

BookManager News

February 2007

Hey everyone! It's time for the annual newsletter full of Michael's rants, way-out-there thoughts, and hopefully some useful information, tips and ideas to help strengthen your bookstore.

This newsletter covers a few technical issues before I go to great lengths with my thoughts on inventory selection, discounting, house cleaning and ways to find better books for your store. For 2007, building powerful web-based tools for book buyers will be an important focus. The last part of the newsletter is an introduction to our web-based projects.

We're booksellers just like you

For the past eleven years BookManager has owned and operated Mosaic Books, a 10,000-square foot independent bookstore that's been in Kelowna's downtown since 1968 (a time when everything was done on stock cards, eek!). Kelowna is a city located in south central British Columbia and is home to approximately 100,000 people. Another 30,000 people live on the west side of the lake, and we have two smaller cities (Penticton and Vernon) about an hour's drive from Kelowna. Kelowna embraced the big box area, forgot about their downtown and I think we must have at least one of every cookie-cutter conglomerate to make the town look and feel much like the rest of North America. The Westside across the lake is now busy cloning our "success." At least we have a large and beautiful lake to enjoy the hot summers with, along with some feisty people like myself who believe in building a downtown that's an escape from the ordinary.

With those demographics in mind, Mosaic continues to succeed and grow in the downtown core, even though our customers have the giant Chapters and all of the discount outlets to get books for cheap. The massive competition has only come to Kelowna in the eleven years since we bought Mosaic. Our bookstore was once *the* place for serious book buyers. We've long since taken a back seat to Chapters (and the Starbucks culture, etc.) and with sales in serious decline we could have thrown in the towel a long time ago but we have instead embraced the challenge and found our niches. Once you understand where you fit in the big picture,

you can again grow so long as you continually try new angles. I'm hoping that by talking about my experiences, I can bring positive energy to solving your store's challenges. It's no cakewalk for any of us.

So, please read on, and as always, if you can find a moment this year to chat with myself, or our crew, do so. We're here to support you and also provide *free* advice where we have an opinion!

- Michael Neill

It's renewal time!

Just in case you missed it (or were trying not to think about it), January 31st is the date that BookManager support and updates expired for most of our customers. This newsletter is accompanied with a renewal notice if your support has expired. The cost to continue your support has increased for all renewals expiring on January 31st 2007, and beyond. The new base annual fee is \$500.00, plus \$25.00 for each additional computer. Renewals are the backbone of BookManager's viability, and we aim to provide you with good value each year. Your contribution pays for the ongoing development of BookManager's software and data services, as well as the cost to provide support, advice, and disaster recovery when it's needed. Over the years the support revenue has enabled us to hire and retain innovative people dedicated to our independent book industry.

WebStore Pricing

For those of you who have current support and use BookManager's WebStore service, there is now no monthly fee to participate. No extra fees will be incurred if you are receiving less than 400 line orders per year. For those of you who have gone over this amount, a \$0.25/order line fee will be added to a bill, which will be sent out semi-annually on July 31st and January 31st.

Gift Cards

This past December was our second season with BookManager Gift Cards; they are now used in about 35 other stores. Carley's design talent has produced some very distinctive and appealing cards. Certainly, gift cards are more expensive to produce than paper certificates but they have proven to be *much* more lucrative for Mosaic Books.

Are you inundated with requests for donations? Gift cards are a great service and a cost-effective marketing tool. Mosaic is now donating gift cards rather than books because the recipient must make a visit to our store. We've had a few schools purchase large numbers of gift cards to give to high-achieving students. We even did a no-no and offered a discount to low-value cards because we knew the redemption rate would more than cover the loss. Perhaps it's something about the plastic gift card and envelope that makes them more appealing, I dunno.

Certainly, the redemption rate for gift cards is never 100%, so in effect a percentage of gift card revenue goes directly to your bottom line. They also provide an interest-free line of credit to your bank account.

The graph below is from Mosaic's website when we are logged in as Mosaic Books. It shows how each store's gift card program is performing (not revealing store names except for our own). We have about \$24,000 or 40% of the amount sold yet to be redeemed. Mosaic's gross sales are about \$1,500,000 to put that into perspective. In other words, we have about \$24,000 cash in the bank that we essentially use towards *purchasing books for our shelves*. There was an initial investment

