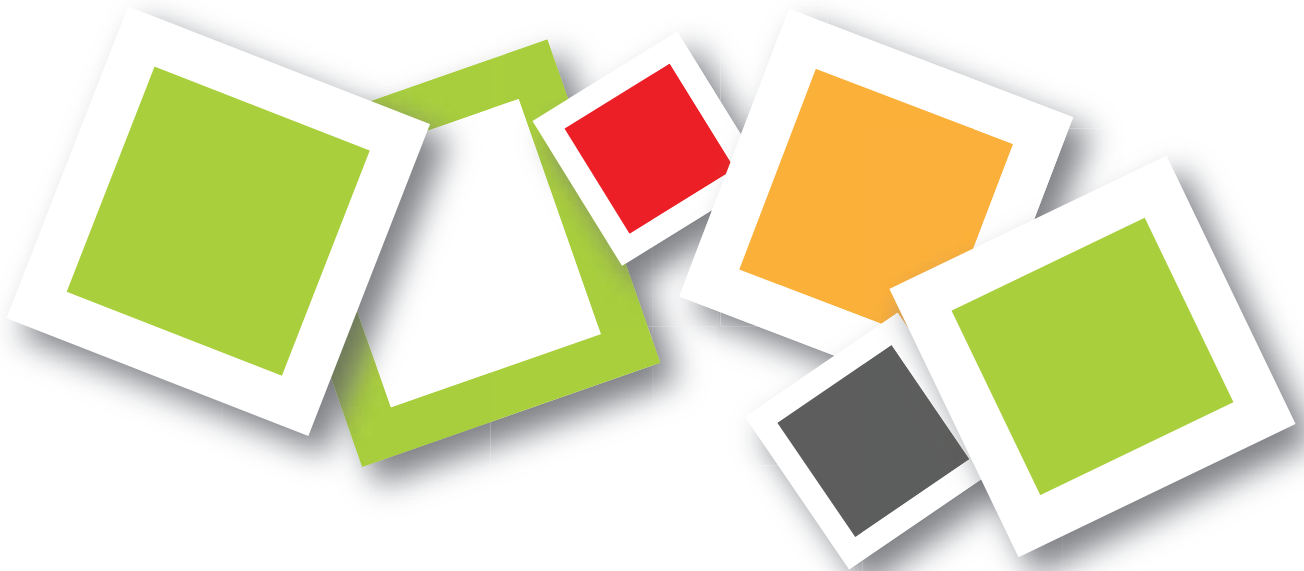




PDC Press
Distribution
Charter



right products right place right time
every area, every retailer, every day

Press Distribution Charter

Getting the right products to the right place at the right time is our priority — for every issue, every retailer and every day of the year.

Our promise of good service

We all know that newspapers and magazines are different to other products. News has one of the fastest and most demanding supply chains and retailers need to have confidence in the service it will deliver. Getting the right products to the right place at the right time is our priority — for every issue, every retailer and every day of the year.

The Press Distribution Forum has developed the Press Distribution Charter as our promise of good service. It sets out the standards you can expect from publishers and wholesalers, and helps you find solutions if things go wrong. It is supported by all the leading publishers and wholesalers, and it applies to all retailers, no matter what their size or location. By being very clear on what is required it is intended that the Charter will improve service for everyone and, most importantly, help retailers to serve their customers.

With such a complex and time sensitive operation it is inevitable that problems will occur from time to time. Most issues can be quickly resolved and the Charter will help to achieve this. But in the event that problems are more serious or persistent, the Charter is supported by a complaints process and independent review panel. Details are included in this document.

The Charter is designed to help all retailers. Please read it carefully and keep it for reference. Any further questions should be directed towards your local wholesaler or visit our website at www.pressdistributionforum.com.

