Arrival Date

The Expected Arrival date is clearly noted on every purchase order and must be strictly adhered to. This is the date by which the books must be received at our distribution center. It is the vendor's responsibility to take into account and calculate any additional shipping time necessary to ensure the book arrives at our distribution center on the Expected Arrival date.

For import shipments, this date is not to be confused with a handover date to the freight forwarder.

Failure to comply with the stated Expected Arrival date may result in refusal of the book and recovery of the cost of additional handling as described in our *Efficient Receipts Program* (see Page 1).

Buyers reserve the right to cancel, reduce, or refuse late purchase orders and return significant overages (overages of 10% or greater are considered significant).

Purchase Order Status Requests

Vendors will receive a report twice a month listing all open purchase orders. Please respond promptly giving status of each purchase order.

Shipping

The Barnes & Noble Shipping and Routing Guidelines (see Page 1) describe the directions and procedures for making shipments. Guidance is provided for domestic vendors and for import vendors.

Shippers must comply with the provisions of these guidelines. Especially critical elements include:

- Shipments are to be sent to the ship-to address printed on the purchase order.
- Barnes & Noble will advise which of the authorized carriers is to be used if Barnes & Noble pays freight charges.
- Vendors paying the freight may use the carrier of their choice.
- Both the *Domestic Freight Routing Guide* and the *Routing Guide for Import Shipments* are available on the Barnes & Noble website (see Page 1).
- For all common carrier shipments, the Barnes & Noble Traffic Department must be contacted to schedule a delivery appointment.
- Shipments arriving at the Distribution Center without an appointment are subject to refusal and a handling charge to the vendor as described in the *Efficient Receipts Program* (see Page 1).

Invoicing

Electronic Invoicing

Barnes & Noble prefers electronic submission of invoices rather than the sending of paper invoices. We have implemented programs to assist vendors in this more efficient means of invoicing.

Barnes & Noble has a very active program of conventional Electronic Data Interchange (EDI). Invoices sent via EDI are to follow formats, content specifications, and procedures established for these documents. Your DC Vendor Contact can assist you in obtaining the information necessary to implement EDI.

Electronic invoices are an integral part of the Barnes & Noble Vendor Portal and do not require additional action outside participation in that program.

Hard Copy Invoicing

Barnes & Noble strongly encourages vendor participation in true electronic invoicing, since these methods are less expensive for both parties and less error prone than hard copy invoicing. Barnes & Noble does provide two mechanisms to receive hard copy invoices from vendors not yet equipped to send invoices electronically.

Invoices may be sent as PDF e-mail attachments or as paper documents to Barnes & Noble Accounts Payable. E-Mail attachments are preferred; however, a vendor must use only one method for any given invoice.

There are different content requirements for invoicing shipments to stores and for invoicing shipments to distribution centers. These requirements are shown in the tables on the two following pages.

All hard copy invoices

- Invoices must reflect only merchandise actually shipped and may not be sent prior to shipment.
- Invoices for partial shipments must indicate if an item is back ordered or if the balance of the order is canceled.
- All invoices are paid in accordance with the vendor's predetermined payment terms. The payment term for store invoices begin upon receipt of the invoice by Barnes & Noble.

E-Mail Attachments

- Invoices are to be sent as PDF file e-mail attachments to MerchInvoices@BN.com.

Paper Invoices

- Paper invoices are to be sent to the bill-to address printed on the purchase order.
- Paper invoices sent with shipments will NOT be processed.

Paper Invoices – Orders Shipped to Stores

Following are the requirements for invoices submitted on paper or as PDF attachments for shipments to Barnes & Noble stores.

In all cases, each store must be invoiced separately.

Line items from multiple purchase orders combined in a shipment to a store may be included on a single invoice for that shipment. If multiple purchase orders are included, the purchase order must be shown with each line item and there must be a subtotal for each purchase order.

There are different requirements for shipments to a Barnes & Noble distribution center; please see the table on the following page for these requirements.

Header information:

- Vendor Name and Address
- Vendor Contact Person and Phone (with extension)
- Tax Exempt ID Number (when applicable)
- Fax Number
- E-Mail Address
- Website Address
- Invoice Number
- Invoice Date
- Purchase Order Number (when a single purchase order is invoiced)
Note: Store Purchase Order Numbers are thirteen digits)
- Ship-to Store Number (four digits) and Address (each store invoiced separately)

Each line item:

- ISBN (13-digit format)
- Title
- Purchase Order Number (when multiple purchase orders are included on the invoice)
Note: Store Purchase Order Numbers are thirteen digits)
- Quantity Shipped
- Suggested Retail List Price
- Purchase Discount Applied
- Extended Cost (Dollar Amount)

Summary totals:

- Subtotals for Each Purchase Order (when multiple purchase orders are included)
- Total Shipment Quantity
- Total Titles on Shipment
- Total Shipment Weight
- Shipping, if any
- Invoice Dollar Total (sum of Extended Costs)

Paper Invoices – Orders Shipped to Distribution Centers

Following are the requirements for invoices submitted on paper or as PDF attachments for shipments to Barnes & Noble distribution centers.

Purchase orders may not be combined in a shipment to a distribution center unless specifically authorized by the purchase order. All purchase orders shipped to a distribution center must be invoiced separately, even if the books are combined for shipment.

There are different requirements for shipments to a Barnes & Noble store; please see the table on the preceding page for these requirements.