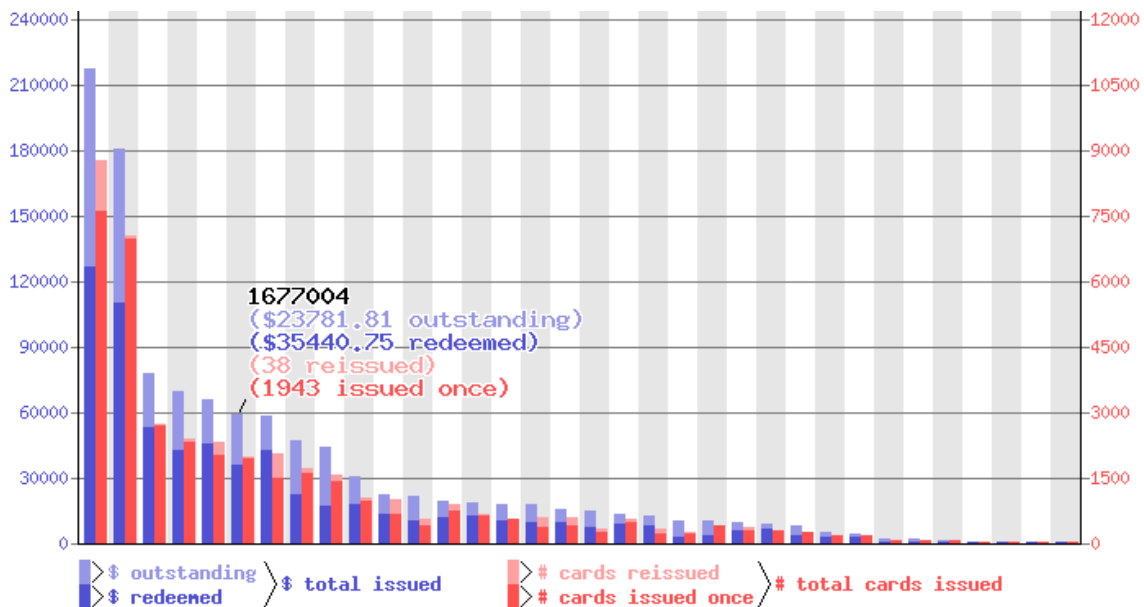
to have the cards made, but we have easily recovered that through interest-free money as well as the probable 20% (\$12,000) that will likely never be redeemed.

Gift cards are tracked through our server to ensure that records are stored both on your system and ours. The online tracking is optional (except for multi-store), but we think you're crazy if you don't track them online because an unexpected loss of data could be very messy. Tracking of cards is free as part of the card purchase, except that we may introduce a transaction fee for stores that continually reuse cards in the future. Reusing cards reduces your ongoing gift card costs, and we hope that you understand that a small fee for tracking them is reasonable.

Carley is our gift card expert. Give her a call if you are interested in having cards designed and printed. It takes time to do a good job -- the fall is *not* the time to start the project.

Netftp Ordering

Netftp and BookNet are two BookManager methods for ordering books from suppliers. Both methods use your Internet connection to send and receive orders, confirmations and invoices. BookNet is a government and book industry funded company that chose the U.S. based Pubnet ordering network for delivering these electronic documents. Netftp is our open-standard that provides a means to send documents directly to and from a supplier's computer (examples are Mitchell, Ingram and Baker & Taylor). Most suppliers prefer, however, not to maintain an in-house ftp ordering service, and have instead adopted BookManager's Netftp service (i.e. they use our computers to store and retrieve data).



Random House, HB Fenn, Raincoast, Sandhill and Monahan are the four suppliers currently using our ftp ordering service. The bookseller has the option of using BookNet or BookManager's Netftp but most stores have opted for our Netftp because order confirmations are almost immediate (60 seconds in some cases). Receiving instant order confirmations from certain suppliers is critical for our bookstore, which is the reason we developed Netftp to replace the dying dial-up modem method (it's doubtful that anyone will be supporting dial-up much longer because of ISBN13). Our website has a document to keep you up to date on electronic ordering options.

We do not charge either the bookseller or the publisher for this service. However, beginning 2007 we are asking stores to keep their BookManager update/support fees current in order to maintain an ftp ordering account on our server.

Ingram ordering

If you phone or fax orders to Ingram, you are missing out on important extra discounts, and if you are ordering through iPage you are making life more difficult. Ingram's Netftp uses direct communication to Ingram's computer and is super-fast and reliable.

Windows Vista

We have yet to test BookManager on the new Windows Vista. That will happen soon enough, and although we do not expect any problems, we will report our findings. When Windows XP first appeared there were a couple of issues that needed to be dealt with, and we learned that XP could not be reliably used to access and change data on a Windows 98 computer (data occasionally became corrupted). Moving the data to an XP machine solved the problem

Generally, Microsoft releases a second edition of their software a few months after the initial release to resolve overlooked issues. Unless you are the type of person who absolutely needs the latest Windows to dazzle your friends with, I would wait a while. If you find issues with BookManager and Vista please let us know; we can't promise an immediate fix but we will do everything possible to ensure BookManager remains compatible with the latest in Windows technology.

Wireless networks

It's important to remind our customers that wireless networks are not reliable with BookManager. BookManager works by accessing data from the remote computer

and then manipulating it (eg. editing or adding new data) before sending it back to the main computer. Often several files are being updated as part of transaction (eg. ordering adds data to datorder.dbf, orders.cdx, datstock.dbf, and so on). Part way through the process, if the wireless connection is disrupted (weak, disrupted or lost signal) some of the data does not get written to the server's files, which results in lost or corrupted data.

In order for BookManager to properly access and manipulate its data it needs to have a steadfast connection, lest it lose pieces in transit. Wireless network technology is still relatively new to the computing world and as such is prone to the occasional disconnection. We strongly recommend the use of a hardwired network (less tears this way).

Wireless computing, however, does work well if you use the Remote Desktop style of computing. I use it at both work and home to connect to a "virtual" Windows/BookManager session running on the store's computer. In our case we use Windows 2000 Server edition, which allows multiple Windows sessions to be running on one computer. Other stores do wireless/home access by connecting to a Windows XP Professional computer at work and then remote-controlling it. The only drawback is that someone else cannot use the computer at work until you are done.