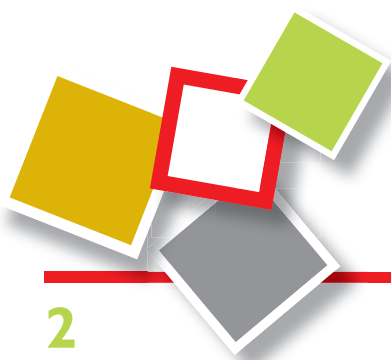
The Press Distribution Charter will be updated from time to time so if you have any suggestions for improvements please make contact via the website www.pressdistributionforum.com or write to the PDF at:

Press Distribution Forum
67a South Street
Stanground
Peterborough
PE2 8EX

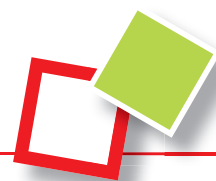
We hope you find the Charter useful, and that its standards help you to serve your customers as effectively as possible.

Thank you for your support.

Adrian Smith
 Chairman



Introduction



The Press Distribution Forum recognises the specialist nature of the newspaper and magazine supply chain and the need to work effectively together in support of retailers and consumers.

In order to achieve effective co-operation through the supply chain it is helpful for all parties to sign up to common objectives and standards.

The Press Distribution Charter is a set of minimum service standards and best practices developed through dialogue between publishers, wholesalers and retailers. It makes clear the service standards that retailers, their agents or retail head offices can expect from the industry supply chain. The Press Distribution Charter relates exclusively to newspapers and magazines (including one shots, specials, part-works and collectables).

Performance under the Press Distribution Charter will be reviewed by the Press Distribution Review Panel (PDRP) which will report under independent Chairmanship to the Press Distribution Forum.

The review panel will:

- Measure performance and share information on progress.
- Monitor compliance and provide an effective complaints resolution process.
- Provide guidance on appropriate standards and best practice.
- Make suggestions for future improvement.

It is recognised that elements of the service wholesalers can provide to their retail customers are dependent on the service that wholesalers receive from publishers or distributors, and these will be covered by separate agreements or contracts.

Throughout this document 'wholesaler' refers to any supplier of newspapers and/or magazines to retailers.



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1. Terms and Conditions of Business

- 1.1 The wholesaler will issue its own Terms and Conditions of Business.
- 1.2 Any changes to the wholesaler's Terms and Conditions of Business will be communicated to retail customers in writing, giving not less than six weeks' notice.
- 1.3 The standards of the Press Distribution Charter will be incorporated by each wholesaler into its Terms and Conditions of Business.

2. Delivery Timeliness

- 2.1 Subject to publisher inbound deliveries the wholesaler¹ will deliver all titles and their appropriate sections and supplements no later than the Retail Delivery Time (RDT)² or Scheduled Delivery Time (SDT)³ on the day of sale.
- 2.2 Delivery times will only be amended with the prior agreement of the retailer.

- 2.3 The wholesaler will keep a record of the time of delivery to each retail outlet and retailers will have access to their own information. These records will be kept for all deliveries made in the previous six months.

- 2.4 Wholesalers will have contingency plans for minimising sales losses in the eventuality of late or second running. Such plans will be available for inspection.

3. Delivery Quality

- 3.1 On each day titles are published the wholesaler will supply newspapers and/or magazines to the customer's invoice address, or other mutually agreed address.
- 3.2 Wholesalers will record the number of parcels and time of delivery in order to produce traceable delivery information in the event of a delivery dispute.
- 3.3 Supplies will be delivered in a saleable condition with each parcel identified by content and including a delivery note detailing the quantities of each title being delivered.

- 3.4 In the case of daily and Sunday newspapers, any discrepancies between the quantity delivered and the delivery note will be reported to the wholesaler within two hours of delivery, or of the retailer opening, whichever is the later.

- 3.5 In the case of magazines, any discrepancies between the quantity delivered and the delivery note will be reported to the wholesaler by 3.00 pm on day of delivery. For retailers undertaking automated claims processes the deadline for claims receipt will be separately agreed between the retailer and the wholesaler.

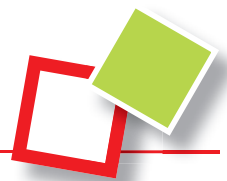
- 3.6 The wholesaler will clearly identify on its documentation all supplements and inserts notified by the publisher, together with the relevant handling allowances where appropriate.

- 3.7 When the wholesaler is short supplied, any necessary reductions in retailers' supplies will be made to protect the retailer's net sale.

