

## Frequently Asked Questions about New Leaf's National Accounts Program

**What if I am already selling to some of these national accounts?** Simple. Just let us know that you do not need us to present to these accounts. Depending on how you are doing handling their orders and at what margins, you may choose to have us take this over.

**Why do you charge to review titles?** This is a "sign up" fee. We carry thousands titles from small presses many of which are not appropriate for national accounts. By charging a fee, we know you will self select appropriate titles because you will not want to waste your money. This also covers our administrative overhead and what we need to pay Ken for reviewing and giving you feedback.

**Does this program include Amazon?** No, we have a whole different approach to Amazon, and they are our largest customer. If you are selling to them through their Advantage Plan, we can save you time and money by handling this account for you and it costs you nothing. Please inquire at [Amazon@newleaf-dist.com](mailto:Amazon@newleaf-dist.com) for more information.

**Why are you charging me "presentation fees"?** We have to cover Ken's fees and expenses, and it is costly to have someone "on the road". If we did not charge presentation fees, we would need to take a higher percentage on sales, and we would be reluctant to risk the overhead costs unless we felt a title was a sure thing. This would not align with our intention to offer this opportunity as broadly as possible.

**At \$150 per setup and presentation to a national buyer, how many presentations will Ken be doing or how many national buyers are there? What does a presentation consist of and how long are they?**

Most likely there would be 4 to 6 presentations depending on the nature of the book. Each presentation is \$150 and if a second title is presented at the same time, it is another \$50. There is a good deal of preparation done before any presentation. As far as the actual 'face time' a title might get with a buyer, it is unpredictable - the buyer might take a couple minutes or say yes or no in 10 seconds from looking at a cover. Even with Ken's many, many years, he dares not make predictions. There are many internal organizational factors that can change a buyer's approach from month to month. Sometimes Ken will make a second presentation of a title when circumstances warrant and there is no additional charge for this. **This fee includes follow up** of which there is often a good bit before we get a definitive answer.

**Is the \$150 fee per national account set up and presentation in addition to the \$150 I already paid?**

Yes.

**How are the number of presentations determined?** You may tell us to which accounts you wish us to go after. Otherwise, Ken will decide based on his sense of whether a book could work with a particular account.

**What if my books are already listed with Ingram and/or Baker & Taylor?** Only having your books listed with them will rarely get your books stocked. This is where having direct face to face representation can make a huge difference. Having a listing generally means that they will not take stock until they have demand. Also, if you have less than 10 titles with Ingram, then your books are probably only sold by them at a short discount. You should check into this before you make a decision.

**What is your success rate?** Our largest account is Ingram and they stock about 80% of titles in the program. We have a couple of publishers that sell 500 to 1,000 copies and more a month. The average is around 25. At this time, we sell to Borders, Hastings and Books-A-Million through Ingram so the success of presentations to these accounts impacts what we sell to Ingram. They are also the major source for

independent book stores. In addition, they sell to Libraries, and many other markets. The next largest is Barnes & Noble. Unfortunately, they are cutting their title base and becoming more difficult to sell. Success rate there is about 40% although everything will go into barnesandnoble.com. Borders is next but because they buy through Ingram, we do not get actual figures for them. Baker & Taylor is a much tougher sell than Ingram however we do have some titles doing around 50 per month.

**Is this \$150 paid in advance or after the presentation?** Except for Ingram and Baker & Taylor, you will be billed after presentations are made because we cannot always predict which titles we will be able to cover in an appointment.

**Are the presentations done simultaneously or focused on one at a time?** Our rep goes into an appointment with up to 30 titles to present. He and the buyer go through them one at a time. The buyer may make a snap decision or they may take a couple of minutes to discuss. This is unpredictable. The more he can say about media exposure, awards, reviews, sales at Amazon, etc., the longer a book will "have the floor."

