



NFRN

Federation of Independent Retailers

NFRN News Charter (Version 2) Issued Autumn - 2017

Introduction

Fixed sources of supply and fixed prices on newspapers and magazines, coupled with diminishing retail margins and escalating carriage charges, have, sadly, put local independent newsagents and the specialist home news delivery service that they offer at risk.

For too long, news retailers have also had to contend with sub standard service levels – late deliveries, missing credits, non existence reruns and poor or no communication - resulting from the lack of competition at wholesale level, the failure of self regulation and the lack of legally enforced service standards.

But the British public want a freely available and diverse press and to guarantee this local independent news retailers need protecting. As the voice of independent retailers the NFRN works hard to achieve this by seeking improvements within the supply chain and identifying areas where change is necessary, to ensure that newspapers and magazines remain widely available across the British Isles and Ireland and that our 15,000 members get the most from this still highly profitable category.

Over the following pages we have fully documented what news retailers want, how they expect to be treated as valued partners in the industry and how they expect the industry to supply them. You will find the principal supply chain provisions and standards of service expected regarding delivery timeliness and quality, order and supply management, handling returns and vouchers, invoicing ending with our position should the service expected fall short

But this News Distribution Charter is not a document to be flicked through before being put to one side. We are calling on publishers and wholesalers to commit to these standards and, more importantly, to adhere to them on a daily basis. By doing so, news retailers can continue to provide a professional and quality service to their customers, thus guaranteeing the long term survival of their businesses and that of the written word.

National President

1. Terms and Conditions of Business

Wholesalers/Direct Supply Publishers

- 1.1 The standards of service detailed in this Charter will be incorporated by each wholesaler/publisher into its terms and conditions of business.
- 1.2 Changes to the current wholesaler's/publisher's terms and conditions of business will be communicated to retailers in writing, giving not less than 12 weeks notice
- 1.3 Subject to any future legislative decision impacting on the continuance of printed cover prices on newspapers and magazines, the terms for all newspapers and magazines and ancillary products supplied to retailers will be inclusive of any carriage or service charge.
- 1.4 All information and data belonging to the retailer will be handled in accordance with the Data Protection Act.
- 1.5 The wholesaler / publisher will return any bond / deposit held in full, with normal bank interest rates paid, within a maximum 3 months. No bond / deposit will be required for additional stores. Any bond / deposit held will never exceed 3 weeks average supply value and will not incur any administrative charges
- 1.6 Pro-rata % terms will be maintained when cover prices increase and the pence per copy will be maintained when cover prices reduce permanently or during any promotional periods.
- 1.7 Terms parity will exist across the supply chain on all products to all retailers and will be expressed in both % and Pence per Copy (PPC) on all invoices
- 1.8 The wholesaler will never distribute items of zero value.
- 1.9 Wholesalers' systems will fully offer the same trading terms to retailers partaking in NFRN Newspro
- 1.10 All retailers will be given an equal opportunity to take part in consumer promotions.
- 1.11 Publishers will provide retailers with the same advertising space for both subscription offers and retailer's shop save or HND service.
- 1.12 Partwork publishers / distributors will provide retailers with the same free gifts for customers as are offered as incentives to take out a subscription.
- 1.13 Retailers will be given a minimum 48 hours notice of price changes. All newspaper changes will also be notified by the publisher using a standard template that shows both price and profit margin before and after the price change occurred.
- 1.14 The wholesaler will provide the retailer with notification of any rejected credits within 24hrs of rejection. This notification will also provide details of the reason/s for rejection.
- 1.15 The re-debiting of any claims made will not take place unless the retailer has been advised. This will ensure the correct use of the pre-agreed & readily available security process and will always include an opportunity for the retailer to attend a non committal investigative meeting with wholesale management.
- 1.16 Wholesalers and publishers will take immediate and corrective action against all instances of illicit selling reported.
- 1.17 Wholesalers will significantly reduce the carriage charge applied for any retailer that visits wholesale and picks up their supplies.
- 1.18 Wholesalers will fully support and not discriminate against customers servicing Sub Retail operations

1.19 All insertion and 3rd party insertion payments will be paid on goods supplied only.

Retailers

Retailers will exercise best endeavours to comply with the wholesaler's/ publisher's terms and conditions of business.