¹ News International Direct will agree with all its retailers a delivery time to meet the commercial needs of their businesses, this is known as the NIDT.

² The Retail Delivery Time (RDT) is the time agreed by the wholesaler and retailer as the latest time by which it is operationally feasible for the retailer to receive his newspaper delivery.

³ A Scheduled Delivery Time (SDT) is given to a retailer in instances where an RDT could not be agreed. The SDT is the time by which the wholesaler is able to deliver to the retailer, based on current arrival times at the wholesale house.



- 3.8 Unsaleable and short supplied copies will be offered for replacement when available in the supply chain. If this is not possible, then credit will be passed on the next possible invoice/credit note. In the event that a claim for a delivery discrepancy is not accepted, the retailer will be advised within 72 hours.
- 3.9 All returns, including firm sale titles, resulting from an initial shortage of supply and subsequent replenishment will be on full sale or return.
- 3.10 All claims will be given a unique reference number.
- 3.11 When any newspaper or magazine title is late or has not been published this will be advised to each retailer in a concise manner no later than the normal delivery time.
- 3.12 Delivery and returns parcels will be securely bound and not exceed 18 kg in weight or such other regulatory limits as stated by, but not limited to, the Health and Safety Executive.
- 3.13 Supplies will be placed in a security box or secure area where available and the box or area re-secured after delivery provided that hazards to delivery staff are avoided.
- 3.14 Wholesalers will be responsible for the cost of replacement keys for security boxes or secure areas if lost whilst within their control.
- 3.15 Where it is not possible for a retailer to provide secure delivery facilities, either for pre-runs or the main delivery, the wholesaler and retailer will work together to agree a mutually acceptable solution.
- #### 4. Order and Supply Management
- 4.1 The wholesaler will fulfil retailers' orders, provided copies are available.
- 4.2 Where retailers inform wholesalers of the range they intend to stock, the range will not be exceeded without prior agreement.
- 4.3 The wholesaler will advise the retailer of all changes to the standing orders on his Allocation Advice Note as a result of the copy management process.
- 4.4 Wholesalers will not send retailers any magazines (one shots, specials, part-works, collectables, etc.) not currently stocked, without the retailer receiving pre-notification, and a minimum of 48 hours in advance of intended supply and the ability to reject the suggested changes/titles.
- 4.5 Wholesalers will not send more copies/titles than the retailer has requested or agreed to accept via the pre-notification process, unless exceptional circumstances arise, for example where a major news story breaks and additional supplies are required to meet public demand.
- 4.6 When a retailer de-lists, or makes zero a title, that request will be honoured immediately. That title will not be added to supply without going through the pre-notification process with the wholesaler.
- 4.7 When retailers have amended their magazine supply, those amendments will be honoured by the wholesaler where there is sufficient copy available to do so.
- 4.8 The wholesaler will not supply any unsolicited non-news product without giving prior notice to enable retailers to amend quantities if they wish.
- 4.9 In the event that a retailer's requested order cannot be met, the retailer will be provided with an explanation by no later than receipt of their intended supply.
- 4.10 Late amendments to newspaper supplies made by the wholesaler will be notified to the retailer by no later than receipt of their intended supply.

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continued

- 4.11 Newspaper and magazine revisions received by the wholesaler by 3.00 pm will be actioned for the next available issue.
- 4.12 Where a change to sale or return status occurs retailers will be given a minimum of 48 hours' notice to enable them to amend their orders.
- 4.13 Firm sale titles will only be supplied based on the retailer's requested order requirements.
- 4.14 Retailers will on request see, free of charge, details of their performance in terms of sales, supply and availability.
- Information will also be available to benchmark their performance against a comparative retail set within the specific wholesale house.
- 4.15 If a retailer's sales are temporarily affected these issues will not be taken into consideration in the wholesaler's allocation systems. The retailer is required to notify the wholesaler which issues have been affected.
- 4.16 Where agreement is reached that a retailer can manage his newspaper and/or magazine supplies within publisher guidelines, the individual publisher will authorise the wholesaler to exclude that retailer from the supply management systems relating to that publisher's titles. In the event that a retailer fails to meet the agreed standards the facility will be withdrawn.
- 4.17 The wholesaler will classify each retailer according to the Association of Newspaper and Magazine Wholesalers (ANMW) and identify each retailer by the specified Unique Retail Number (URN).
- 4.18 Wholesalers will record retailer supply revisions for committed orders and specific sales opportunities. Wholesalers will fulfil such requirements subject to supply availability from the publisher/distributor.
- 4.19 Wholesalers will offer a telephone fulfilment service to retailers.
- 4.20 When available within the supply chain, publishers will supply back issues of part-works within 14 days; otherwise sale or return will apply.