This type of wireless networking works without the risk of data loss because the computer you are working from is only sending/receiving screen and keyboard data. A disruption does not impact any data that may be in the process of being stored. It can get a bit tricky though to set these systems up, dependent on your network's configuration. You may want to consult a technician if you find yourself struggling with this one.

Regarding remote computing, some stores have tried using a VPN (virtual private network) to connect to work from home. This is possible but it must also have 100% connection reliability to avoid data corruption. The biggest downside is that the speed is generally terrible because enormous amounts of data are continually needed while doing BookManager work over a data line that is much slower than an in-house wired network.

Okay, enough geek talk.

ISBN13

Well, 2007 is here and the book world has not yet fallen apart now that the 13-digit ISBN is officially here. Your ISBN10 version of BookManager still runs fine because the industry is now in the phase where both ISBN10 and ISBN13 are generally accepted. It was about this time last year when I became a hermit at our ski condo for a few weeks and painstakingly and meticulously reworked thousands of lines of code so that a 13-digit number would work. My goal to make ISBN10 and ISBN13 interchangeable has worked out quite well, and I'm so glad I did it that way. Everyone started using the new version and just kept on using ISBN10 and let the system convert and deal with matching up the two standards. A few truncated UPC numbers caused a conflict but that's been rare and easy to fix over time. I received many compliments and I truly appreciate those because about half way through the rewrite I wondered what I had done to make the gods so angry with me that I would be punished with such a daunting and tedious task. Overworked and underpaid? Well, overworked maybe...

Since the initial release of 9.0 (ISBN13) a few oversights have been dealt with as well some other changes and added features. As 2007 unfolds you will see more ISBN13 only appearing in catalogues. If you have yet to convert, time is running out.

If you obtain the latest version (Jan 29/07 as I write this) the Reports → README document in BookManager will explain the latest changes.

Thermal Labels

I've fallen in love with thermal labels (don't tell my wife, Michele) because they are so versatile and efficient. For discounted merchandise we now print labels showing the regular/sale price and affix them the front of books. Special order slips are printed onto labels (2-labels per order) along with book labels. This method is more efficient and accurate because the customer's information is right with the book label. We have also adopted a new labelling sequence, which prints them in the order the books are unpacked. After electronic receiving we use the reconciliation process and scan the books. Labels (and special order labels) are generated in the order the books are scanned and stacked. Depending on the size of the shipment, this method is faster than hunting for and matching labels with books.

Below are a few other version 9.0 changes worth mentioning:

- You can print gift receipts from the point-of-sale (finally).
- PubStock can do automatic price conversions. US and short discount prices from PubStock can now be automatically converted to approximate Canadian prices so that you can more easily quote a price and choose an ordering source.
- Large POS invoices can be checked for accuracy using the reconcile feature where the discrepancies are pointed out after rescanning the books.

Where is BookManager headed?

When I reflect on the past year I don't see much innovation in BookManager itself. That said, I thought there must be more because I have actually been working so many hours and nights. The bulk of my time has actually been devoted to the Internet side of things. Sure, there's the WebStore initiative that has been successful for a select few but otherwise pretty dismal in generating new business for booksellers. I'm not convinced that it will ever be a significant part of the average bookstore's revenue, but I do believe that it will become a larger part of the bookstore's service and visibility to its customers. Specialty stores have more to gain from an online presence mostly because their customers are from afar.

For Mosaic Books the mosaicbooks.ca site has become valuable to our teacher/librarian customers. In the past 12 months we've sold about \$80,000 in books from online orders (5% of gross sales). Non-school sales are included in that total but they account for a small portion. For Mosaic the effort to have an online presence has been minimal with the exception of handling the orders, but that's something we do regardless of how the order arrives. Since we first started showing teachers how to use the web site, our sales to schools have increased by about five times – we used to be content with the occasional faxed order for the books they couldn't seem to get anywhere else (sigh). Today, it's the combination of the online service and our bookstore – teachers order online and then top up their purchase when they visit the store to pick their order.

All said, Mosaic still does 95% of its sales in-store because it serves the people in my community who shop downtown. I am better off to continue the majority of my focus on

having the best selection of books ready and in stock for the people who enter my store.

This is where my obsession with the Internet and BookManager really begins.

"How can I sift through the continual stream of thousands of titles and select the best ones for my bookstore? A shrewd and informed book buyer with catalogues and a good rep is fundamental to any bookstore but even the best buyers can't possibly be aware of all the opportunities, especially in categories they are not experts in. Is my bookstore carrying the maximum selection financially possible to serve the most people in my community?"

Quit your griping!

A Chapters store opens in town and suddenly the community is buying more books than all the independents combined (in many cases). They may have name brand and advertising power but surely the bulk of the "new book sales" happened because of the huge selection they carry. Consider if Chapters were just as strong a brand but opened stores that were 3,000 square feet or less in size. Do you really think they would sell as many million books? Size, selection and price matters, big time.

