



U.S.A. Retail Coop Advertising Guidelines – Distribution Clients

These policies do not apply to Simon & Schuster's wholly owned product which has a separate policy and requires a separate contract. Please submit any requests for coop consideration, via e-mail to Michael Perlman for pre-approval on all dist clients.

Coop Pool Allotments



I. Children's Books – coop is based on 4% of net purchases of RDCP titles direct or indirect; 2.5% of net purchases of RDCP titles direct and indirect, for the previous year for retail accounts; 4% of the suggested retail value of a single supporting order, per title advertised, direct or indirect, six times a year. Retailers earning \$5,000 or less for the year may elect to use a yearly contract. Each rep receives a printout showing the pool amount for each of their accounts, when receiving their S&S pools for the year. Prior approval required.



II. VIZ Media – coop is based on 5% of net purchases of VIZ Media titles direct or indirect; 3% of net purchases of VIZ Media titles direct and indirect, for the previous year for retail accounts; 5% of the suggested retail value of a single supporting order, per title advertised, direct or indirect, six times a year. Retailers earning \$10,000 or less per division for the year may elect to use a yearly contract. Separate funds are available for Adult and Children's titles. Each rep receives a printout showing the pool amount for each of their accounts, when receiving their S&S pools for the year. Prior approval required



III. KAPLAN PUBLISHING – coop is based on 5% of net purchases of Kaplan titles direct or indirect. Retailers earning \$10,000 or less for the year may elect to use a yearly contract. Prior approval required.



IV. Baker – \$1.00 per-book, per order on all hard covers and 10% of cover price, per book, per order on all trade paperbacks. Prior approval required.



V. Merck – \$1.00 per-book for trade paperback or hardcover. Prior Approval required.



VI. THE BLACK LIBRARY – Option A: Games Workshop/Black Library/Solaris is offering .50 per-book mass market and trade paperback titles; \$1.00 per-book hardcover titles for retailers that participate in promotional programs. Prior Approval is required.

- OR -

Option B: A retailer may draw on its per-title allowance for newsletter promotions as follows:

(1) An account may earn \$25 in newsletter promotions per bill-to with the purchase of 5 copies of designated titles up to \$360 per season.

(2) An account may earn \$50 in newsletter promotions per bill-to with the purchase of 10 copies of designated titles up to \$360 per season

- OR -

Option C:

(1) Order 5 copies per title & earn \$25 allowance per account bill-to

(2) Order 10 copies per eligible title & earn \$50 allowance per account bill-to



VII. Peterson's – coop is based on 3% of net purchases of Peterson's and ARCO titles direct or indirect. Retailers earning \$10,000 or less per division for the year may elect to use a yearly contract. Prior Approval is required.

VIII. Distribution Clients that do not use a coop pool – The distribution clients listed below do not have an official coop pool, but they encourage the use of coop and strongly consider any cooperative ideas. Prior Approval is required.



General Terms and Requirements

From these accrued coop funds, S&S will authorize a credit equal to 100% of the cost of the advertisement or promotion, or of the standard charge for advertising in retailer – controlled media, not to exceed the contract amount for the year. To earn the allowance, promotions must be completed by December 31st of the current calendar year.

The following are examples of qualifying advertising and promotional costs:

- Print, radio, television or web site advertising
• Retailer's brochures, catalogues, circulars or mailing pieces
• Placement and value added programs
• Other reasonable and practical methods of advertising and promotion that a retailer may suggest

Coop may not be used for web-site listings. The following products cannot be included in any coop programs: Audio Downloadable / Digital, Calendars, Short Discount, and Proprietary Publishing.

Written approval for all S&S cooperative advertising and promotions, including the selection of titles to be advertised and promoted, must be secured from an S&S Account Manager or from S&S's Sales & Distribution Division in advance of the retailer's advertising or promotion. Retailers must give reasonable notice of the type, cost and date of the advertisement or promotion planned. Except as provided below, such notification must be indicated on the Retail Cooperative Advertising Contract. Deadline for submitting the calendar year's claims is March 31st of the following year. Unused coop funds cannot be rolled over into the following year.

Retailers who elect to use a Yearly Retail Cooperative Advertising contract in advance of any advertising or promotion for the year agree to comply in full with the terms herein for the entire calendar year. After signing the contract, use of earned coop funds under this provision does not require written approval on separate contracts.

Retailers applying for coop monies on the basis of their prior year indirect purchases must supply proof of net purchases by title or imprint from a distributor by March 31st of the current calendar year.

Within 90 days after the completion of the advertising or promotion, retailers must submit to the Claims Department:

Simon & Schuster Customer Operations
100 Front Street
Riverside, New Jersey 08075

To process each claim, S&S is going to need the following documentation:

- Copy of coop contract approved by S&S
• Invoice stating total cost or charge
• For print advertising, a full-page tear sheet of each ad showing the date and name of periodical
• For radio and television advertising, the station invoice showing the length of the commercial
• For catalogues, brochures and circulars, a copy of the complete catalogue, brochure or circular
• For web site advertising, a printed copy of the page view with the URL
• For other advertising or promotion, documentation that will reasonably support the expenditure
• See below for how accounts can waive submission of the proof of performance

In the case of magazine, newspaper, radio, and television advertising, S&S will reimburse retailers for the actual space or time costs of the print or broadcast advertising including actual promotion costs up to the maximum coop allowance.

All regular retail accounts in good credit standing are eligible to apply for cooperative advertising money. Failure by a retailer to comply with the specific requirements of this policy will result in the denial of the requested credits. Approval of all contracts and claims will be granted or withheld on a non-discriminatory basis. Coop deductions should be taken upon receipt of an S&S credit memo.

Proof of Performance Affidavits

S&S is offering all customers the choice to waive submission of the proof of performance by signing a separate affidavit, provided the proof is kept on file for a minimum of 3 years with access given to S&S for regular audits. Contact your Account Manager for further details and a copy of the affidavit.

Retailers are free to charge whatever price they wish for books purchased from Simon & Schuster; however, coop funds may not be used to advertise a retail price more than 45% below the publisher's stated cover price. Any prices included in advertising or promotional materials furnished by S&S may be deleted or changed at the option of the retailer.