Retailers will notify the wholesaler/publisher of any material change affecting the trading status of his/her business, giving as much notice as is practically possible.

Retailers will handle consumer information held by them in accordance with the Data Protection Act.

2. Delivery Timeliness

Wholesalers/Direct Supply Publishers

- 2.1 The wholesaler/direct supplying publisher will deliver all titles and their appropriate sections and supplements, no later than the Retailer Delivery Time (RDT), or Scheduled Delivery Time (SDT), for the day of sale.
- 2.2 Wholesalers/publishers will regularly review their delivery processes and performance to ensure optimum efficiency. This will include publisher arrival times to wholesalers and will ensure retailer RDTs/SDTs are not lessened. In all eventualities publishers will ensure that wholesalers provide suitable facilities and resources to fulfil both its contracted obligations and the service standard and timeliness expected by retail.
- 2.3 Statistics in the National Distribution Monitor will include the first and the full and final delivery time to retailers on a daily basis for all products.
- 2.4 RDTs will only be amended with the prior written agreement of the retailer. SDTs will not be amended to a later time than that currently in place. The retailer will be given a minimum 21 days notice prior to changing an SDT to an earlier time.
- 2.5 Records of any changes made to retailers RDTs are to be kept by wholesale at all times. This information is to be readily available.
- 2.6 Wholesalers will deliver to roundsmen and retail outlets that provide a HND service on a rerun ahead of non HND retailers
- 2.7 Wholesaler/publisher IT systems will identify roundsmen and retail outlets that provide a Home News Delivery Service and will refresh this data at least annually.
- 2.8 Retailers will be given free access to reports detailing their own information regarding their delivery times held.
- 2.9 The Retailer Delivery Time (RDT) will be shown on each day's delivery advices.
- 2.10 In the event of RDT/SDT dispute, the actual arrival times history to be freely available.
- 2.11 In the event of late running, wholesalers/publishers will have transparent contingency plans for minimising any sales losses. A review of each contingency will be made if used and record kept
- 2.12 In the event of late running wholesalers/publishers will issue communications alert to their retail customers, prior to the RDT/SDT, advising of the product affected and an estimated time of their individual delivery.
- 2.13 Supplementary communication alerts will be sent if the first ETA alert changes by more than 15 minutes.

- 2.14 Where network rationalisation occurs the RDTs of the affected retailers are to remain unchanged.
- 2.15 Where necessary the wholesaler is required to secure binding earlier publisher arrival times to achieve this.
- 2.16 Store2Door registered operations will be given a priority distribution.
- 2.17 Retailers will be recompensed automatically for all registered HND copy deemed to be seriously late or which fall within PDC criteria of persistent lateness
- 2.18 Wholesalers to record actual RDT achievement daily and not use any weighted achievement which is based against publishers SAT.

Retailers

Retailers will notify the wholesaler/publisher of any change to their trading status that may have an effect on their delivery time required, giving as much notice as is practically possible.

3. Delivery Quality

Wholesalers/Direct Supply Publishers

- 3.1 On each day titles are published the wholesaler/publisher will supply newspapers and/or magazines to the retailer's invoice address, or other mutually agreed address.
- 3.2 Wholesalers/publishers will record the number of all parcels delivered by electronic means and time of delivery in order to produce traceable delivery information in the event of a delivery dispute.
- 3.3 For claims and re-runs wholesalers/publishers will record the number of all parcels delivered by electronic means and time of delivery in order to produce traceable delivery information in the event of a delivery dispute.
- 3.4 Supplies will be delivered in a saleable condition, with each parcel/tote identified by quantity and title on the delivery note. Where tote boxes are in operation, the publisher/wholesaler will ensure these are kept in dry conditions so as not to compromise the condition of the content.
- 3.5 Retail advised shortages or unsaleable supplies of newspapers required for sale should be reported to the wholesaler/ publisher within 2 hours of delivery or the shop opening.
- 3.6 Retail advised shortages or unsaleable supplies of newspaper copies not required for sale should be claimed on the same day for credit.
- 3.7 Wholesalers/publishers will communicate with retailers on the outcome of a missing parcel complaint within 30 minutes of the original call.
- 3.8 Retail advised shortages or unsaleable supplies of magazines should be claimed by 3 pm on the day of delivery for magazines. Wholesaler will deliver these next day unless unavailable and irrespective of packing location.
- 3.9 In the event of short/unsalable supplies, any necessary reduction in a retailer's supplied figure will be made to protect the retailer's net sale base.
- 3.10 Publishers will audit the wholesaler orders due book process daily, ensuring any short deliveries are fulfilled from the SBR pool immediately or reordered directly with the publisher on the same day that the shortage occurs.
- 3.11 Details of expected delivery date for all due book products, including partworks, will be provided on a weekly basis.

