

**American Association of Law Libraries
Committee on Relations with Information Vendors**

**REPORT: Bernan Site Visit
February 25, 2002**

Introduction

Earlier this year, the CRIV's chair, Sara Galligan, contacted Bernan's marketing director, Bruce Samuelson, to propose a CRIV limited site visit. Since Bernan is a small company with a total of only sixty employees, the CRIV felt it would be less of a financial burden for the company to host a limited site visit rather than a full site visit over several days that would include all of the CRIV members. Bernan graciously accepted our offer to visit, and we met at Bernan's Lanham, Maryland headquarters on February 25, 2002.

Present for the on-site meeting from the CRIV committee were Carol Rogers of Latham & Watkins; Janice Anderson of Georgetown University Law Center; and Gretchen Asmuth of Preston Gates Ellis & Rouvelas Meeds LLP. Representing Bernan were managing director Don Hagen; marketing director Bruce Samuelson; distribution director Libby Bauer; chief business officer Sharon Keyser; IT manager Brian Taylor and customer service manager Rhonda Spraggins. Joining us mid-day for a conference call were CRIV chair Sara Galligan from Dakota County Law Library and the CRIV mediation subcommittee members Ann Jeter, from Jackson Walker, LLP, Linda McLane from University of California School of Law Library and Walter High from North Carolina Central University School of Law Library.

Prior to the site visit, the mediation subcommittee had solicited comments from the law library community regarding Bernan products, customer service, shipping, invoicing, and other related issues. The committee thanks librarians for their responses and appreciates Bernan's receptiveness to an open dialog centered on the issues that were raised.

Bernan History

Bernan is a small company. It has no outside sales force and employs no telemarketing. Bernan products are sold via direct mail marketing and through their Web site (<http://www.bernan.com/>). Bernan's largest market is academic libraries, followed by special and then public libraries. Their resale market is growing and now makes up 15 to 20 percent of their business.

This year marks Bernan's 50th anniversary. Bernan was founded by Bernard and Nan Lockyear in 1952. It was a garage startup long before the days of the dot.coms. From 1952 to 1960, Bernan was a subscription agent and their business system was a card file. Around 1960, Bernan began to focus on standing orders for materials, such as the CFRs. Standing orders were pre-paid and there was no resale business. In 1977, Bernan was purchased by the Kraus Organization, but it continued to operate as an independent entity. The company went to pre-paid subscriptions and deposit accounts and moved from their card file system to an IBM system. In 1988, Bernan purchased UNIPUB from Reed (which it operated until 1997, when the two merged), upgraded their IBM system, and began resale operations.

Bernan Press was founded in 1991. It published the Dictionary of Occupational Titles, of which 30,000 copies were sold. In 1995, Bernan signed a publishing agreement

**American Association of Law Libraries
Committee on Relations with Information Vendors**

with the NTIS and published Big Emerging Markets and the North American Industry Classification System (NAICS). A new edition of the NAICS is scheduled for 2002. Bernan was awarded the WTO publishing contract in 1998 and has since published the World Trade Organization (WTO) Dispute Settlement Decisions. In addition to publishing, Bernan also regards its distribution services as a major company endeavor.

All of the above changes and growth continued with an IBM system that spanned twenty-four years and was finally replaced in June 2001.

A New Business System

In June 2001, Bernan implemented a new business system. Due to the change-over to the new system, shipments were halted in June and resumed in August. As with any new system, the conversion was not problem free. There have been admitted problems with distribution, invoicing, and customer service since the system conversion. Lost orders were also a problem when the conversion first took place.

Shipping Issues

Shipping under the new business system began in August 2001. As of February 2002, some backlogs remain. In particular, shipments of the CFRs are still behind. Also, it was discovered that the new system has a problem with batch processes and it cannot process the invoices to be included with the shipment.

Some of the problems Bernan has had to contend with since August have nothing to do with the installation of the new system. The events of September 11 and the anthrax scare shortly thereafter had an effect on shipments from Bernan. Bernan uses the Brentwood post office which was closed for some time following the contamination of this location. Some shipments were merely delayed, but some were lost. In addition to the lost shipments, in the October/November time frame, shipments sometimes went out without invoices and invoices went out without shipments. While there is still a backlog, most of the invoice/shipment issues have been addressed and packing slips should now be included with each shipment. Lost shipments to customers have been traced, or replaced at Bernan's expense.

The CRIV members present for the on-site visit were really quite impressed with the warehouse operation. Bernan has only seven employees working in the warehouse. Five of those employees pack, while two pull the inventory. Given the volume of shipments Bernan handles, their organization and efficiency is remarkable.

Invoicing

During a brief period last fall, there was such a problem getting invoices to customers due to both the new business system and the Brentwood Post Office closure, that Bernan could not tell what invoices had been sent. The Customer Service department received complaints from customers saying that they were not being invoiced. In an effort to correct the situation, Bernan re-invoiced everyone for the period in question, and also included any outstanding invoices. Unfortunately,

**American Association of Law Libraries
Committee on Relations with Information Vendors**

they did not send out the duplicate invoices with a cover letter explaining the situation and many customers were confused about the duplicate billing. This problem has now been completely resolved.

