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VERSION 1



**BULK DISTRIBUTION
AUDIT RULES**

SUPERSEDED

**BULK DISTRIBUTION
AUDIT RULES**

TABLE OF CONTENTS

SECTION 1 - INTRODUCTION

- 1.1 The role and purpose of ABC
- 1.2 The purpose of this rule book
- 1.3 Development of the ABC Bulk Audit Rules
- 1.4 Benefits of ABC Certification
- 1.5 Responsibilities of ABC members

SECTION 2 - ABC CERTIFICATE TYPES

- 2.1 Introduction
- 2.2 Standard Certificate of Distribution
- 2.3 Selling Group Certificate of Distribution

SECTION 3 - REPORTING PERIODS

- 3.1 Introduction
- 3.2 Mandatory Reporting Periods
- 3.3 Newly Registered Publications - Registration & First Audit
 - 3.3.1 Registration
 - 3.3.2 Newly Registered Publications - First Audit
 - 3.3.3 Newly Launched Publications - First Audit (not applicable for re-launches)

SECTION 4 - ABC RETURN SUBMISSION, CERTIFICATION & AUDIT

- 4.1 Introduction
- 4.2 Distribution Return
- 4.3 Submission of Return Form
 - 4.3.1 Late/Non-submission
- 4.4 Issue of Certificate
- 4.5 Public Release of ABC Distribution Data
- 4.6 Validity of Certificate
- 4.7 Audit Procedure
 - 4.7.1 Date of the Audit
 - 4.7.2 Additional hours charges
 - 4.7.3 Audit Result
 - 4.7.4 Audit Reports
 - 4.7.5 Publicising of Audit Reports
 - 4.7.6 Titles Reporting for the First Time & Monthly Reporting Titles

SECTION 5 - PROVING THE AVERAGE DISTRIBUTION

- 5.1 Introduction
- 5.2 Advertising Content
- 5.3 Disallowed Copies
- 5.4 Dates of Distribution/Issues to be included
- 5.5 Issue by Issue analysis of Bulk Distribution per Issue
- 5.6 Record Keeping for all Issues
 - 5.6.1 Access to Documentation
 - 5.6.2 Retention of Records
 - 5.6.3 Documents Required for all issues
 - 5.6.4 Print/Production
 - 5.6.5 Distribution
 - 5.6.6 Publication

SECTION 6 - BULK DISTRIBUTION

- 6.1 Definition
- 6.2 Distribution Points

- 6.2.1 Manned Distribution Points
- 6.2.2 Unmanned Distribution Points
- 6.2.3 In house Distribution
- 6.2.3 Method of Bulk Distribution Statement

- 6.3 Distribution Changes (Titles Reporting 6-Monthly Only)
- 6.4 Evidence Required
 - 6.4.1 Manned Distribution Points
 - 6.4.2 Unmanned Distribution Points

SECTION 7 - INDIVIDUALLY REQUESTED COPIES

- 7.1 Introduction
- 7.2 Definition
- 7.3 Records Required
 - 7.3.1 Written Request - Requirements
 - 7.3.2 Telecommunication Requests - Requirements

SECTION 8 - PAID SINGLE SUBSCRIPTION COPIES

- 8.1 Introduction
- 8.2 Requirements for Single Copy Subscriptions
- 8.3 Reporting
- 8.4 Subscriptions - Records Required

SECTION 9 - NEWSTRADE AND SINGLE COPY SALES

- 9.1 Introduction
- 9.2 Definition of a Sale
- 9.3 Newstrade Sales
- 9.4 Reporting
- 9.5 Newstrade Sales - Unsold/Returned Copies
 - 9.5.1 Provisions
- 9.6 Single Copy Sales
- 9.7 Cover Price
- 9.8 Contra Transactions
- 9.9 Newstrade & Single Copy Sales - Records Required

SECTION 10 - AVERAGE PAGINATION / ADVERTISING CONTENT / FORMAT / PAGE SIZE / TARGET AUDIENCE

- 10.1 Average Pagination
- 10.2 Advertising Content
- 10.3 Format
- 10.4 Page Size
- 10.5 Target Audience

SECTION 11 - PUBLICITY RULES (MASTHEAD REPORTING

- 11.1 Introduction
- 11.2 Mandatory Statement
 - 11.2.1 Mandatory Statement - Timing/Update
- 11.3 Group Certification Claims
- 11.4 Publishers' Statements

SECTION 12 - EXCLUSIONS

- 12.1 Introduction
- 12.2 Excluding an Issue - Circumstances Beyond Publisher's Control
- 12.3 Excluding an Issue - Public Holidays (Daily Publications Only)
- 12.4 Excluding an Issue - Public Holidays

(Weekly Publications Only)

- 12.5 Applying for Other issues to be Excluded
 - 12.5.1 Time Limits for Applying for Eclusion Notes
 - 12.5.2 Late Application
- 12.6 Reporting Excluded issues on the ABC Return
- 12.7 Reporting Excluded issues on the ABC Publication
 - 12.7.1 Planned non publication
 - 12.7.2 Non publication outside publisher's control
 - 12.7.3 Material reduction in net distribution beyond publisher's control
 - 12.7.4 Failure to issue appropriate publicity statement

SECTION 13 - DIGITAL EDITIONS

- 13.1 Introduction
- 13.2 Definition of a Digital Edition

APPENDIX ONE - ABC BYELAWS

1. Constitution
2. Implementation
3. Inspection of records
4. Complaints procedure
5. Review procedure
6. Publicity rules
7. Authorisation and payment of fees
8. Audits
9. Application for membership and registration
10. Transfer of a title to another member
11. Transfer of a title to a non- member
12. Merger or change of name of a title
13. Re-launch involving material change to a title
14. Resignation
15. Re-registration
16. Copyright of certificate and bureau data
17. Notices and Communications

SECTION 1 - INTRODUCTION

1.1 THE ROLE AND PURPOSE OF ABC

1.2 THE PURPOSE OF THIS RULE BOOK

1.3 DEVELOPMENT OF THE ABC BULK AUDIT RULES

1.4 BENEFITS OF ABC CERTIFICATION

1.5 RESPONSIBILITIES OF ABC MEMBERS

1.1 THE ROLE AND PURPOSE OF ABC

Founded by advertisers and advertising agencies, ABC aims to provide buyers of advertising space with a benchmark, to help them choose between competing media and to provide media owners with an effective sales, marketing and promotional tool.