Header information:

- Vendor Name and Address
- Vendor Contact Person and Phone (with extension)
- Tax Exempt ID Number (when applicable)
- Fax Number
- E-Mail Address
- Website Address
- Invoice Number
- Invoice Date
- Purchase Order Number (each purchase order invoiced separately)
Note: Distribution Center Purchase Order Numbers are eight digits)
- Ship-to Standard Address Number (SAN) for the DC (from purchase order)

Each line item:

- ISBN (13-digit format)
- Title
- Quantity Shipped
- Suggested Retail List Price
- Purchase Discount Applied
- Extended Cost (Dollar Amount)

Summary totals:

- Total Shipment Quantity
- Total Titles on Shipment
- Total Shipment Weight
- Shipping Fee, if any
- Invoice Dollar Total (sum of Extended Costs)

Packaging Guidelines

Protective Packaging/Breakage/Defects

Packaging Responsibility

It is the vendor's responsibility to properly package books to prevent damage during shipment to our distribution center and subsequent re-shipment to our stores.

Defective Books

All manufacturing defects are the responsibility of the vendor, and the vendor will bear all costs associated with the return or destruction of defective books at the Barnes & Noble distribution center.

Carton and Pallet Specifications

Carton test strength and physical dimension specifications are described in detail in *Carton Specifications and Labeling Guidelines* (see Page 1). Instructions for proper generation of carton labels are also described. Compliance with this guidance is necessary to protect books and present them to our customers promptly. Weak or mislabeled cartons can result in damages to their contents or delays in shipment to stores.

Barnes & Noble utilizes sophisticated conveyor systems at our distribution centers to move our vendors' products to our stores initially and to replace sales promptly. It is critical that oversize packaging (as described in the guidelines) be avoided whenever possible to reduce potential product damage and delay. There are limits to the sizes of cartons that will navigate these conveyor systems.

When the book itself is oversized, it must be packaged singly in a re-shippable carton because oversized items must be handled individually and cannot be sent through our packing systems.

Specifications for pallets and instructions for building carton stacks on pallets are included in *Pallet Specifications and Labeling Guidelines* (see Page 1).

Multi-Volume Sets

Multi-volume sets include reference volumes, book and CD combinations, and other such groupings. Sets may be single or mixed media; the characterization of a set is that it is to be sold as a unit and broken only by the ultimate customer upon purchase.

Large Multi-Volume Sets

Large multi-volume sets are those filling an entire carton or requiring two or more cartons. No special packaging is required inside the carton for large multi-volume sets.

However, it is critical that the labeling of the outside of the cartons be in compliance with Barnes & Noble requirements regarding large multi-volume sets. These special labeling requirements are covered in *Carton Specifications and Labeling Guidelines* (see Page 1).

Small Multi-Volume Sets

This section describes packaging for small sets that may be packed several in a single shipping carton. Grouping or packaging must be such that it inhibits separation of the individual volumes but does not damage the books. Acceptable grouping or packaging methods include, but are not limited to, the following:

- Boxed
- In a slip case, boxed or shrink wrapped
- Shrink wrapped, with human-readable identification of the set on the wrapping or visible on a slip-sheet through the wrapping

Rubber bands or other elastic bindings are not acceptable.

Product information must be printed on the outside of the package or visible through transparent packaging; the information must not be obscured by opaque wrapping. Product information must be in compliance with the specifications described in Barnes & Noble's *Policy on Product Identification and Bar Coding*, available on the Barnes & Noble website.

The ISBN and Bookland EAN bar code must be the ISBN for the set, NOT the ISBN for individual volumes. Any ISBNs for individual volumes must be obscured and not be visible.

Contact Information

The contacts listed on this page are provided as sources of additional information for vendors and potential vendors to Barnes & Noble. They are to be used for assistance or clarification only. Please do not send manuscripts, bibliographic data, or images to these addresses unless specifically requested to do so. Representatives at these addresses can provide direction for submissions.

Placement of Publications at Barnes & Noble

Questions regarding store placement:

Phone: 212-633-3377
Fax: 212-463-5677
E-Mail: storeplacement@bn.com

Questions regarding Barnes & Noble.com and Distribution Center placement:

Phone: 212-633-3377
Fax: 212-463-5677
E-Mail: publisherauthorinquiry@bn.com

Follow-up communications regarding books accepted for placement

E-Mail: publisherauthorinquiry@bn.com

Questions regarding submission of bibliographic information

E-Mail: titles@bn.com

Questions regarding submitting book images

Phone 212-414-6399
E-Mail: imagesInquiry@book.com

Questions regarding *See Inside*

<http://www.seeinside.com/>

Distribution, Replenishment and Financial

All questions regarding distribution and replenishment:

Your assigned DC Vendor Contact

Accounts Payable

Barnes & Noble, Inc.
Attn: Accounts Payable
1400 Old Country Road
Westbury, NY 11590

E-Mail: vendorrelation@bn.com

Monroe Distribution Center

Barnes & Noble Distribution
One Barnes & Noble Way
Monroe Township, NJ 08831

Main Number: 732-656-7200

Reno Distribution Center

Barnes & Noble Distribution
12660 Old Virginia Road
Reno, NV 89521

Main Number: 775-327-6500

Other Sources of Information

Book Industry Study Group

370 Lexington Avenue, Suite 900
New York, NY 10017

Phone: 646-336-7141
E-Mail: Info@bisg.org

<http://www.bisg.org/>

GS1 US

7887 Washington Village Drive, Suite 300
Dayton, OH 45459

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