While on the topic of mega bookstores, perhaps we can be thankful (for now) that Chapters is our only superstore. In the US for example, they have at least three superstore chains and at times they go head-to-head in a community. Just try to stay in business while a couple of superstores go at one another. In Canada, I believe we have an opportunity to do so much better as independents. Complaining about Chapters, Costco, Wal-Mart (and so on) is just sour grapes and an excuse for not prospering. In most cases the business is there for the taking provided you have the funds, selection and business sense. There are a number of examples of independents in Canada who have expanded into very large stores and profited quite nicely. Perhaps your store is a long way from being 10,000-30,000 square feet in size but it's very likely that your community and customer base could easily support your expanded size or title selection.

I often hear complaints about how Wal-Mart, Superstore, Costco and the like have crushed your sales by discounting and continually creaming the crop of bestsellers. A sampling of sales over this past month indicated \$5,500,000 million in books sales from 259 independents, but only \$500,000 of those sales came from titles ranked in the top 200.

Generally, the discounters are only selling popular titles, so I would estimate that they are directly impacting about 10% of the indie's sales. Sure, if the discounters did not exist the indies would be selling many more hot titles, but I think the important thing to consider is that 90% of your sales are likely coming from titles not stocked by the discounters.

Should you discount bestsellers?

Last Christmas I took a couple of top-selling titles, and did the 30%-off thing. Part way through I took them off sale, and then back on again. The results were obvious – sales went way up, way down, and then way up again. But who wants to sell books and make virtually no profit? Or, should the question be, "Can you afford not to discount?" When bestsellers are discounted and available at nearly every store that your customers frequent on a regular basis, how can you possibly expect them to be the community martyr and pay full price at your store just because you are the struggling independent? Some will say they support you (talk is cheap, you can take it from me) but the vast majority won't, and quite frankly neither should they! You can give me all the reasons why your prices have to be higher (eg. publishers sell to you at higher prices, and you have more experienced staff, blah, blah, blah) but that's your problem, not theirs. Be honest and put on your consumer hat for a minute -- society has trained us to think that we are fools when we pay more for something. Wal-Mart did not become the world's largest retailer because of ambience and service. Heck, they didn't even have much in the way of selection in the early days – just low prices and nothing but low prices.

Now, back to our problem. Go to your local Chapters or where hot books are being discounted. You need to find about 30 titles (hardcover fiction, non-fiction and other top-of-mind titles). Look up those titles and calculate your sales on them for the past week or so. Next, compare that to your overall sales for the same period. If you do not discount you will likely discover that the discounted titles represented very little of overall sales (i.e. the discounters have already stolen your high-volume business). If you had discounted these titles (perhaps by 30%), how much of your week's profit would be lost? Again, it's likely not very much. Consider though, if you regularly discounted 30 top-selling titles (and kept them in sufficient stock!) how many you would need to sell before reaching the pre-discounting profit? You might find that you will never

recover the profit but you would be missing the point if you did not consider what discounting might do over the long term for all of your other sales.

It's unlikely that you will be cannibalizing your full-price book sales by discounting because customers are generally not going to fore-go something they want to read in favour of another book just because it's discounted. Rather, you will gradually stop customers from shopping at the other place *first*, where chances are good that they will, for convenience's sake, buy something whether it happens to be on sale or not. If you discount, over time they will feel confident that you offer good value in addition to great service and selection. They will come to you first and more often to buy both discounted and regular-price books.

Remember my points on Wal-Mart if you still think price isn't a very big deal for your customers. Are you ready to experiment for six months? You can easily stop it if things don't improve but you will need to give it six to twelve months. Don't forget to take titles off sale as soon as they lose lustre and then and replace them with new ones. And remember to smile and *make it look like you are happy* with giving away most of your margin!

Improving selection

With pricing and discounting out of the way, it's onto making sure you have all the right "other" books that can be sold at full price.

Dead stock (woof woof!)

Too often booksellers are short on the cash needed to fill the shelves. And besides, the store looks pretty full already and so all I need are more customers and sales, darn it.

Lately, I've been testing the power of TitleLink's giant database and super-computing power to analyse stock in ways that BookManager is just not designed for. First, I looked at Mosaic's stock and sales from the past month to see where my sales came from. Virtually all of my sales came from high and medium ranked titles (ranked by national sales demand). Sales were dismal for titles in my store that were not selling across the country (i.e. low-ranked sales). There were exceptions such as local interest titles. But even titles that I hand-sell and therefore beat the national averages are not on the dead list because they are selling to some capacity. Fortunately, the low-ranked stock represented very little of my overall inventory (we are ruthless with returns and

markdowns). Curiosity killed the cat, and so I set out to see if I should be keeping my low-ranked stock longer to boost sales. Running the same report against a number of other bookstores revealed that the vast majority of stores with plenty of low-ranked stock had hardly any sales from that category. In most cases, I noticed that the medium-ranked stock brought the lion's share of overall sales.

My conclusion? Several stores could eliminate almost all of their dead stock and not impact sales. Of course, after a serious clean out some stores may end up with a bookstore that looks pretty empty but on the other hand there are literally thousands of other titles that could fill the now-empty shelves and give customers titles that they *would* consider buying.

But what if you are a specialty store? Being a specialty store means that you carry many more titles in categories that my store offers only a sampling of. There are many thousands of medium ranked titles to satisfy the depth offered by specialty stores, which means you too can likely rid your store of most of your low ranked titles.