This is achieved through industry-agreed standards of auditing and record keeping, which lead to the universally recognised ABC certification.

1.2 THE PURPOSE OF THIS RULE BOOK

The purpose of this rule book is to identify the rules and requirements to enable a publisher to claim distribution correctly for ABC purposes.

It is the common application of these rules and requirements that gives a true and fair view of the distributions of all publications reporting in the ABC Bulk category.

It is the publisher's responsibility to demonstrate that all copies included in the ABC distribution claim comply with these rules. It follows that where the publisher cannot demonstrate that copies comply with the rules those copies must not be claimed.

Changes to these rules, once approved by the ABC Council, are communicated to members in writing and the rule book is updated on ABC's website, www.abc.org.uk. ABC advises that members check the website to ensure they have a current rule set.

1.3 DEVELOPMENT OF THE ABC BULK AUDIT RULES

The needs of ABC members, and the industry as a whole, change constantly. In order to meet those needs and stay abreast of industry developments the audit rules are continuously evolving. Rule changes are developed within ABC before being considered and agreed by the ABC Council. The ABC Council is comprised of media owners, advertisers and agencies. Any ABC member may raise issues relating to these rules for consideration by ABC at any time.

1.4 BENEFITS OF ABC CERTIFICATION

An ABC Certificate is full of valuable information for media buyers and media owners. For media buyers, it offers accurate, comparable data to be used when making buying decisions. For media owners it is an effective sales tool for attracting advertising. It also helps demonstrate publishers' integrity in their willingness to be audited and conform to industry agreed standards.

1.5 RESPONSIBILITIES OF ABC MEMBERS

Membership of ABC is subject to compliance with the Audit Rules and also the ABC Byelaws. It is important that both these documents are read and understood.

ABC Byelaws are detailed in Appendix 1, they detail the regulations on the following areas:

- Inspection of records
- Complaints procedure
- Review procedure
- Publicity rules
- Authorisation and payment of fees
- Audits
- Application for membership and registration
- Transfer of a title to another member
- Transfer of a title to a non-member
- Merger of titles or change in the name of a title
- Re-launch involving material change to a title
- Resignation
- Re-registration
- Copyright of certificate and Bureau data
- Notices and Communications

SECTION 2 - ABC CERTIFICATE TYPES

2.1 INTRODUCTION

2.2 STANDARD CERTIFICATE OF DISTRIBUTION

2.3 SELLING GROUP CERTIFICATE OF DISTRIBUTION

2.1 INTRODUCTION

Every title registered with ABC must issue a basic Certificate, called a 'STANDARD' Certificate on a regular and continuous basis. As well as the Total Average Net Distribution for the period (the 'ABC' figure), the STANDARD certificate includes a breakdown into different types of distribution and provides other information relating to the issues distributed in the reporting period.

2.2 THE STANDARD CERTIFICATE OF DISTRIBUTION

This is a mandatory certificate, which consists of three pages in a defined format.

2.3 SELLING GROUP CERTIFICATE OF DISTRIBUTION

Publishers have the option of requesting an additional Certificate, showing the total combined distribution for a Selling Group of commonly owned titles. This is available providing:

- Each individual title within the Selling Group is registered with ABC Bulk and therefore has its own Certificate
- An advertising rate card is published for such combinations of titles
- The titles concerned have a common publishing frequency
- The titles concerned have certificates for the same reporting period

The Selling Group Total Average Net Distribution shall be the sum of the individual Total Average Net Distribution for those titles comprising the Selling Group. There is no requirement for publishers to submit a Return for the Selling Group as ABC will compile the data from the Returns submitted for the constituent publications.

Applications for a Selling Group Certificate must be made in writing to ABC.

SECTION 3 - REGISTRATION PROCESS AND REPORTING PERIODS

3.1 INTRODUCTION

3.2 MANDATORY REPORTING PERIODS

3.3 NEWLY REGISTERED PUBLICATIONS - REGISTRATION & FIRST AUDIT

3.2.1 REGISTRATION

3.2.2 NEWLY REGISTERED PUBLICATIONS - FIRST AUDIT

3.2.3 NEWLY LAUNCHED PUBLICATIONS - FIRST AUDIT (NOT APPLICABLE FOR RE-LAUNCHES)

3.1 INTRODUCTION

Continuous reporting is a requirement of ABC membership. This means that once a certificate has been issued, every subsequent issue of a title must be audited and Returns submitted to the Bureau for all Audit Periods. Publishers report their distributions to ABC by using a distribution Return form, supplied to the publisher by ABC.

3.2 MANDATORY REPORTING PERIODS

- Publishers may opt to report either monthly or six monthly (broadly January to June and July to December each year).
- The specific reporting dates for each period will be advised by ABC in advance and will consist of a predetermined number of 'whole' weeks i.e. Monday to Sunday.
- To change from six monthly to monthly reporting or vice versa, the publisher must submit a written request before the end of the audit period in which they want to change.
- A publication may only change from monthly to six monthly reporting if:
 - it has reported on the monthly reporting frequency for a minimum of 1 year;
 - the latest monthly certificate issued is for either the June or December period

After changing from monthly to six monthly reporting, ABC will retrospectively issue a six month certificate for the January to June, or the July to December period just ended that the publisher must use until their next 6 month certificate is issued (this prevents a monthly figure being used for a period in excess of six months)

A publication may only change from 6-monthly to monthly reporting if the first monthly period to be reported is January or July.

3.3 NEWLY REGISTERED PUBLICATIONS – REGISTRATION & FIRST AUDIT

3.3.1 Registration

Publishers must contact ABC to apply to register a publication under the ABC Bulk category.

ABC will meet the publisher to discuss how the publication's distribution system operates and establish whether the supporting documentation available is sufficient to meet the requirements of the ABC Bulk rules.

Successful registration will be dependant on the outcome of the registration process and upon ABC's decision on the suitability of the distribution process and records.