5. Sales Based Replenishment

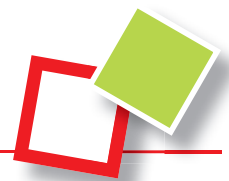
- 5.1 Wholesalers will provide an EPOS Sales Based Replenishment⁴ service to qualifying retailers who provide accurate and timely information.

6. Returns Management

- 6.1 UK mainland locations will be offered a minimum of four magazine returns collections per week, excluding Christmas and Bank Holiday weeks.

⁴ Sales Based Replenishment is the process by which additional supplies of magazines are supplied in response to a retailer's EPOS (i.e. Sales) data which is provided to the wholesaler. Subject to supply volumes, the initial allocation may also be reduced.





- 6.2 Where available, UK national newspaper returns will be collected daily. In the case of remote locations, e.g. offshore islands, a less frequent collection service will be agreed between retailers and wholesalers subject to local conditions.
- 6.3 Returns will be collected by a time agreed between the retailer and wholesaler.
- 6.4 The wholesaler will be responsible for the security of returns parcels after collection from the retailer provided that returns parcels are ready for collection at the agreed time, are securely tied and clearly identified. The number of parcels on the recall note must correspond with the number of parcels collected and logged by the wholesaler.
- 6.5 Where a sale or return title is returned late, the wholesaler will credit the title provided it is prior to the wholesaler's final returns claim to the publisher.
- 6.6 Retailers will be given at least two weeks' notice, in writing, of any proposed changes to existing returns collection arrangements. Retailers will be consulted as to the new arrangements.
- 6.7 The wholesaler will provide the retailer with documentation which clearly identifies the titles due for return at least 24 hours in advance of collection.
- 6.8 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 the documentation supplied to retailers.
- 6.9 The wholesaler will include on their returns documentation the quantity of each title supplied.
- 6.10 The returns documentation will also identify each title's cover price and the maximum quantity eligible for credit.
- 6.11 Wholesalers will process all returns collected from retailers for credit on the next available invoice, normally for the same week as collection.
- 6.12 The retailer will be notified of any returns which are ineligible for credit and the reason why they are ineligible.
- 6.13 In the case of a wholesaler going into receivership or voluntary liquidation, the retailer shall retain ownership of titles which he has paid for and returned for credit but upon which credit has not been passed.
- 6.14 Credit will be given for all returned magazines received by the wholesaler up until three days before the wholesaler submits its final returns claim to the publisher or a minimum of 17 days from recall, whichever is the longer.

7. Invoicing

- 7.1 The wholesaler will supply a clear and accurate daily or weekly invoice/credit note detailing all charges and credits to the invoice address specified by the customer.
- 7.2 Insertion or handling payments will be clearly identified along with the title and issue date to which they refer.
- 7.3 In the event of more than one cover price applying to the same newspaper in a single week (Saturday issues for example), that issue will be separated and the relevant unit price shown.
- 7.4 Any disputes relating to invoice queries will be resolved by the wholesaler and corrected on the next possible invoice/credit note.
- 7.5 When wholesaler errors are detected, corrections will be actioned on the next possible summary invoice/credit note and a register will be kept of such occurrences.
- 7.6 Charging/credit/system errors identified by the retailer will be credited by the wholesaler on the first practicable invoice within 14 days of notification by the retailer where such error is confirmed.

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- 7.7 Where it is necessary to apply a retrospective invoice or credit adjustment to a retailer's account on an issue more than four weeks old, the wholesaler will supply full supporting details 14 days in advance of the adjustment where such error is confirmed.