- 3.12 The wholesaler/publisher will clearly identify on its documentation all supplements and inserts, together with handling allowances where appropriate.
- 3.13 When any newspaper or magazine title has not been published, this information will be communicated to each retailer in a concise manner no later than 24 hours earlier.
- 3.14 Delivery parcels will be securely bound and not exceed 18kg in weight or the regulatory limits set by the Health and Safety Executive.
- 3.15 Supplies will be placed in a security box or secure area where made available by the retailer and the box or area re-secured after delivery.
- 3.16 Wholesalers/publishers will be responsible for the cost of replacement keys for security boxes or secure areas if lost while within their control.
- 3.17 Where it is not possible for a retailer to provide secure delivery facilities, either for pre-runs or the main delivery, the wholesaler/publisher and retailer will work together to agree a mutually acceptable solution.
- 3.18 All claims will be given a unique reference number.
- 3.19 All returns, including firm sale titles, resulting from an initial shortage of supply/unsaleable copy and subsequent replenishment will be on full sale or return.
- 3.20 Wholesalers will record damaged return product separate from other returns to enable accurate copy allocation and to track areas where product damage is above the norm

Retailers

Retailers will adopt an efficient “goods in” procedure and exercise best endeavours to ensure that the quantity of goods received matches the delivery documentation.

Retailers will ensure that delivery boxes, or secure delivery areas, are kept free from hazards for delivery staff.

Empty tote boxes, surplus to requirements for returning unsold copies, will be made available for collection by the wholesaler/publisher at the next available opportunity.

Retailers will notify and seek agreement from wholesalers/publishers for any change in delivery arrangements, giving as much notice as is practically possible.

4. Order and Supply Management

Wholesalers/Direct Supply Publishers

(a) Confirmation of Supply

- 4.1 Retailers will be given the option to be supplied:
 - (i) On full SOR terms (for those titles where SOR is given).
 - (ii) Limited SOR (where the retailer agrees to a returns limit in exchange for enhanced margin and guaranteed supply).
 - (iii) Firm Sale / Home News Delivered copies (where the retailer takes full responsibility for any unsold titles in exchange for a further enhanced margin and guaranteed supply at all times).
 - (iv) In full or in part via a Host Retailer at any time
- 4.2 The wholesaler/publisher will fulfil retailer’s orders, and honour order amendments received by 3 p.m. for the next available issue.