3.3.2 Newly registered publications – first audit (6-monthly reporting)

A title newly registered with ABC may choose any of the following reporting options for their first period:

- 3 month audit (any consecutive 3 months per ABC's reporting calendar)
 - the second period must be for the next consecutive 3 months per ABC's reporting calendar
 - the third reporting period must be for the next 6 months ending broadly June or December as appropriate.

For example (3 month audit period):

Registration approved 1 May 2006

First audit period 3 April 2006 to 2 July 2006

Second audit period 3 July 2006 to 1 October 2006

Third audit period 3 July 2006 to 31 December 2006

- 6 month audit (broadly January to June or July to December)

Note: It is only permissible to report retrospectively by one audit period (i.e. the immediately preceding 3 or 6-month period), so that the second audit period reported will be the one which is current at the time of joining.

3.3.3 Newly launched publications (not re-launches) – first audit (6-monthly reporting)

Publications which have applied for registration within three months of publication of the launch issue may opt to report for three months for their first period as follows:

- The first reporting period will be the three month period commencing on the first day of the ABC reporting month during which the launch issue was distributed
- The second reporting period must be for the next consecutive three months per ABC's reporting calendar
- The third reporting period must be for the next six months broadly ending June or December as appropriate.

Note: It is only permissible to report retrospectively by one audit period (i.e. the immediately preceding 3 or 6 month period), so that the second audit period reported will be the one which is current at the time of joining.

SECTION 4 - ABC RETURN SUBMISSION, CERTIFICATION & AUDIT

4.1 INTRODUCTION

4.2 DISTRIBUTION RETURN

4.3 SUBMISSION OF RETURN FORM

4.3.1 LATE/NON-SUBMISSION

4.4 ISSUE OF CERTIFICATE

4.5 PUBLIC RELEASE OF ABC DISTRIBUTION DATA

4.6 VALIDITY OF CERTIFICATE

4.7 AUDIT PROCEDURE

4.7.1 DATE OF THE AUDIT

4.7.2 ADDITIONAL HOURS CHARGES

4.7.3 AUDIT RESULT

4.7.4 AUDIT REPORTS

4.7.5 PUBLICISING OF AUDIT REPORTS

4.7.6 TITLES REPORTING FOR THE FIRST TIME & MONTHLY REPORTING TITLES

4.1 INTRODUCTION

ABC aims to publicise accurate distribution data as soon as possible and so the certification and audit system has been designed to facilitate this. All certified figures are publicised on ABC's website www.abc.org.uk. ABC produces a monthly report giving summary information for those titles opting to report on this frequency. ABC also disseminates current distribution figures to BRAD and other organizations that report distribution figures.

All ABC Bulk distribution audits are conducted by ABC staff auditors.

For six month reporting periods, the audit will then take place within 6 months of the certificate being issued. An audit report and revised certificate may be issued if significant problems affecting the certificate are found at audit. For monthly reporting periods, the audit will normally be conducted prior to certification.

For first time reporting titles, ABC audits the figures on the Return Form before a certificate is issued. This allows newly registered titles to benefit from additional assistance from audit staff and to ensure that accurate figures are certified.

The process from Return Form to audited certificate is illustrated in the diagrams to the right.

NB. There is a different procedure for existing titles and titles that are reporting for the first time.

4.2 DISTRIBUTION RETURN

The publisher makes their statement of distribution on a Return Form. This forms the basis of the information that appears on the ABC certificate.

A distribution Return for each title registered will be sent to the forms contact registered on ABC's database, usually before the end of the relevant audit period. If a Return Form has not been received please contact ABC.

4.3 SUBMISSION OF RETURN FORM

- Care should be taken to complete the Return accurately as the data published by ABC will be produced from the data on the Return Form.
- The Return Form must be received at ABC by the submission deadline, which is 45 days after the end date of the audit period for six month reporting periods and within the deadline specified on the ABC Bulk Accounting Calendar for monthly reporting titles.

4.3.1 Late/non-submission

- Any Returns received at ABC after the submission deadline, for whatever reason, will be subject to a late submission fee of £300 (or such other amount as advised and agreed by the ABC Council).
- If a Return is not received by the submission deadline, ABC will raise a late submission invoice. The publisher is required to submit a valid Return and pay the invoice within 10 working days of the issue of the invoice. The Return will not be processed until this fee has been paid. If the invoice is not paid or the Return not submitted then the publication's registration will be recommended for cancellation
- If a Return Form is received by the submission deadline but cannot be certified for whatever reason, it will be reported by ABC as 'Certificate pending'.
- If the Return for a monthly reporting publication is not received at ABC in time for inclusion of the figures in the monthly report it will be shown as 'Not reported'.

4.4 ISSUE OF CERTIFICATE

- Once the Return Form is submitted, ABC conducts validation checks that are mainly arithmetical. It is important that the publisher ensures that their Return Form submissions are accurate, as audit checks are not conducted at the validation stage.
- ABC's staff will process those Return Forms received within the submission deadline in order of receipt.
- Certificates are despatched to the nominated contact (known as the 'Forms contact') on the ABC database and are published on the ABC website www.abc.org.uk.

4.5 PUBLIC RELEASE OF ABC DISTRIBUTION DATA

- The first release of data for titles reporting on a monthly basis is in the ABC Monthly report, the date and time of which is widely publicised by ABC. Publishers are reminded that the ABC Byelaws stipulate that the date and time of the release must not be breached.
- If a Return Form for a monthly reporting title is received by the submission deadline but cannot be certified for whatever reason by the time the ABC Monthly Report is compiled, it will be reported by ABC as 'Certificate pending'.
- Distribution figures not included in the monthly report become publicly available 5 working days after the date of despatch of the certificate by ABC.
- ABC forwards current ABC figures to BRAD, once the distribution figures are publicly available.

SECTION 4 - ABC RETURN SUBMISSION, CERTIFICATION & AUDIT [cont.]

- The process from Return to audited certificate is illustrated in the diagrams. NB. There is a different procedure for existing titles and titles that are reporting for the first time or are reporting monthly.

4.6 VALIDITY OF CERTIFICATE

- For six monthly reporting titles, figures are current for 3 months after the end of the next Audit Period for which the publisher is registered to submit a Return or until a new certificate is issued if earlier.