**Sounds like I'll have to pay for up to six presentations all at once. In other words, come up with almost a thousand dollars in one shot, right?** The presentations do not happen all at once. Sometimes there may be two in a month. At Ingram, B&N, Borders and B&T, we generally see the buyers quarterly. With Books-A-Million and Hastings, it's two to three times a year.

**If I have a limited budget for presentations, which ones do you recommend be first?** Ingram, B&N, Borders, B&T in that order. Since we sell to Borders, Hastings and Books-A-Million through Ingram, we do not present to them before getting titles into Ingram.

**My understanding is that Ingram and Baker & Taylor supply books to Barnes & Noble and Borders, so is presenting to all four of these separately a bit redundant?** It is true that B&N & Borders buy from both Ingram and B&T. B&N buys books that we present directly from us, and Borders buys through Ingram. But just listing books with Ingram and B&T is very different from actually selling them. Giving the books face time with the buyer is what will give them a shot at actually getting stocked in stores. Otherwise, they are special order items ordered when a clerk looks up the title in response to a customer inquiry. So even though we do not sell directly to Borders, the presentations and follow up with the Borders buyers are critical.

**What is the usual success rate of presentations?** Ingram and Baker & Taylor usually take every title, however B&T often will just list the title but not bring in stock until they have orders. The success rate with chain retailers is totally unpredictable for the same reasons as in the previous question. Sometimes 80% of titles might be accepted; other times 15%. B&N takes most titles for B&N.com but this rarely leads to significant sales. The presentation process does not stop with the presentations. Most often multiple follow ups are required.

**Does the \$150 for presentations cover ongoing attention like reordering or increasing the number of stores that carry a book?** Re-orders are all automatic and based strictly on sales. Generally the chains will buy a modest quantity to put into only those stores where they feel the book is most likely to sell. Ken watches these orders, and if the book is doing well, he will urge them to put it into more stores. Once it is in as many stores as possible, there's little more we can do unless there is something like coming publicity in which case, if you let us know, we'll alert the buyers.

**What can I do to help my sales through these national accounts?** Marketing and publicity are everything. Fortunately

**Will you present my CD's and DVD's as well as books?** CD's and DVD's are a much tougher sell, however we will consider them.

**How long after a presentation before we see orders?** This depends on the account. If you have major publicity pending we try to expedite and may be able to get orders within a few weeks. Ingram sometimes will order modestly within a few weeks after setup even before a presentation. B&T will list right away but not order until after presentation or they have orders. The national chains can take as long as 4 – 6 months. Once a buyer decides on a title, they have to designate which stores will stock it and how many, work it into budgets, and go through layers of approval.

**Will I be advised about how my books are received by the buyers?** Unfortunately, no. Often we will not know until we get an order. It's a huge task just keeping up with what titles have been presented when and to whom and following up to get orders. It's not feasible to add reporting on steps along the way. You will receive a monthly statement that will show sales to each account.

**Why are you calling the discount "extra 20%" instead of 64% which is what it is?** Because we leave the discount on existing sales the same, adding 20% only on the additional sales to national accounts was the simplest way.

**I've heard that National Distributors ask for huge ad budgets in order to promote a title. Your program makes no mention of any ad budgets. Without an ad expenditure to go with it, how will my book stack up?** We offer opportunities for you to advertise through wholesalers, and there is no requirement to participate. However ads with the major wholesalers reach a huge audience of buyers and can definitely help your sales. As for B&N and other retail chains, they have coop advertising programs, but this only applies when buys are going to be in the thousands. When that happens, it's usually about \$1.00 or less per book for coop, but we have yet to have such a big title.

**After one of the national sellers take me on, then what happens? Does my book just sit on a list? Do they promote it?** It depends on the account. With the chain retailers, if they decide to buy the book, they will usually put it into a subset of stores where they think it is most likely to work. If it does well, then they will put it into more stores. B&N will at least put titles on B&N.com which will likely result in some sales. This is where your own marketing and publicity are important. They will begin to stock titles in stores that sell well on B&N.com. Ingram and Baker & Taylor are demand wholesalers and they do not market books to the stores but provide ways for publishers to market through them the same way New Leaf does.

