

## **Alternative to proposed code**

Newsagents to pay distributors on scanned data.

The sales data is currently forwarded daily to the distributors.

Newsagents to pay distributors fortnightly on statement issued in accordance with scanned sales

## **Benefits**

1. Newsagents would always be cash positive – therefore the levels of stock received is irrelevant. Newsagents would have substantially increased time for customer service (arriving of magazines would be far simpler - accounting would be simply checking the distributors statement to a printout from our computer system).
2. Distributors would be paid earlier than now and, therefore, would be cash positive
3. Publishers could than be paid much earlier than now. They are now paid after the on sale period has elapsed. **This would vastly improve their financial situation and allow increased investment in new titles.** A small percentage would, obviously need to be held back by distributors to cover returns from subagents which would reflect in a negative sale at a later date.
4. Consumers would benefit by a greater range of magazines being in Newsagencies, for longer periods, as they would not be concerned, as they are now, about cashflow.