For Example:

The certificate of a title for the period ending 1 January 2006 will be valid until 2 October 2006

For monthly reporting titles, figures are current for 1 month after the end of the next monthly audit period for which the publisher is registered to submit a Return or until a new certificate is issued if earlier.

For example:

The certificate of a title for the one month period ending 2 April 2006 will be valid until 30 May 2006

Note: If a monthly reporting title changes to six monthly reporting – see rule 3.2

4.7 AUDIT PROCEDURE

An audit will be conducted of each certificate issued.

4.3.1 Date of the audit

ABC will contact the publisher of each publication with a proposed date for the audit visit. Once this date has been mutually agreed, it may only be altered in exceptional circumstances.

For six month reporting periods, the audit will be conducted during the six months following the issue of the certificate. For one month reporting periods, the Return form will normally be audited prior to certification. However ABC reserves the right to audit any return submission prior to issuing the certificate.

4.7.2 Additional hours charges

If any records are not available for the auditor at the start of the audit, or the complexity of the publishers systems results in an over run on audit time, ABC may not proceed with the audit unless the publisher authorises an additional hours approval form.

4.7.3 Audit result

- Following the on-site visit, publishers will receive a letter detailing any outstanding information required to complete the audit.
- A deadline for receipt of that information will be stated in the letter.
- If there are material problems identified at the audit then an Audit Report letter will be sent to the publisher (see below).
- Once the audit is completed publishers will receive a

management letter that will detail issues which need to be addressed by the publisher to prevent problems on future audits.

4.7.4 Audit Report

This is a statement that is issued when problems found at audit show that there were material errors in the original Return submission and subsequent certificate. A revised certificate is issued with the audit report entered on the front page of the certificate. The new certificate replaces the original certificate issued and must be used by the publisher in its place.

- In cases where an Audit Report is necessary, the publisher will receive a letter detailing the reason for the Report.
- The publisher will have 10 working days from the receipt of this letter to provide any further information or to raise any objections.
- Any objection must be made in writing to the Head of Audit and Inspection who will investigate and provide a decision within 5 working days.
- The publisher will be phoned by ABC to confirm receipt of the Audit Report letter, BUT, in the absence of any further response in writing from the publisher, the Audit Report will be issued.
- Subsequent Certificates of Distribution will not be issued until all audit queries on a previous Certificate have been resolved and the Audit Report issued, if applicable.

It follows that where a claim is audited prior to certification a revised certificate and audit report will not be necessary as the certificate issued will incorporate any amendments. ABC will follow the same notification procedure for audit reports as detailed above.

4.7.5 Publicising of Audit Reports

- Audit Reports will be announced to all members and made public on the ABC website, with details of the corrections made. They are also publicised in ABC Media.
- When an audit report has been issued, BRAD will include the statement 'ABC data revised at audit'.

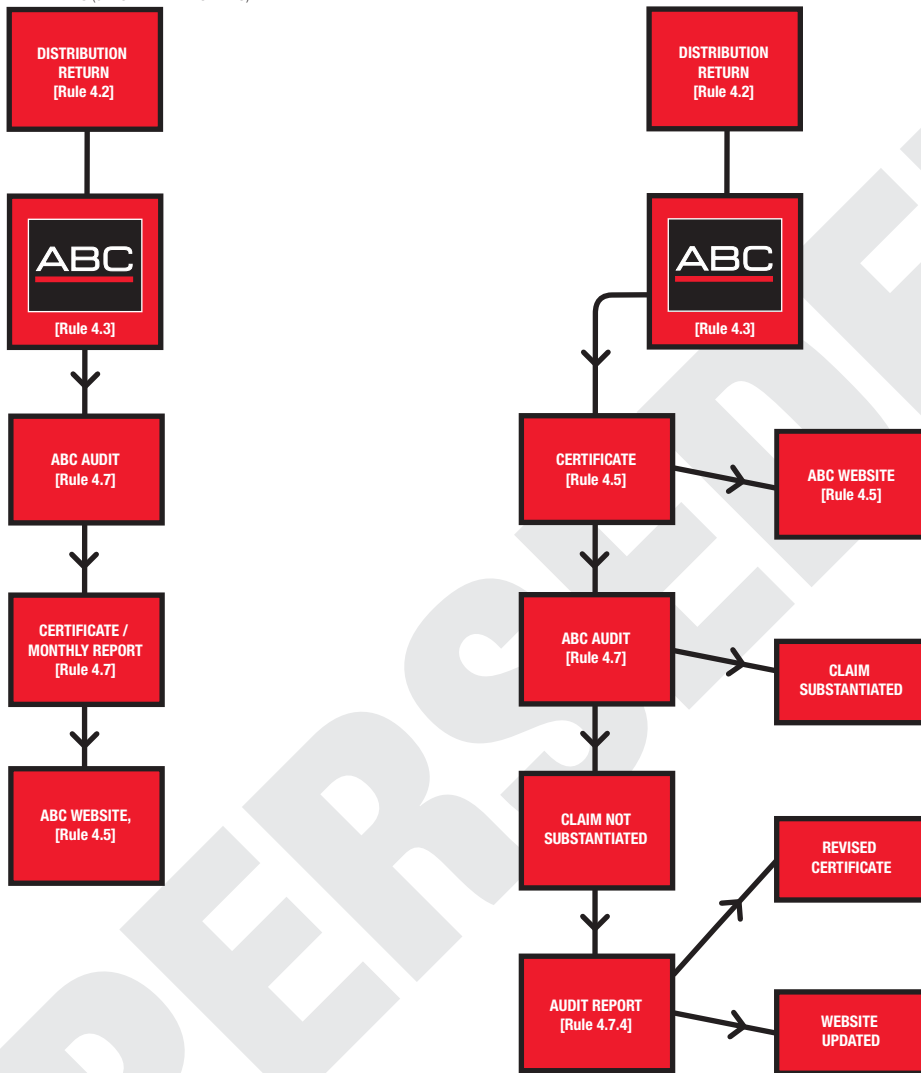
4.7.6 Titles reporting for the first time

- Titles reporting for the first time are audited before a certificate is issued.
- ABC will conduct the audit as soon as possible after a valid Return Form has been submitted to ABC to ensure certification is achieved as soon as possible.
- ABC reserves the right to delay certification of a first audit until it is satisfied that the net distribution is accurate.