**How does my relationship with New Leaf and with the national accounts proceed over time?** Your relationship with New Leaf for all but National Accounts is only affected by the change in payment terms. Once a title is ordered by a national account, then it is in their system and reorders are entirely based upon sales. They will continue to reorder as long as their sales criteria are met. Our part is to do everything possible to get the book into the stores. After that, it is really up to the publisher to keep up demand through exposure such as media interviews, blogs, social networking, etc. If you let us know of media exposure, then we will let the buyers know. Book signings can be arranged by the publisher on a store by store basis. It helps to be able to say that the book is in their system if that store is not carrying it. If a store agrees to a signing, we'll get the books to them.

**What if my books are already listed in Ingram, Barnes and Noble and Baker & Taylor because I use LightningSource as my printer? (Also applies to iUniverse and other print on demand programs)** While they are listed, this does not mean that they will sell because the buyers do not see them and do not put them out to stores. In some cases, the stores can only buy them non-returnable and at short discount which means they would only be bought very infrequently as special orders.

You will need to contact your print on demand provider and request that they remove your titles from their listings with the national accounts that you want us to handle. It has to come from you – not us.

**My POD service handles Amazon for me which is part of their listings. What if they will not let me cancel listings without also cancelling Amazon?** We are happy to take care of Amazon for you – just let us know. That is not included in this program and we do not take extra discount nor are there other fees.

**Will you handle Amazon for me if we do not use POD?** Absolutely. We sell handle hundreds of titles with Amazon and can generally get through the ‘electronic wall’ to a live person to sort out problems.

**Instead of paying fees by credit card or check, will you take a credit against what you owe me?** The signup fee must be paid up front. Payment method for presentations will be optional. We send an invoice and if it is not paid in 10 days, we put it on your account to come out of your next check.

**If my book is accepted into your program, how many copies would be required for the first year? How much advanced notice would I have in case I need to print more copies?** There is really no way of telling how many copies might be needed. The distributors will likely order small numbers to begin with. The chains could order 2 – 300, but we are usually successful in keeping orders small and steady. You would have enough time between the date they order and their cancellation date on the order to reprint. We will not allow any accounts to order unreasonable quantities.

**If I am not satisfied or my book is not selling, how long will I have to cancel?** New Leaf has always done our best to serve you in a way that works for all. We think that this program will work as well or better than most national distribution deals. If for some reason it does not, then we will not hold you. You may cancel at any time. Any fees already paid are non-refundable. For example, if we have planned to present your books and have already charged you for a presentation, that fee would not be refunded, however we would not schedule more presentations and there would be no new charges. However, the contract will be for one year so that any sales from presentations already made will continue at the discounts detailed until the contract expires.

**Do you offer other services such as warehousing?** We do as part of taking on distribution clients. We also offer ‘consumer direct fulfillment’.

**I got the sales report for October and then got the New Leaf National Accounts Marketing Program Monthly Statement. I thought that the 20% (the way I read the paperwork) was going to be the first month, but how and why has it gone into the 2nd?** To which 20% do you refer? There is an additional discount of 20% on sales to national accounts and there is a 20% cumulative reserve against returns for the previous 6 months. After 6 months, the oldest month drops off so sales increase, the reserve increases – sales decrease, the reserve decreases.

**On average, how much do the extraneous fees run?** It is rare that there are extraneous fees and they are incidental.

**Since I already have an Advantage account with Amazon, do I list them at the end of the contract as an account NOT to include?** No. We do not handle under this program and we do not require added discount for selling to Amazon. If you are selling to Amazon at a 55% discount through their “Advantage” program, they are not paying you more for your books than New Leaf is, and there are numerous advantages for having us handle Amazon for you. Please inquire at New Leaf Amazon Service, [amazon@newleaf-dist.com](mailto:amazon@newleaf-dist.com).