8. Voucher Processing

- 8.1 The wholesaler will receive/collect and credit vouchers on a weekly basis.
- 8.2 The wholesaler will send the retailer a claim form each week to be returned to the wholesaler or designated voucher handling agency.
- 8.3 All valid vouchers returned will be credited within 14 days of return.
- 8.4 Voucher Recall Notes will provide a facility to manually insert vouchers for return which are not pre-printed on the recall note.
- 8.5 The return date for vouchers will not be less than 28 days from the final cut-off date to customers for redemption.
- 8.6 Vouchers will only be accepted by the wholesaler if they have been received by the retailer in good faith.

9. Customer Service

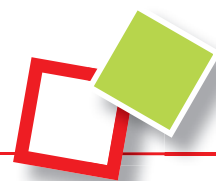
- 9.1 Wholesalers will provide retailers with details of individual warehouse operating times and contact numbers for management and staff, including the relevant customer service department.
- 9.2 The wholesaler will provide retailers with detailed information regarding any changes to trading hours, e.g. Bank Holidays.
- 9.3 The wholesaler will pass on notices to retailers as agreed with the publishers.
- 9.4 Wholesalers will provide an 'after hours' service to include, but not limited to, email/web-based service and an answer-phone service.
- 9.5 Email correspondence to wholesalers will be acknowledged within a maximum of two working days of receipt. Faxes or postal correspondence will be acknowledged within a maximum of five working days of receipt.
- 9.6 The wholesaler will provide the facility for retailers to review and amend their orders online. Upon request the wholesaler will produce a detailed print-out of any retailers' orders within 24 hours. Such reasonable requests will be free of charge.

- 9.7 The wholesaler will provide the facility for retailers to review a list of their best-selling titles online. Upon request the wholesaler will produce a detailed print-out of the retailers' best-selling titles. Such reasonable requests will be free of charge.
- 9.8 The wholesaler will have the facility to hold development meetings with retailers.
- 9.9 The wholesaler will advise retailers of forthcoming publishing events as and when they are notified to them by publishers.

10. Force Majeure

- 10.1 No parties in this Charter shall be liable for delay or failure to perform its obligations under the Charter so far as this is attributable to any act beyond the reasonable control of any parties, including but not limited to Act of God, act or regulation or any governmental or supra-national authority, war or national emergency, accident, fire, riot, epidemic, strikes or industrial disputes provided that such party has taken all reasonable steps to minimise any such delay or failure.

Complaints Resolution Process



The Press Distribution Charter's Complaints Resolution Process has been set up to resolve complaints concerning alleged failures to meet the Standards contained within it. It is here to help you and is provided free of charge. If anything is not clear please call us on 0843 289 3967.

Stage 1 Informal Discussion

In the first instance the parties (retailer and wholesaler) shall attempt to resolve any dispute relating to the Press Distribution Charter through informal local discussion.

If the complaint is not satisfactorily resolved by discussion within 48 hours, the retailer may make a formal Stage 2 Fast Track Resolution complaint provided the service failure complained of is serious or persistent.

Stage 2 Fast Track Resolution

To make a formal Fast Track Resolution complaint, the retailer should contact the company who they believe is responsible for the serious or persistent service failure. In the case of complaints about newspapers, wholesalers will provide the retailer with contact details for the individual publisher they wish to complain about and for magazines details will be provided for the Periodical Publishers Association who will then contact the relevant publisher, on behalf of the retailer.

Fast Track Resolution forms can be obtained from the website www.pressdistributionforum.com or your wholesaler.

Stage 2 should normally be completed within 14 days but no longer than a maximum of 28 days.

The Company responsible will acknowledge the complaint and provide the retailer with details of their complaint handling procedures. Relevant company procedures will also be detailed on the Press Distribution Review Panel website www.pdrp.co.uk

If, having gone through the company's complaints procedure and the retailer is still not satisfied, the company will provide the retailer with contact details for the industry Independent Arbitrator together with details of the independent arbitration process and its terms and conditions.