SECTION 4 - ABC RETURN SUBMISSION, CERTIFICATION & AUDIT [cont.]

PROCESS FOR TITLES REPORTING FOR THE FIRST TIME & THOSE REPORTING MONTHLY

PROCESS FOR PREVIOUSLY CERTIFIED TITLES (6-MONTHLY REPORTING)



SECTION 5 – PROVING THE AVERAGE DISTRIBUTION

5.1 INTRODUCTION

5.2 ADVERTISING CONTENT

5.3 DISALLOWED COPIES

5.4 DATES OF DISTRIBUTION/ISSUES TO BE INCLUDED

5.5 ISSUE BY ISSUE ANALYSIS OF BULK DISTRIBUTION PER ISSUE

5.6 RECORD KEEPING FOR ALL ISSUES

5.6.1 ACCESS TO DOCUMENTATION

5.6.2 RETENTION OF RECORDS

5.6.3 DOCUMENTS REQUIRED FOR ALL ISSUES

5.6.4 PRINT/PRODUCTION

5.6.5 DISTRIBUTION

5.6.6 PUBLICATION

5.1 INTRODUCTION

The total average net distribution per issue is commonly known as the ABC figure, it is the average number of copies distributed for each effective issue in the audit period. It does not include those copies for which evidence of the distribution or sale is absent or those copies which are disallowed under ABC rules. Total average net distribution and the period of certification should always be quoted when sourcing any data to ABC.

Prior to claiming copies in any category ABC must be consulted for approval.

This section contains rules that determine which issues and which copies may be included on the ABC Certificate.

5.2 ADVERTISING CONTENT

All copies to be claimed for an issue of the publication must carry the same advertisements. Any copies where the advertising changes must be excluded from the claim (but may be registered and certified separately for which a group certificate may be available)

See section 10.2 for definition of advertising for these purposes.

5.3 DISALLOWED COPIES

These are copies that may be distributed or sold by the publisher but must not be counted in the final distribution claim as they are expressly excluded under ABC rules. These include:

- Copies distributed or sold outside the UK and Republic of Ireland
- Returns, damaged and other copies not available for pick up by the final recipient
- Copies to contributors
- Copies to advertisers
- Copies to advertising agencies
- Copies to press cutting agencies
- File or office copies
- Copies to employees
- Copies for which auditable distribution evidence is not available

- Copies for which evidence and documentation do not comply with these rules

5.4 DATES OF DISTRIBUTION/ISSUES TO BE INCLUDED

The date of distribution of an issue will be the date when the majority of the copies entered the distribution chain. In the case of bulk distribution, this is the date when the copies are delivered to the distribution points and for mailed copies it is the date when the courier (e.g. Royal Mail) accepts the copies for mailing. The date of distribution defined above will define in which Audit Period an issue will be reported.

For example:

Issue cover dated 3 January 2006

18,000 copies are distributed on 30 December 2005

2,000 copies are distributed on 3 January 2006.

This issue will be included, in total, in the ABC Return for the period 4 July 2005 to 1 January 2006.

All issues for which the majority of the distribution took place within the specific reporting dates of the audit period must be included, unless an official ABC exclusion note is held.

5.5 ISSUE BY ISSUE ANALYSIS OF BULK DISTRIBUTION PER ISSUE

The net distribution figures for each issue must be reported on the ABC Return Form and will appear on the certificate and in other ABC published data.

5.6 RECORD KEEPING FOR ALL ISSUES

The following sections give guidance on the records that must be kept for every issue in order to verify the distribution claim. For records supporting claims for particular distribution categories the relevant section covering that distribution category must also be consulted.

5.6.1 Access to documentation

- The auditor must have full and unrestricted access to all documentation and financial records, which support the distribution claim.
- The auditor must have full and unrestricted access to the records supporting the distribution claim that are held by third parties involved in the distribution of each publication (e.g. mailing houses, distributors, computer bureaux etc). Details of financial and contractual arrangements with distributors, mailing/subscription houses must also be made available. Refusal of this access will automatically preclude the issue of a certificate or may result in the cancellation of the title's registration.
- These records must be available for audit as detailed in the ABC Byelaws.
- Records must be maintained on an issue specific basis
- The ABC claim must be based on a full count method of all copies claimed and not a sample.

5.6.2 Retention of records

- All records, including Third-Party Records (financial and otherwise), relating to, or needed to ensure the accuracy of the Return, must be retained until ABC has completed the audit of the same audit period in the following year.

SECTION 5 – PROVING THE AVERAGE DISTRIBUTION [cont.]

- Where a publisher devises viable and auditable alternative means of maintaining this information, other than that given in the rules and guidance notes, they must submit the scheme to the bureau for approval before utilising the scheme and before including the resultant distribution in the ABC Return.
- Subscription Renewal Documents, New Subscriber Application Forms and orders for sales may be held on a microfiche/CD ROM /other electronic media data storage system as long as:
 - Documents are exact facsimiles of the originals
 - The data required for each category is captured
 - The system does not allow amendments to data
 - The data is legible. If details cannot be read, the copy cannot be claimed
- If there is any doubt as to what records will be required in order to conduct an audit, then the publisher should contact the Bureau for advice.

5.6.2 Documents required for all issues

Every copy published in the audit period (including excluded issues) must be supported by evidence of:

- Print/production
- Distribution
- Publication
- Form A (see below)
- Form B (see section 6)
- Form C (see section 6)
- Form D (see below)
- Records in respect of sold copies

Form A is a worksheet breaking down the ABC claim by issue by distribution type. It must be maintained on an issue by issue basis and must always be available. Information from this form will be used to complete your distribution return claim.

Form D is an issue by issue summary of copies claimed by category other than bulk distribution.

5.6.4 Print/production

- Full issue by issue details of all copies delivered or produced by the printer, whether in-house or not, for all issues of the publication distributed during the audit period must be available. This includes invoices, purchase ledger accounts, bank statements, print orders, paper consumption records etc. All invoices from printers must clearly state the publication, title, issue identifier, number of copies printed and supplied.