- 4.3 Supply quantities for retailers opting to be supplied on firm sale, or limited SOR, will be guaranteed or, failing fulfilment, credit will be passed based on the full sale price.
- 4.4 Where retailers inform wholesalers/publishers of the range and/or quantity that they intend to stock, this will be met in full and not exceeded.
- 4.5 Wholesaler/publisher IT systems will identify all NFRN Newspro and Store2Door retailers,
- 4.6 Wholesalers/publishers will ensure the equitable availability of any titles to retailers who may wish to place orders.
- 4.7 On request, the wholesaler/publisher will advise the retailer of all changes to the standing orders on the allocation advice note as a result of the copy management process and freely share any publisher briefing documents upon request.
- 4.8 Except in exceptional circumstances where breaking news is likely to result in an upsurge in consumer demand, wholesalers/publishers will not send more copies of any product than the retailer has requested or agreed to. In the case of magazines or ancillary products, wholesalers/publishers will give retailers 72 hours notice of proposed additional/new copies/products, which will only be supplied upon receipt of the retailer's request to accept.
- 4.9 Publishers will restrict cut off extensions to absolute necessity.
- 4.10 When a retailer de-lists a title, the request will be honoured immediately and ongoing. The title can only be reinstated with the retailers permission.
- 4.11 Firm sale titles and all ancillary products will only be supplied based on the retailer's requested order.
- 4.12 If an SOR retailer's sales are temporarily affected for any reason, these issues will be taken into consideration in future allocations automatically by the systems.
- 4.13 Pre-ordered retailer requests for supplies for Bank Holiday or other occasions (eg a local event) will be met in full.
- 4.14 To reflect their considerable changing customer base, all seasonally affected retailers will be managed on an individual basis to ensure maximum availability of ranged titles throughout the specific period.
- 4.15 The database for seasonal classification held by the wholesalers is to be reviewed every 3 months to ensure accuracy.

Retailers

Retailers wishing to be supplied on limited SOR or firm sale status will notify the wholesaler/publisher in writing, with a minimum 7 days notice

SOR retailers will notify the wholesaler/publisher when the sales of any issue are affected by extenuating circumstances, so that those issues are not taken into consideration in the wholesaler's/publisher's allocation systems.

(b) Communications

- 4.16 Retailers will, on request, see details of their performance in terms of sales, supply and availability information which will also be available to benchmark their performance against a comparative retailer.

- 4.17 The position of bar codes on magazines will be standardised, ideally on the back page at the bottom of the spine or fold.
- 4.18 The off-sale date for magazines will be printed on the bar code section.
- 4.19 Publishers will ensure that key promotion messages are communicated equally and effectively to retailers to maximise sales on all titles.
- 4.20 Partworks: where the continuity of supply is imperative to the completion of a collection or assembly of a model, failure to supply a particular part - resulting in a consumer demand for refund for the series - will be honoured to the consumer by the wholesaler.
- 4.21 An audit trail of all publisher price change and trading terms change notifications to be kept by the wholesale and made available up on request.
- 4.22 Retailers to be notified of price changes at least 7days in advance of the change taking place.

(c) Replenishment

- 4.23 Any early returns of any magazine product held as a reserve line for retail multiple promotions will be saved and reattributed to other retailers who require or request it.
- 4.24 Sales Based Replenishment stock (SBR) will be reforecast against EPOS sales within 72 hours of the first day of sale and all predicted surplus stock will be re distributed to other retailers who require or request it.
- 4.25 Retailers can order extra supplies of titles through their customer service centre.
- 4.26 Retailer requests for customer back copies of partworks will be supplied within 7 days. In the event that the customer no longer requires a back copy, for whatever reason, then the copy will be credited at any point that it is returned.

5. Returns Management

Wholesalers/Direct Supply Publishers

Newspaper and Magazines

- 5.1 UK Mainland, Northern Ireland and the Republic of Ireland locations will be offered a newspaper returns collection daily and a minimum of four magazine returns collections per week, excluding Christmas and Bank Holiday weeks. In the case of remote locations e.g. offshore islands, a less frequent collection service will be agreed between retailers and wholesalers/ publishers.
- 5.2 The wholesaler/publisher will be responsible for the recording and security of returns parcels after collection from the retailer, provided that returns parcels are securely tied and parcels/totes are clearly identified.
- 5.3 Where a SOR title is returned late, the wholesaler will credit the title provided it is prior to the wholesaler's final returns claim to the publisher.
- 5.4 Changes to existing returns collection arrangements will be communicated to the retailer giving not less than 4 week's notice and the wholesaler/publisher will endeavour to seek mutual agreement with the retailer on any revised arrangements.
- 5.5 The wholesaler/publisher will provide the retailer with documentation which identifies the titles due for return at least 24 hours in advance of collection.