Consider visibility as another negative impact when you have too many books that hardly any people are looking for. We once took our fiction section that was jam-packed with more titles than any avid reader could hope to browse. There was hardly a title face-out. Sales were sluggish, and so I in one day I removed and stripped 30% of the stock. In the next month sales increased by 25%. Less inventory and more sales? It turns out that the publishers know what they are doing when they spend a small country's GDP designing a book cover (so long as I face it to catch my customer's eye). As well, my jam-packed section had made it more difficult for my customer to find a good work of fiction amongst all the other garbage that had long ago been tried and failed. Not all popular authors write hum-dingers every time. You need a strong backlist but make sure they are moving in other stores, and that you still have room to face lots of titles.

When you have only your own store's sales to judge how well a book may sell it is hard to differentiate a medium-seller from a dog. However, if you look at the sales from your peers the duds are much more obvious. Chapters are able to do this by looking at sales from all of their stores (not that they pay enough attention to that, ha!). As always, there are the exceptions where you are able to outsell the rest of the country but

you should be able to isolate those because you have your own sales records to prove that it sells in your store.

For those of you short on cash, your dead inventory may be what is holding you back from growth. I can't stress that enough. Take your lumps! Return what you can and pull the rest out, reduce it (drastically) and pile it on a sale table. And don't put it back in the section! You need to be able to walk through your store and identify those sad-looking sections with only 10 titles. At least you will have ten face-out contenders to offer, and you will recognise the need to research for some newer titles. Can't find anything worthwhile for the category? Reduce the shelf space and expand a stronger category to see what happens.

After the big clean out, remember to keep an eye on things. We do returns three times each year (and we hate it). There is very little that we keep once it's been on the shelves for more than nine months. At times, I even return and then repurchase a title that I just can't part with. It disciplines me to think twice. Remember, while sampling the data I was hard-pressed to find a single store that had sales on dead inventory high enough to warrant keeping the dead stock. Highly specialized stores were the exception but even dead-stock sales in those stores were pretty dismal.

To help you rediscover the old friends that need to be removed from your store, stay tuned for some new tools coming to your personal web page at BookManager.com. It will go well beyond the basic tools currently available in BookManager.

Discovering the high and medium ranked titles

Eric & I have been working to provide you with some new ways to discover titles that could be stocked in your store. In BookManager, the weekly Backlist file and TitleLink have provided ways to extract and review popular titles, but I believe that better information and more options can be delivered via the website.

Early last fall I discovered our store was seriously short in inventory for the coming busy season. We had a new book buyer who was going a great job but was unfamiliar with the extent that inventory had to be boosted for Christmas. I estimated that we needed to add \$70,000 in inventory pronto! That's a lot of ones and twos to bring the selection up to snuff. Using our website mosaicbooks.ca from

home (and a couple bottles of wine over two evenings) I was able to sift through thousands of titles by subject and supplier. With the aid of jacket images, some content, national stats for sales - in stock - on order, I was able to make some pretty good guesses and ordered a ton of titles. I wasn't allowed to see bookstore names but the province breakdown gave me some clues to titles that would definitely not sell in BC. The stock started to thunder in and the staff wondered if Mikey had gone off his medication and was about to bury the store in obscure books. My reputation was redeemed shortly thereafter when many of the quirky titles I had ordered immediately started leaving the store. In the end we had a great Christmas season with sales up and not too much stock left over. That said, I can't recall if the nose-shaped pencil sharpener from Scholastic sold - (okay, I made a few boo-boos).

There has been some fear of homogenizing the selection at independent stores once we all start picking titles from the same title lists. I doubt that we will ever come close to this. For example, while going through the craft selection I had at least three hundred title choices ranked in the high and medium range. I only needed to pick twenty titles to boost the section, and picking the first twenty of the top sellers would have been a mistake unless I wanted my craft section to carry every title on needlepoint (or whatever the most popular craft subject was). You still need a book buyers insight to make sense of the data.

When you start getting into the medium sales area, the titles being sold are often from 40 or fewer stores but generally each title's sales came from a different set of 40 stores. Occasionally I took a title that sold in only 10 stores because it looked interesting. My choice and subsequent sale then added the overall ranks. Conversely, another title I gambled on bombed. That's why we have return privileges, right? At least my selection changes.

Forthcoming titles

TitleLink already has some rudimentary ways to present forthcoming titles based on the advance ordering patterns of our peers. This however needs to be enhanced and grouped by publisher, category, release-date and catalogue order. For example, I want a buyer to be able to use the printed Random House catalogue of new fiction for Jan-Feb-Mar and have the titles appear on-screen in the same order as the catalogue. From the screen a quick click will show the author's other books

and how well they sold at Mosaic Books and nationally. Add to that nation's currently on hand stock as well as the ordering patterns that are shaping up and I think we can make a more educated decision on stocking the new title. Then, it's one click and the title is put into BookManager's pending orders system.

At least, that's where we're headed in 2007. This may be the first year that bookstores bookmark their personal bookmanager.com homepage and make frequent visits to use and discover these new features. Read on to get started.

Your store's web page at bookmanager.com

These pie-in-the-sky ideas and our existing concepts are best delivered via a powerful common computer system and database capable of sorting through millions of records in the blink of an eye. I predict that there will always be the need and desire to have a mirrored set of data running in every bookstore (DOS BookManager or whatever), but more and more of the buying and analysis will be done from a powerful common server working with store-level and national data. (Indies only, please, at least as long as I'm still on this planet).