5.6.5 Distribution

- Full issue by issue details of the exact numbers distributed by whatever means for every issue distributed during the audit period must be available. Details for the issues distributed immediately before and after the audit period

must also be available for audit.

- Individually requested and subscription copies can only be claimed when:
 - there is auditable evidence to show they were delivered individually addressed to the final recipient (subscriptions) or to the individual's address (individually requested) through a third-party. Note: Copies mailed via an in-house or associated company's franking machine are not auditable and so cannot be included in the ABC claim.
 - A mailing/distribution list is retained for each issue. The mailing/distribution list must be a complete list of addressees. It is usually most convenient to retain the list electronically, saved as a simple 'ASCII' comma-delimited (or separated) file, with one line per addressee and separate fields that hold name, address and relevant codings (it should be coded sufficiently to identify exactly where an addressee is claimed on the Certificate. For Example: Subscriptions and individually requested copies must be coded differently so as to identify the category in which they have been claimed). If printed the mailing/distribution list should be postcode sorted, with a secondary sortation by surname or company alpha and include relevant codings to identify distribution types as mentioned above. If different sortations are used duplication testing may take longer, possibly leading to increased audit costs. If you require further information on mailing/distribution list requirements, please contact ABC.
- Bulk distributed copies do not need to be individually addressed but distribution evidence must exist detailing supply and returns by distribution point on an issue by issue basis - see section 6 for further details
- All documentation must clearly state the publication name, issue identifier, number of copies and distribution date.

5.6.6 Publication

- One copy of every issue of the publication distributed during the period.

SECTION 6 - BULK DISTRIBUTION

6.1 DEFINITION

6.2 DISTRIBUTION POINTS

6.2.1 MANNED DISTRIBUTION POINTS

6.2.2 UNMANNED DISTRIBUTION POINTS

6.2.3 IN HOUSE DISTRIBUTION

6.2.3 METHOD OF BULK DISTRIBUTION STATEMENT

6.3 DISTRIBUTION CHANGES (TITLES REPORTING 6-MONTHLY ONLY)

6.4 EVIDENCE REQUIRED

6.4.1 MANNED DISTRIBUTION POINTS

6.4.2 UNMANNED DISTRIBUTION POINTS

6.1 DEFINITION

To be eligible for inclusion in the ABC Bulk category:

- a publication's bulk distribution must follow a consistent regular pattern, on an every issue basis to agreed distribution points for active pick up by the final individual recipients
- the distribution point(s) must be consistent with the target audience and method of distribution
- adequate records of bulk distribution must be maintained
- copies returned, damaged, stolen or not picked up by the final recipient must be excluded from the ABC claim. Distributors and their agents must not have a disincentive to report these accurately.

The following rules provide more detail of these requirements

6.2 DISTRIBUTION POINTS

- A distribution point is a delivery address of a bulk distribution (i.e. more than one copy to a single address) and must be the point at which copies are handed to, or left for pick-up by the final individual recipient.
- Distribution points must be regular in type for every issue. For example if distribution points are 'Hotels in Scotland' these cannot be substituted with 'train stations'. However 'train stations' can be added as long as they become every issue.
- The definition of a distribution point and the process of distribution and record keeping must be agreed with ABC prior to certification. Any amendments to this agreed definition must be immediately communicated to and agreed with the ABC, in writing. ABC must have the right to visit distribution points to verify the distribution process.
- The average number of distribution points used across the period and for the selected normal issue must be analysed on the Return Form and will appear on the certificate

A responsible third party must sign the delivery note to confirm the copies supplied/returned. The person signing is responsible for placing the copies on display at the designated point for pick up. The responsible person can fall into one of two distinct types which will determine whether the distribution point is defined as 'manned' or 'unmanned'.

ABC may approve in-house distribution services - see section 6.2.3.

6.2.1 Manned distribution points

A manned distribution point is where the copies are being delivered to premises and the filling, emptying and replenishment of stocks is the responsibility of a nominated person at those premises (other than the deliverer of the publication).

6.2.2 Unmanned distribution points

- An unmanned distribution point is where the third party deliverer of the copies is responsible for making the copies available for pick-up e.g. placing the copies in a dedicated display box or dispenser.
- If the third party deliverer simply places the copies on counters or bars, or outside premises then this is not considered an unmanned distribution point and so must meet the requirements of a manned distribution point

Note:

An unmanned distribution point is NOT a point at which the responsible person is not available to sign a receipt document at the time of delivery.

6.2.3 In House Distribution

Where delivery drivers / distributors are not third party to the publisher it may be acceptable for the publisher to use their own delivery drivers or distributors or those of a subsidiary / joint venture partner, provided it can be demonstrated to ABC's satisfaction that the drivers have sufficient independence and are specifically contracted to deliver / distribute the publication being audited.

ABC must have full and unrestricted access to all documentation and financial records held by the publisher or their subsidiary companies / joint venture partners. This includes run / route sheets, contracts / agreements with drivers / distributors, wage claims or distributor invoices and payments to drivers / distributors.

ABC will confirm that the distribution system is acceptable as part of the overall systems process review when the title is first registered with ABC.

Publishers must advise ABC of any changes to their distribution / delivery methods prior to commencement to obtain approval that the new method meets the ABC Bulk requirements.

6.2.4 Method of bulk distribution statement

- The purpose of the distribution statement is to show the advertiser clearly where copies are distributed.
- The statement of method of distribution will be a statement of fact that can be substantiated at audit, reflecting the total distribution. The publisher must be able to prove to the auditor the validity of the statement.
- Any changes to the distribution method during the period that conflict with the statement must be notified to ABC.