Stage 3 Independent Arbitration

If the complaint has not been directly resolved by following Stage 1 and Stage 2, the retailer can then choose to refer the complaint to independent arbitration by written request to the Chairman of the Press Distribution Review Panel (PDRP) within seven working days of the end of the wholesaler or publisher Fast Track Resolution process (Stage 2). The Chairman will make the arrangements for the arbitration to be heard. The Arbitrator's decision and recommendations shall be final and will be concluded within 14 days of receipt of all the information relating to the complaint.

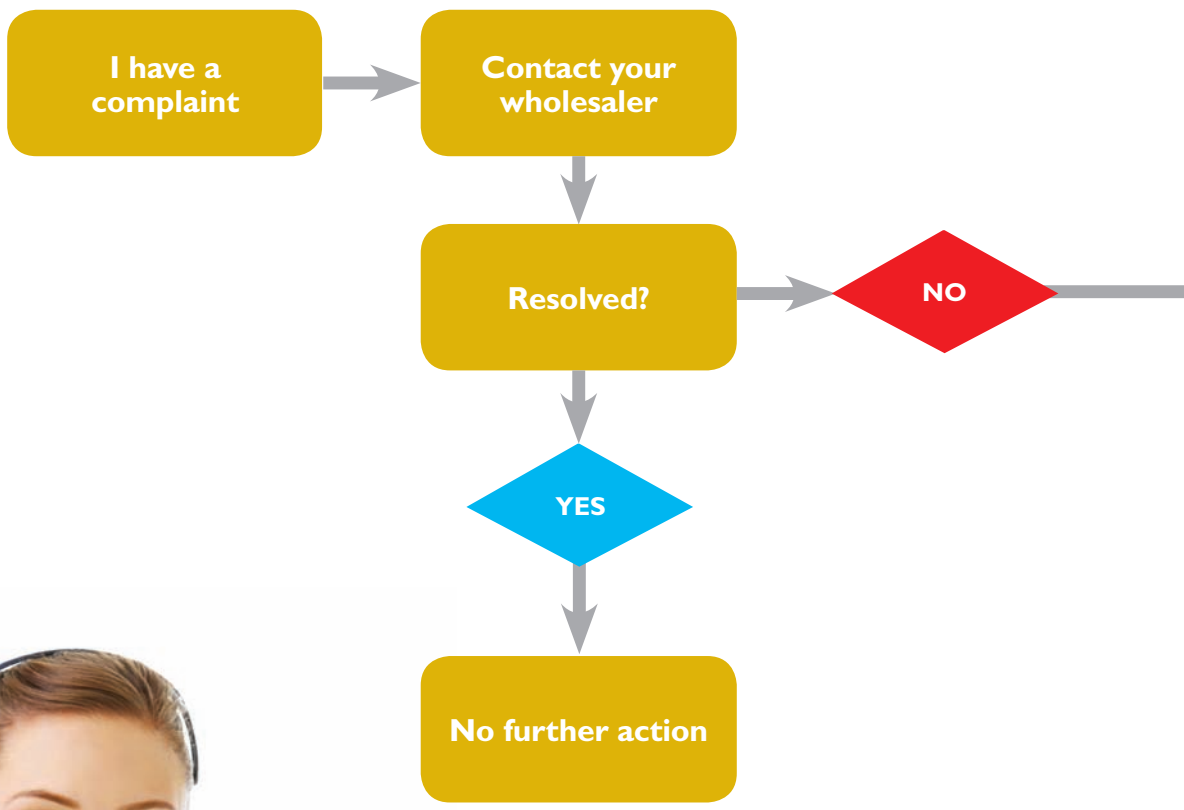
The Arbitrator shall base his determinations on what is fair and reasonable having regard to good industry practice, relevant industry agreements and the law.

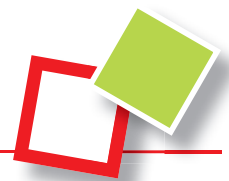
All arbitrations will be overseen by the Press Distribution Review Panel and published on the Press Distribution Forum website www.pressdistributionforum.com

Nothing in this process shall prohibit a party from applying to a court for relief.