A number of stores already have their bookstore's own web pages as part of the bookmanager.com site. Unless you have a domain name (eg. mosaicbooks.ca) that is linked to our site, you will access your store's site and data by entering

www.bookmanager.com/yoursan into your browser (substitute "yoursan" with the san we have on file for you).

The existing store sites have been used primarily to facilitate the online bookstore concept that's having limited success. For many of these sites we've added colourful store logos and encouraged booksellers to customize the site with news and events. For your internal use though, you can bypass the cosmetics and just use the site in its basic form. In order to have access to the reports and screens that show data relevant only to your store, you must also log in with an account number associated with your store. The default user name is your store's SAN (in your company information screen in BookManager) and your password (found in BookManager's Supplier file "passwrld" field under supplier TBM).

The default account will give you access to some basic features and buttons that show things such as sales history and stock on hand for titles that you search for. There are a number of things the site can already do that I won't go into in this mammoth newsletter, but you should experiment and poke around.

Account Permissions and Relationships

Saved changes.

Webstore **Mosaic Books** has relationships with these contacts:

Email	Name	Relationship Type		Permissions
orders@mosaicbooks.ca	Mosaic Books	Store's default account	Delete	features: <input checked="" type="checkbox"/>
carley@bookmanager.com	Carley Bortolin	Data manager	Delete	ordering: <input checked="" type="checkbox"/>
mneill@bookmanager.com	Neill, Michael	The boss	Delete	pubstock: <input checked="" type="checkbox"/>
sheena@bookmanager.com	bathgate, sheena	chief bean counter	Delete	sales: <input checked="" type="checkbox"/>
matt@bookmanager.com	Gunn, Matt	support and more!	Delete	storestock: <input checked="" type="checkbox"/>
kaare@bookmanager.com	TBM BookManager	more support & more	Delete	subjsales: <input checked="" type="checkbox"/>
eric@bookmanager.com	batch	programming	Delete	confidential: <input checked="" type="checkbox"/>
<input type="text"/>	Enter an email to add it to the relationships list.			admin: <input checked="" type="checkbox"/>
				relationships: <input checked="" type="checkbox"/>

Provided that you have been given permission, you can gain access to reports that contain more sensitive information such as your sales volume. The menu bar on the screen has an Edit Site option. Under this there may be a **Permissions** option. This option is available to users (accounts) who have been given authority to use this level of the site. We didn't give this permission to your store's basic account because the password can be easily obtained by anyone in your store (especially after reading this letter).

However, if you are interested in using the new site and the features we are developing, you will need to decide if you want to create a private account linked to your store or you just want to use the store's default account (and move it to a private account later). To create a private (personal) account you must logout as the bookstore and then use the

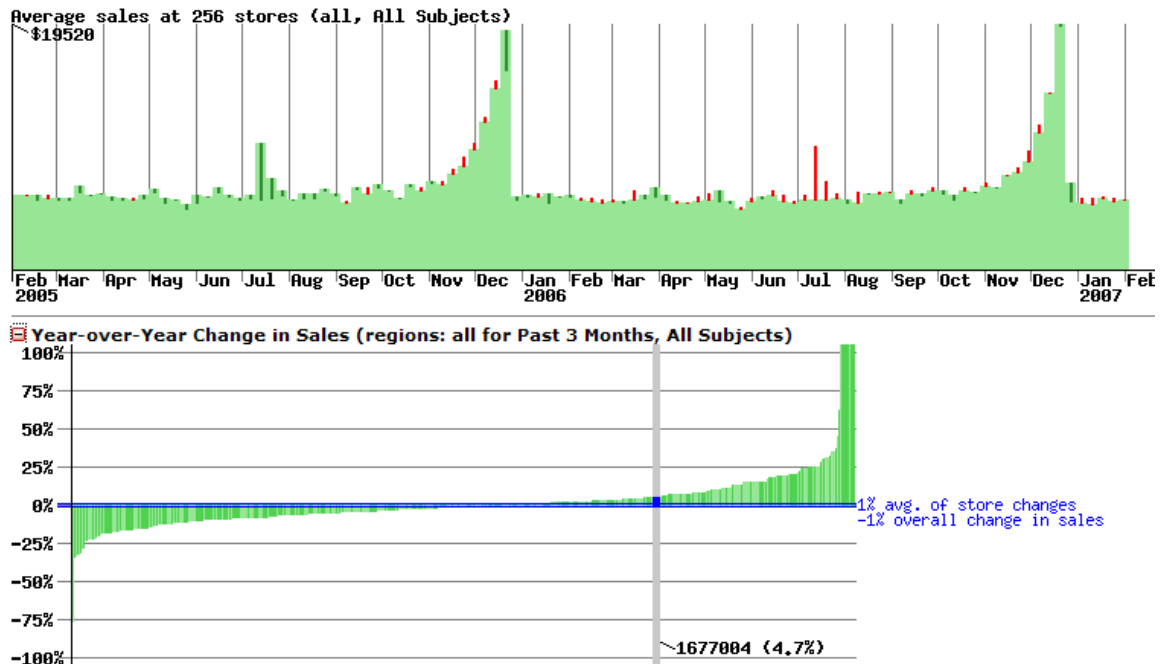
"create an account" link to add your name onto our system (you will need a personal email address to do this, otherwise call us). This step is exactly what an online consumer would do in order to purchase books.