Bernan is now in the process of redesigning their invoices because the new business system will not print invoices to be sent out with the shipments. The new automated invoice system will provide laser printed invoices on 8 ½" by 11" paper and will include the title and the packing slip number. The new invoice will also include a return policy statement showing an "X" for returnable materials. Materials without an "X" are not returnable. The new design should enable Bernan to invoice customers much more efficiently. There are also plans to add more detailed title information.

Within the next two months, the monthly deposit account statements will include more detailed information. Some customers would prefer to eliminate the invoice and reconcile their packing slips to the monthly statements, thus eliminating a step. On the monthly statements for the deposit accounts, there is no reason to have invoices with a zero balance due. Bernan is receptive to making this change. Under Bernan's old business system, the deposit accounts would accept a negative balance. The new business system generated billing for a negative balance, though this should not have happened, since Bernan's policy is to allow deposit accounts to go into the negative. Customers with any questions about the balance on their accounts should contact Bernan Customer Service by telephone at (800) 274-4888 or by email at query@bernan.com.

The CRIV suggested to Bernan that a notification to customers regarding deposit accounts that are low would be appreciated. Proforma invoices are now back in use, and are based on standing order volume for those with negative balances. Beginning in May, Bernan will be able to set a trigger to generate proforma invoices for those libraries that would like to have them. The customer may set the trigger amount. Bernan will set the trigger default at \$200.00.

New edition notices began to go out again in January of this year. The notices should not be sent to accounts with a standing order for these titles.

Customer Service

The customer service department employs eleven people and receives approximately 700 to 900 calls per week. Of those, about 125 are claims. Unless a claim is marked urgent, it is not given a high priority, though claims are processed daily. In the future, Bernan plans to offer the option of claiming via the Bernan Web site. The CRIV suggested to Bernan that they consider designating a claims representative. Bernan is taking this suggestion seriously. In the meantime, anyone with an urgent claim should refer it to Rhonda Spraggins, Bernan's customer service manager, at (800) 416-4385, ext. 236, or by email at rspraggins@bernan.com.

In comments from library customers, the CRIV received some complaints about calls not being returned. Managing Director Don Hagen says there is no instance in which a call should not be returned. Customer Service presently uses a paper tickler system for calls. By the end of March, all of the Customer Service reps will have been moved to MS Outlook. Again, a customer who feels that a call has not been

**American Association of Law Libraries
Committee on Relations with Information Vendors**

returned in a timely manner should contact Rhonda Spraggins at (800) 416-4385, ext. 236.

Customer service representatives do not presently have access to full account or title information. The annotations available under the old business system did not migrate to the new one. The annotations will again be available to the customer service representatives within the next two to three months.

The company must have requests for standing orders in writing because many titles are non-returnable due to the obligations Bernan has with the publisher. Emails to query@bernan.com are sometimes accepted in lieu of a request on letterhead, particularly if the order is for a single title only. Faxed letters are also acceptable. The correct mailing address to use is:

**Bernan
4611-F Assembly Drive
Lanham, MD 20706**

Relevant fax numbers are (301) 459-0056 (local) or (800) 865-3450 (toll-free).

Several respondents expressed concern about customer service not being able to produce a consolidated report of standing orders. Again, this was due to the transition to a new business system. The issue with consolidated reports has now been corrected. To request a consolidated report of standing orders, send an email (query@bernan.com) or fax (301-459-0056) to customer service.

Customer service representatives receive daily email updates and weekly briefings as to distribution schedules from government agencies. When a customer service representative tells a caller that they don't know the price or release date of a particular title, it is most likely because the government agency owning the title has not set the release date or price. According to Bernan, the representatives should explain this to their callers. If a customer does not receive an adequate explanation for a delayed publication, they may refer questions to Bernan's customer service manager Rhonda Spraggins. Further, the customer may ask the representative to make an inquiry directly to an agency for the status of a publication if needed. The inquiry may take several days, and the response time from an agency is not always in Bernan's control.

It is a priority for Bernan to make all titles available for order in the near future via their Web site. Presently only 250 core titles are listed. Bernan has 45,000 active titles, plus 125,000 added editions. Web orders are now submitted in real time and go to a specific group for faster processing. Web order customers now receive a confirmation number by email.

Bernan produces a monthly email summary for its customers called "Bernan Reference Update" (BRU) which includes new releases, basic bibliographic information and pricing information. There is a link on the Bernan website (<http://www.bernan.com/>) to sign up for the email. Bernan has, at the CRIV's suggestion, added a "coming soon" section to the monthly update.

**American Association of Law Libraries
Committee on Relations with Information Vendors**

Conclusion

The CRIV would like to thank Bernan for its hospitality and frank and open discussion regarding their new business system, customer service issues, shipping and invoicing. We appreciate the opportunity to meet with the Bernan management to express to them the concerns of AALL members and work with them towards resolutions. Bernan, in turn, indicated its willingness to get feedback from law librarians in reference to the materials that are most needed and how they can best be of service as a publisher, distributor, and subscription agent.

**Carol N. Rogers, Latham & Watkins
Sara Galligan, Dakota County Law Library
Janice Anderson, Georgetown University
Gretchen Asmuth, Preston Gates Ellis & Rouvelais
Ann Jeter, Jackson Walker, LLP
Linda McLane, University of California, Berkeley
Walter High, North Carolina Central University**