SECTION 6 - BULK DISTRIBUTION

The method of distribution used for claimed copies:

- must be registered and approved by ABC
- will appear on the ABC certificate together with the number of distribution points for a normal issue distributed during the period
- should be as detailed as possible, but must also be verifiable from audit evidence

Example

'Widget Monthly is delivered to supermarkets within the M25 area where it is placed in display racks in the entrance/exit areas for free pick-up by customers. Copies are also delivered to hotels in the Central London area, where copies are placed in guest rooms or left in the reception area for free pick-up by visitors'

6.3 DISTRIBUTION CHANGES (TITLES REPORTING 6-MONTHLY ONLY)

If there are significant changes in a title's bulk distribution then these must be notified to ABC using the change of distribution form within 5 working days of the affected issue. Significant changes are defined as one or more of the following:

- A change in the total number of distribution points by 20% or more
- A change in the total planned distribution by 10% or more
- A change in the type of distribution points by 50% or more. This means the addition of any new types of distribution point or the complete removal of any types of distribution point will require notification.
- Any changes to the distribution method during the period that conflicts with the certified method of distribution statement

The written notification to ABC must explain the reasons for the change and if they are not to be permanent for how long the changes are to remain in place.

A re-audit and/or recertification may be necessary. Failure to advise ABC of a significant change may result in the increase being disallowed for purposes of ABC reporting.

6.4 EVIDENCE REQUIRED

Objective: To ensure that there is proof of regular receipt of bulk copies at each final distribution point and evidence of the net quantity actually picked up from those points.

6.4.1 Manned distribution points

- The publisher must retain signed and dated receipt documents/couriers delivery notes, on an every issue basis, for all distribution points claimed
- The third party signature confirming receipt of the delivery must be that of the responsible person or their authorized deputy at each distribution point and the quantity being signed for must be clearly stated. They must sign to confirm the title, issue and quantity delivered and the fact that these are in good condition.
- The publisher must be able to demonstrate controls which

provide issue by issue details of the number of net copies distributed (or picked up). This will require details of the number of damaged copies removed from circulation and undistributed copies to be accounted for, thereby, arriving at a net distribution figure.

- All uncollected or damaged copies must be accounted for and reconcilable with the distribution records for each distribution point on an issue by issue basis. There must be a note signed by the responsible person of the delivery stating the number of copies being returned or that were not available for pick up by recipients. (This may be a combined delivery/returns note – the recipient signs for delivery of the current issue and returns of the previous issue. It must be clearly stated which issue is being delivered and which issue is being returned). Where there are no copies left for return, this must be recorded and signed for as zero returns. Where the number of returns is not noted but left blank, the publisher must not assume 100% distribution but instead through lack of audit evidence of the actual quantity picked up treat that distribution point as having zero distribution.
- A signature must be obtained at the time of delivery. However for manned distribution points, if a signatory is unavailable at the actual time of delivery it is permissible to include with the delivery a receipt document which may be posted or faxed back to the publisher within 5 working days or before distribution of the next issue, whichever is the sooner.
- For returns notes, signed notification of returned or damaged copies must be obtained at the time of collection. However for manned distribution points, if a signatory is unavailable at the actual time of collection it is permissible to leave a collection document which may be posted or faxed back to the publisher within 5 working days or before distribution of the next issue, whichever is the sooner.
- The publisher must be able to provide ABC with details of the terms and conditions between the publisher and distribution points for the supply and collection of copies, including any financial arrangements.

6.4.2 Unmanned distribution points

- For an unmanned distribution point as defined by ABC, the distributor is responsible for filling, replenishing and collating undelivered copies. A deliverer's signature confirming the copies have been delivered and made available for pick up is acceptable. This must include the date and deliverer's signature and verify title, issue and quantity delivered. Additional verification such as the signature of the deliverer's manager to confirm completion of delivery runs or the time of delivery may be required where ABC deems appropriate for audit purposes.
- The deliverer must also sign with a time and date to verify the quantity of undistributed copies of the previous issue collected from the distribution point
- All distribution systems involving delivery to unmanned distribution points must be agreed in writing with ABC prior

SECTION 6 - BULK DISTRIBUTIONS [cont.]

to use of that system.

SUMMARY OF FORM COMPLETION

6.4.3 Manned and Unmanned - forms

Due to the nature of claiming bulk distribution, it is essential that the supply and return of copies is fully and accurately recorded on a systematic basis for each issue down to the level of each distribution point. The spreadsheets and forms required to claim ABC Bulk distribution are as follows:

Master list of all distribution points

- Showing for each distribution point:
- Type (e.g. hotel)
- Address
- Name of responsible person
- Telephone number
- Normal day/date of delivery
- Normal day/date of collection of returned/damaged copies
- Method of delivery/collection
- Normal supply quantity

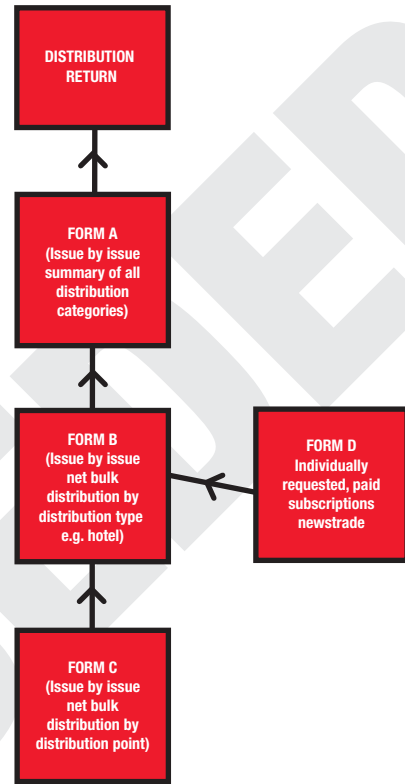
Form B

This is an issue by issue summary of Form C recording net distribution by distribution type. Information from this form will be transferred to Form A where it will be added to the other categories of distribution to arrive at the figure for the distribution return claim.

Form C

This form includes on an issue by issue basis:

- Name/identification of distribution point
- Type of distribution point (e.g. hotel)
- Gross supply
- Returned/damaged copies
- Net distribution
- Actual day/date of delivery
- Actual day/date of collection of returned/damaged copies



SECTION 7 – INDIVIDUALLY REQUESTED COPIES

7.1 INTRODUCTION

7.2 DEFINITION

7.3 RECORDS REQUIRED

7.3.1 WRITTEN REQUEST - REQUIREMENTS

7.3.2 TELECOMMUNICATION REQUESTS - REQUIREMENTS

7.1 INTRODUCTION

This category represents individually requested copies that are delivered to those individuals' addresses. Individually requested copies must be analysed both as a total average for the issues included in the claim and separately for the selected normal issue.