The next step is to contact us and request to have the **Permissions** menu option enabled for only your account. We will only do this after speaking with a storeowner or someone we know has the authority to access private company information. Once an account has been given access to the **Permissions** option, that account is free to create more accounts and link them to the store with specific permissions enabled or disabled. This process is essentially the same as creating Clerk Codes in BookManager and then assigning rights to different clerks. Set permissions, click on the user and then check the boxes for each area you want them to have access.

Sales Changes/Trends Graphs

If you have set the site permissions correctly, the menu bar **Reports** should reveal a **Sales Changes** option. Click it and in a moment you will see a page that contains several graphs and options used to filter the graphs. In December we emailed everyone an explanation of this new report, but being Christmas we doubt if many of you had time to play.

Below is a portion of the screen to give you an idea:




Bringing the BookManager Inventory Screen to the web

The site is now using a detailed titles screen that is starting to look more like the BookManager Inventory screen. In particular it shows your 13-month sales history and current onhand and onorder. And, if you are already using the Backlist file in BookManager to show national sales, you will recognize the national sales data on the site. What's new is the consolidated on-hand and on-order.

Display mode: [brief](#) [sales](#) [full](#) - Pg. 1 Prev. page Next page

Title Info



Eat, Shrink, & Be Merry: Great-Tasting Food That Won't Go From Your Lips to Your Hips! (Paperback)



[Janet Podleski](#) [Greta Podleski](#)

Publisher: Granet Publishing Inc

ISBN: 0968063136 EAN: 9780968063132

Published: October 2005 **High Demand** (sales rank #123)

Cooking

\$29.95 as of Feb-07 [PubStock](#)  

oh	oo	loc	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	wk.
2						2	2	2	1	-1	1	1	1	3	1	1
172 ⁸⁵	31 ¹¹	136	121	93	103	71	61	72	65	77	49	83	209	87	20	20

Cool, eh? This title sold much better last year, except Costco sold a shitload of it for cheap, cheap, cheap!

Required Data and Subscriptions to make it all visible

The site's functionality and visibility is dependent on a number of things. These rules are subject to change as the site evolves.

First, you can expect that most or all of the features on the site will only be permitted with stores who have a paid up renewal/updates subscription (e.g. the basic \$500/year fee; increased from last year in order to accommodate these efforts).

Full ISBN: The last 3 digits of the ISBN are hidden if the user logged in is not linked to a store with a TitleLink subscription. In the end, it may be that TitleLink is required for any advanced access to the site because so much of the information is obtained based on the TitleLink bibliographic data. Fortunately, almost all of our stores are now using TitleLink.

My OnHand/OnOrder: Obviously your on-hand and on-order quantities will not appear until you *enable the BookManager Scheduled event to submit this information* once each evening. On that item, a number of stores are presently making buying decisions based on the forthcoming ranking system (i.e. the negative ranks shown after each TitleLink search in BookManager). Some of these stores, however, do not submit what they have on order, which we feel is taking

advantage of consolidated information without first making a contribution. Please join the over 120 stores already contributing. We can help you add a Scheduled event to achieve this.

Group OnHand/OnOrder: This information is visible if you participate by sending your inventory onhand/onorder on a daily basis. The screen has a large number representing the total quantity on-hand (or on-order) and a smaller exponential-style number that represents the number of stores that have at least one copy on-hand (or on-order).

My Sales: This 13-month information is similar to what you see on your BookManager screen, except the monthly totals may not appear exactly the same because the sales we receive from you are weekly and therefore may span a month. Also, if you are unable to send in sales for a week, that data will be missing from the grid of sales.

Group Sales: This is a consolidation of the sales from participating stores. We have over 250 stores reporting, including a few independents who do not use BookManager for their point-of-sale. The number of locations selling at least one copy of a title during the past 13 months is indicated under the **loc** column. And, just like in BookManager, a character follows this number whenever sales are primarily from a specific region (w=75% west, e=75% east, c=75% Christian, C=100% Christian). Sales

information is not shown unless you have recently sent a weekly sales report.

Ordering online

There are two styles of *carts* used to place books on order ("Cart" is a common web term to identify where you enter a quantity to order). The consumer's cart is a simple box where the quantity to order is entered. The extended or "buyers" cart is an area clicked on to bring up a PubStock style window that allows you to choose who you are ordering from, the quantity and price. You use the **Permissions** area to decide who gets to use the buyer's cart.

Items added to the cart can be viewed and then sent back to your store's copy of BookManager. At least, that's where it's headed. A few stores who are accepting online orders from customers already have the ability for orders to be submitted directly into BookManager. With the "buyers" extended cart we will be feeding the orders into BookManager as pending orders ready for a final look over before they are sent to your publishers.

Yikes! I think we've created a monster!

Sales by subject

With the basic title and sales information in place, it's now time to start developing ways to present lists of titles in efficient and meaningful ways so that educated buying decisions can be made. The development cycle will likely involve a long trial and error process that you will be invited to provide input on.

Currently, we have **Sales by Subject** under Reports. This is under rapid change.