- 5.6 The returns documentation will identify each title by name and issue. All specific product descriptions will be consistent throughout the life-cycle of the product and within all of the documentation supplied to retailers. In the event that this standard is not complied with, leading to a missed return by the retailer, unconditional SOR will apply.
- 5.7 The returns documentation will identify each title's cover price and the maximum quantity eligible for credit.
- 5.8 Wholesale will provide security seals for use by retailers for returns free of charge.
- 5.9 Wholesalers/publishers will process all returns collected from SOR retailers for credit on the next available invoice, normally for the same week as collection.
- 5.10 The retailer will be notified of any returns which are disallowed for credit and the reason why they are ineligible.
- 5.11 Where a title is rejected for credit for any reason, the wholesaler/publisher will return the title to the retailer without additional cost to the retailer.

Vouchers

- 5.12 All Publisher vouchers will run in tandem with the wholesaler invoice eg Sunday to Saturday.
- 5.13 Electronic vouchers will be credited on the same day.
- 5.14 The wholesaler/publisher will receive/collect any paper based vouchers on a weekly basis. All valid vouchers will be credited within 10 days of return.
- 5.15 All wholesalers will provide retailers with an acknowledgement of receipt of voucher returns.
- 5.16 The wholesaler/publisher will send the retailer a voucher recall note each week to be returned to the wholesaler/publisher or designated voucher handling agency free of charge.
- 5.17 Irrespective of system used, retailers will receive payment for voucher processing which is commensurate with the cost of handling vouchers. This will increase automatically annually mirroring the National Living Wage % increase each year
- 5.18 Voucher Recall Notes will provide a facility to manually insert vouchers for return which are not pre-printed on the recall note.
- 5.19 The return date for vouchers will not be less than 28 days from the final cut-off date to customers for redemption.
- 5.20 Wholesalers will record on the next available invoice if a voucher returns envelope was received within the previous week.
- 5.21 Wholesalers are to automatically credit an average weekly figure should their voucher redemption process fall behind and subsequent reimbursement delayed.

Retailers

SOR retailers will endeavour to make all titles due for return available for the wholesaler/publisher to collect by the time specified.

Retailers will ensure that returns parcels are securely tied and that all parcels and totes are clearly identified.

Retailers will ensure that the number of parcels/totes to be collected correspond with the recall note.

Retailers will exercise best endeavours to ensure that all vouchers accepted from customers are in date and pertinent to the product against which they are being redeemed.

Retailers will exercise best endeavours to ensure the accuracy of voucher numbers entered on recall notes.

Retailers will exercise best endeavours to forward vouchers for crediting on a weekly basis in accordance with the appropriate supplier's instructions, being mindful of the need for secure delivery.

6. Invoicing

Wholesalers/Direct Supply Publishers

- 6.1 The wholesaler/publisher will supply a clear and accurate daily or weekly invoice/credit note detailing all charges and credits to the invoice address specified by the retailer.
- 6.2 The wholesaler/publisher will offer alternative methods of payment to the retailer (excluding cash payment unless specifically agreed) including any internet/electronic banking.
- 6.3 Insertion or handling payments will be clearly identified along with the title and issue date to which they refer and will be based on copies supplied.
- 6.4 Retailers will receive a manual insertion payment that is commensurate with the cost of providing the service. This will increase automatically annually mirroring any National Living Wage % increase.
- 6.5 Retailers will receive a cumulative weight payment when the weight exceeds 300g on a single edition. In the event that more than one cover price applies to the same newspaper in a single week (Saturday issues for example), that issue will be separated and the relevant unit price shown.
- 6.6 Any disputes relating to invoice queries will be resolved by the wholesaler/ publisher on the next possible summary invoice/credit note and a record will be kept of all such occurrences.
- 6.7 Charging/credit/system errors identified by the retailer or wholesaler/publisher will be credited to all affected retailers on the first available invoice .
- 6.8 Where it is necessary to make a retrospective charge to a retailers' invoice on an issue that is more than 4 weeks old, the wholesaler/publisher will supply full supporting details 14 days in advance of the amendment being made. To avoid cash flow issues a retailer will be offered a payment plan.
- 6.9 To maintain the integrity of the third party inserts payment scheme, publishers will, as a minimum, ensure that payments to retailers are index linked to variations in the National Minimum Wage and are paid weekly.
- 6.10 In the event that a pending 3rd party supplier's direct debit charge is disputed, the amount disputed will be held on account and not collected until resolved.
- 6.11 In the event that a retailer receives unsolicited products, an instant direct credit will be applied to the retailer's account.
- 6.12 In all eventualities a retailer's regular supply of newspapers and magazines will not be interrupted
- 6.13 No supplies will be suspended without minimum prior notification of 48 hrs from wholesale and never at a weekend or bank holiday.

