



Anthology, Inc.

Periodicals – Methods of stocking and selling periodicals

Generally, periodicals (magazines & newspapers) are treated differently than other inventory items you may be selling in your store. First – the distributor is often given a defined amount of shelf space to display their product. Second – the distributor handles the stocking and inventory adjustments. Also, with this type of product the vendors typically decide how many of what item to place on the shelf based on how well the item sells, if at all.

These vendors – seller arrangements lend themselves to a variety of purchasing – invoicing methods. Anthology addresses the periodical issue in two basic ways. The method you choose will depend on several factors including: the number of titles you carry, the number of different distributors you buy from and whether or not you are expected to stock the shelves yourself (some vendors may require this).

1. **Method One is the most labor intensive but allows you to track the on hand quantity of the individual titles and keep accurate counts to check against vendor invoices.**
 - a. Enter the UPC for the periodical, without the suffix, into the Inventory file. Typically booksellers don't include this information – the suffix refers to the issue number, that is, the month for monthly publications, the week for weekly publications and so on. Most scanners come programmed to ignore the suffix of the barcode by default. If not you should contact your barcode manufacturer to see if it is possible to program yours to do this.
 - b. Do not assign an on hand quantity at this time. Receiving will increment the on hand for you.
 - c. Create a Receiving Memo for the vendor that reflects the number of copies the vendor is putting on the shelf. This could involve counting the issues going up and those being removed or trusting them to provide accurate information.
 - d. Post the Receiving Memo – the on hand quantity is adjusted in inventory.
 - e. As you sell the items the on hand is reduced.
 - f. Depending on the frequency of the periodical (6 issues per year, monthly, weekly, daily (newspaper)) the vendor will pick up old issues and place new ones on the shelf.
 - g. Create a Return Invoice (overstock return) for the items being returned.
 - h. Post – this should adjust your inventory on hand levels to 0 (zero). Failure to do so suggest a shortage – either an item was stolen or the vendor possibly miscounted when stocking.
 - i. Create a new Receiving Memo for the newly stocked issues.
 - j. Post
 - k. The process is repeated as often as new items are cycled through your store.

2. **Method Two is more widely used when dealing with periodicals. It relies the vendor's ability to provide accurate invoicing for inventory they handle.**
 - a. Enter the UPC for the periodical as you did above into Inventory.
 - b. Do not assign an on hand quantity.

 - c. As you sell the items the inventory on hand levels will go to a negative (-) number.

- d. The vendor handles the inventory adjustments. They bill you for the items sold and credit you for the ones that didn't. The invoice they submit to you will show the number they placed and how many they took back.
- e. Running a Sales History Report for this period should result in sales figures that match their figures.