***Note:** Pressing Ctrl F5 while in your browser forces the server to resend all of the data and code used to make a web page work. Most often you do not need to perform this action but during rapid development some features may not work as expected because your browser is using incompatible (outdated) code. Eric thinks it will be rarely needed but at least now you know one more geek command to impress your kids with.*

The concept behind this report is to generate a list of Bisac subject headings being used as a standard in English language countries. Each primary subject has two levels of more specific subjects. At present we are only using the primary and secondary levels because most publishers are already being challenged to provide anything beyond a top-level subject.

Essentially, you choose to have sales extracted from a recent period and then have the system find the titles that sold. To reduce the number of titles, you can ask to see only titles that sold in more than xxx locations during the period. The subjects page will then have several blue underlined areas (links) that are clicked on to expand and provide more information. Hopefully, you will appreciate the amount of effort that we're putting in to make pages of data appear within pages (nesting). This tricky technique essentially eliminates the need to use the browser's back button; something that drives me nuts when I am deep down in a page of information and I lose my place after clicking on something.

Working with BookManager and web pages

These new web-based techniques for ordering and research will encourage frequent switching between BookManager and the website. The Windows Alt+Tab sequence is designed to toggle between the two most recent programs currently running on a computer. If you use BookManager in full screen, changing to a graphical screen and back to full-screen DOS can cause a delay while the video mode changes. However, if you press <ctrl> enter, BookManager will appear inside of a Windows window. Most often this screen is too small but you can permanently enlarge it when you right-click the top of the window and work with the Properties → Font settings (Lucida font and 20 point is often the best). For most booksellers the windowed BookManager takes some getting used to and it may be that only the buyer's computer is used in this manner. In addition to fast alt-tab between applications, you can cut and paste information to and from any two windows including BookManager. In BookManager the cursor must be placed where you want text inserted and the technique for selecting text takes a little practice (and must be enabled in the Properties → Edit Options area).

I imagine we have a ton of ancient computers out there running BookManager. Performance is still pretty good on these because we are not dealing with huge and complex graphic files. Now that the web is becoming part of your daily life, you may find that the web is only practical on more recent equipment. A computer with low RAM will be very slow because it cannot hold enough information to switch between applications. The other thing to check is the resolution of your screen. When you right-click on the Windows desktop, choose Properties → Settings. We

are expecting stores to have at least 800 x 600 resolution in order to handle the width of most BookManager web pages. You will find that increasing that resolution will be a further improvement because it permits more information to be visible without the need to scroll.

In all, it's going to be an interesting and sometimes bumpy road for 2007.

BookManager's Staff

Currently we have myself (Michael) doing BookManager, web and data development (not to mention the bookstore and skiing duties), Matt Gunn and Kaare Iverson handling most of the technical support and a number of other important tasks, Carley Bortolin is in charge of most of the data we collect and distribute to and from stores and publishers, and Eric Batchelor does most of the fancy data and web programming. Another fifteen people run Mosaic Books, Mosaic's coffee bar and the Bargain Bookstore. It's a busy place where little moss gathers. My wife Michele is pretty much running the bookstore except I get drawn into it in the fall and while doing development to make sure the bookstore staff are trying and testing our latest offerings. Kellynda, a long-time BookManager co-worker has been busy being a mom with her new girl but she has indicated that she will return on a part-time basis some time in June to help with the data side of things and be the I-can-do-almost-anything gal.

Sometime soon I want to add another person to help in the development of the MySQL, PHP, Perl, Linux, Apache server and other components that make all of this work. Eric & I simply don't have enough hours in the day although Kaare is learning some skills along the way. If you know of anyone interested in making a career in BookManager development and sharing our obsession with building a strong independent book industry, please have them get in touch with us. They would have to bring some talent and be interested in living in Kelowna. Your generous financial contributions to our company should provide enough in the budget for a decent salary.

BookManager stats

We presently have 444 stores running BookManager with about 30 new stores coming on board in the past 12 months. Yes, there were several new bookstore openings in addition to those who have switched from other systems! Sadly, a few stores closed but that's been consistent with all the years since

we started BookManager. We have another group of stores that use our TitleLink and PubStock data services through the website.

Believe it or not, Canada's independent book industry is pretty strong and I'm hoping that some of the inspiration in this letter will encourage you to look within your store and your community for growth. The status quo can be death in a small business and as such you must always be prepared for change and improvement. If you try three new things and two of them fail, that's still progress! There is likely not a single bookseller reading this newsletter who could not improve their sales after paying close attention to their selection and merchandising techniques. The Sales Changes graphs that we made available to you should indicate that the majority of stores are showing growth. A few booksellers have commented to me that they have experienced considerable increases after making better use of the data we provide.

Potter Mainia!

Harry Potter #7 will make for an interesting July for those of us in the secular book market. Mosaic's going on a flyer and ordering some 600 copies (we eventually sold 600+ of the last book). Yes, they are already being *proudly* reserved at 30% off at Mosaic, and if I have to make it 29.99 (33% discount for a prepaid order) I will because I can't justify being seen as a non-price-competitive independent. That book is going to be sold cheap everywhere. July sales will look great but the bottom line will hardly change from it. The money I would have made after selling many fewer copies at full margin would only carry my store so far --- I have a reputation to build so that I can showcase my store to everyone in Kelowna, and then give them the opportunity to happily pay regular price for the vast majority of our other great titles.

I hope you have a great year!