



LOGISTICS **NEWS FLASH**

Anderson News Imposes New Charges to Publishers on all Magazines Distributed
January 16, 2009
Quebecor World News Flash – Issue #237

Magazine publishers will have more than just an economic recession to deal with as Anderson News - a large magazine distributor responsible for 20-25% of North America's magazine dispersion to retailers - has stated that they will impose a 7-cent charge per copy on each magazine that they deliver as well as deferring all costs incurred with scan-based trading (SBT) back to the publisher. Anderson News has stated that their magazine distribution services have not produced a profit in years and have created these changes in an effort to combat this trend. All Anderson News' customers must provide a signed agreement by February 1 or their business will be refused.

The increase per copy will have a dramatic impact on many struggling publishers who have already found themselves in a tough situation with magazine advertisements down 11.7% throughout 2008 ([Nat Ives, Advertising Age](#)). Scan-based trading (SBT) also becomes a major point of contention, as many retailers have become accustomed to only paying for magazines that have been scanned through their system (sold copies). With this SBT system, all unsold copies were charged primarily back to the wholesalers. Anderson News will now transfer the costs of the unsold copies back to the publishers.

QWL strongly suggests its newsstand customers contact their national distributor to access additional details concerning the Anderson News announcement and its potential future impact on the newsstand delivery supply chain. Quebecor World Logistics will continue to monitor the implications of Anderson News' actions and provide additional information as it becomes available.

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