Complaints Resolution Process

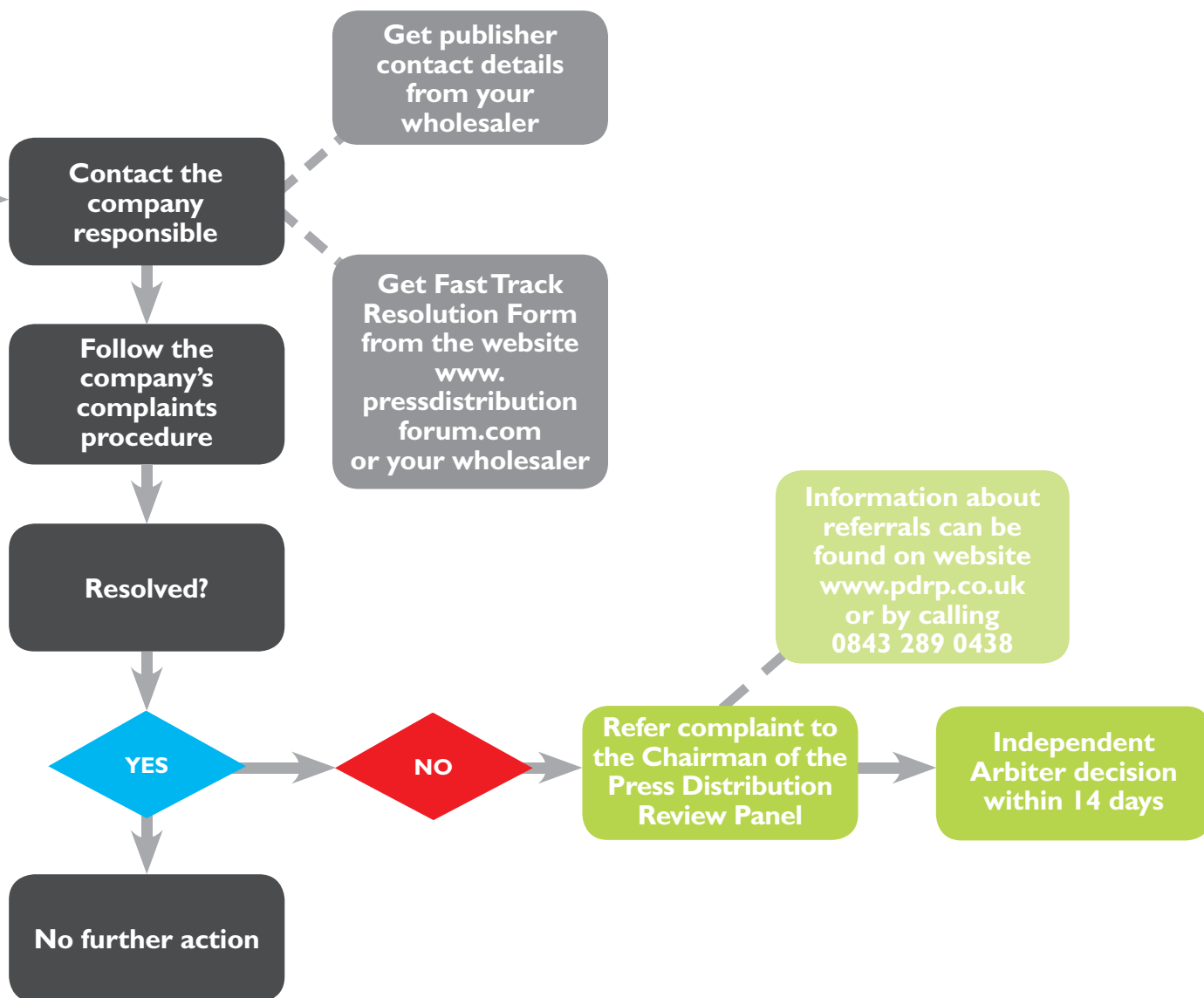
STAGE I Informal Discussion





STAGE 2
Fast Track Resolution

STAGE 3
Independent Arbitration





For further information on
the Press Distribution Charter
please visit:

www.pressdistributionforum.com

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