Retailers

Retailers registered for the third party inserts payment scheme will advise the wholesaler/direct supplying publisher of any material change to the number of Home Delivery News (HND) customers previously notified each year.

Retailers registered for the third party inserts payment scheme will ensure that all qualifying inserts are delivered to HND customers.

7. Customer Service, Communication

Wholesalers/Direct Supply Publishers

- 7.1 Wholesalers/publishers will make available to retailers, details of individual warehouse operating times and the telephone numbers of the relevant customer service department and management teams.
- 7.2 Wholesalers/publishers will provide a free-to-access 0800 type number for retailer contact calls to individual depots and customer contact centres.
- 7.3 Wholesalers/publishers will answer all incoming phonecall within 8 rings.
- 7.4 Wholesalers/publishers will operate a full customer service operation out of all Hub locations and at least 2 hours after the last delivered parcel in all spoke locations.
- 7.5 The wholesaler will make available detailed information regarding any changes to trading hours, e.g. Bank Holidays.
- 7.6 The wholesalers will pass on all publisher notices to retailers.
- 7.7 Wholesalers/publishers will provide an "after hours" service to include, but not limited to, email and/or web based services where messages may be left. Wholesalers/publishers will acknowledge these within 1 working day of receipt and postal correspondence will be acknowledged within a maximum of 3 working days of receipt.
- 7.8 The wholesaler/publisher will provide the facility for retailers to review and amend their orders online. Upon request and free of charge the wholesaler/publisher will produce a detailed print-out of any retailers' orders and sales history within 24 hours.
- 7.9 The wholesaler/publisher will have the facility to hold development meetings with retailers requesting at their local depot or in their store within 7 days.
- 7.10 For all products, wholesalers/publishers will publish monthly (via a news industry website), the achievement (pass/fail rate) by depot/delivery area for at least the following key performance measures
 - Last delivered time
 - Pack accuracy
 - Returns collection
 - Returns accuracy
 - Telephone answering grade of service
 - On sale compliance (magazines).
- 7.11 If unavailable wholesaler/publishers will fulfil any specific customer order requests within 72 hours.
- 7.12 Wholesalers/publishers will support any retailer looking to provide a home delivery service with a fully-funded start up package

Retailers

Retailers will provide wholesalers/publishers with details of their days and hours of trading. Except in an unforeseen emergency, retailers will give wholesalers/publishers not less than 7 days notice if it is their intention not to open on a certain publishing day(s).

Retailers will exercise best endeavours to suitably display consumer notices as may be provided by wholesalers/publishers.

Retailers will exercise best endeavours to utilise appropriate facilities for the display of newspapers and magazines, which should be arranged logically to assist consumers in locating the title(s) of their choice and enhancing sales.

8. Service failings

- 8.1 Service failings should be raised in the first instance with the wholesaler via its customer service teams.
- 8.2 Given that the contract to supply is between the wholesaler and the retailer, all complaints in respect of any service failing are expected to be resolved immediately and without any necessity to rely on others (eg publishers) to interject nor to agree to compensation for the failing. All compensation is to be paid immediately, in a non-quibble, non-protracted manner.

Compensation

In the event that the compensation described is not immediately payable, NFRN members should record their loss with NFRN Connect. NFRN members will also be regularly reminded of their right to reduce the amount due to be collected by direct debit whilst a full and complete investigation is undertaken.

Alternatively, compensation channels may also be sought through other means, including the use of a small claims court order.



The NFRN provides a powerful voice for independent news retailers and convenience stores in the media. We welcome media enquiries on all issues affecting our members in the UK and Ireland.

For all press enquiries please contact Anne Bingham, Communications Manager, on 07879 646842 or email anne@nfrn.org.uk