7.2 DEFINITION

To be claimed under this category:

- a regular copy must have been personally requested by an individual
- the request can be received by the publisher in writing, via the telephone or the internet
- the request must be less than three years old at the date of distribution of the issue for which that addressee is claimed as a requested recipient (or less if stated on the request documentation)
- the publisher must deliver the copy to the individual's address on an every issue basis through a third-party.

7.3 RECORDS REQUIRED

- All request documents for every copy to be claimed during the audit period must be retained.
 - For written requests this means all request cards/documents
 - For telephone requests this means all interview forms/tape recordings (if taken) or the electronic/hardcopy record of the data output of the system.
 - For internet/e-mail requests this means documents/data files
 - The Publisher must accept that the decision of ABC or its appointed agent as to the accuracy of the records will be final.
- A complete list of names for those individually requested copies delivered, merged with paid single subscription copies for each issue must be retained as specified in section 5
- Distribution evidence as detailed in section 5.

7.3.1 Written requests - requirements

- The request form must be signed and dated by the addressee
- The document must clearly indicate which publication is being requested on a regular basis
- If the request form is for more than one publication there must be a separate signature supporting a request for each publication.

7.3.2 Telecommunication requests – requirements

- Telecommunications such as outbound and inbound telephone calls, internet, e-mail and fax messages may be used in support of individually requested circulation.
- ABC will approve/audit any telephone interview form/system provided the following points are complied with:
 - Adequate instructions must exist to the interviewer (for outbound calls) or to the caller (inbound calls) including a statement at the start of the call if the call is to be recorded.
 - The telephone interview/script must include a question such as 'Do you wish to receive (continue to receive) a regular free copy of this Publication?'
 - The telephone interview/script must include an audit question to which the answer is likely to be known by the addressee and not the publisher. This is known as the personal identifier question or PIQ.
 - The PIQ question is set by the ABC and is different each calendar year. The PIQ question is changed each year on January 1st. Contact ABC for the current PIQ. Therefore upon re-verification a different PIQ must be asked.
 - The name and telephone number of the addressee must be collected and recorded.
 - Outbound calls - must be signed and dated by the interviewer and the phone number called, recorded.
 - Inbound calls - must be signed and dated by the receiver.
 - Requests for more than one publication in a single phone call are allowed provided the script ensures that the titles have been asked about individually.
 - To prove that information collected is auditable, ABC may insist that a telephone system used is tested before allowing copies to be claimed if the system is to be used as proof of request.
 - Facsimile (fax) requests are treated in the same way as written requests so the PIQ is not required. ABC recommends that fax requests are photocopied or a plain paper fax is used to avoid the information fading.
- Internet/e-mail request documentation/files must capture all the data as detailed for telephone requests, including the PIQ. The e-mail address must be collected and recorded instead of the telephone number.

Advice – ABC will be pleased to advise on the suitability of any document/internet request / telecommunications script. Services of this type are free of charge to members.

SECTION 8 – PAID SINGLE SUBSCRIPTION COPIES

8.1 INTRODUCTION

8.2 REQUIREMENTS FOR SINGLE COPY SUBSCRIPTIONS

8.3 REPORTING

8.4 SUBSCRIPTIONS - RECORDS REQUIRED

8.1 INTRODUCTION

Subscriptions are paid copies, distributed individually addressed to a final recipient by name under a contractual agreement with that recipient or their employer to purchase one copy of a publication for a given period.

8.2 DEFINITION

- Payment must have been made in advance by the named subscriber or their employer for the publication to be delivered for a fixed term which must be for a minimum of three months or three issues whichever is the greater.
- The delivery must be on an every issue basis through a third-party.
- Copies must be individually wrapped and addressed to the individual final recipient.
- There must be auditable proof of the final recipient of each copy, otherwise such copies must be excluded.
- A subscription rate must be published in every issue of the publication (either in the issue or in a bound-in card).
- If a publisher fails to publish a subscription rate, then copies may not be claimed under subscriptions.

8.3 REPORTING

Copies must be analysed:

- As a total average for the issues included in the claim and separately for the selected normal issue.
- Into those that have paid the full published subscription rate and those that have paid less than the full published subscription rate.

8.4 RECORDS REQUIRED

- All order documentation supporting new and renewal subscriptions. This will include every subscription card or other written document for each addressee for which a copy has been claimed during the Audit Period. This data may be held on CD ROM or other electronic media data storage system providing the Publisher accepts that it is their duty to ensure the details are auditably legible. If the details cannot be audited the copy cannot count. All the request documentation must be kept until the end of the calendar year following the year of expiry of the documentation.
- Auditable proof of payment for each copy claimed. If an outside agent maintains these details, (e.g. subscription bureau) the auditor must have full access to these.
- Where continuous credit card or direct debit subscriptions are in place, the publisher must either keep a copy of the original request documentation or provide to the Bureau auditable evidence - linked to the subscriber's name and address record - of the payment amount, the number of issues paid for, the payment date and the name of the

publication subscribed to. This must cover the audit issue.

In the case of direct debits, this must include the subscribers Bank details and for continuous credit cards the credit card name, number and expiry date.

- A complete list of subscribers merged with individually requested recipients for each issue must be retained as specified in section 5.
- Distribution evidence as detailed in section 5

SECTION 9 – NEWSTRADE AND SINGLE COPY SALES

9.1 INTRODUCTION

9.2 DEFINITION OF A SALE

9.3 NEWSTRADE SALES

9.4 REPORTING

9.5 NEWSTRADE SALES - UNSOLD/RETURNED COPIES

9.5.1 PROVISIONS

9.6 SINGLE COPY SALES

9.7 COVER PRICE

9.8 CONTRA TRANSACTIONS

9.9 NEWSTRADE & SINGLE COPY SALES - RECORDS REQUIRED

9.1 INTRODUCTION

Newstrade and single copy sales must be analysed both as a total average for the issues included in the claim and separately for the selected normal issue.

9.2 DEFINITION OF A SALE

A 'sale' is a sale of a publication which contributes a positive financial contribution to the Publisher.

For copies supplied through Newstrade Channels this means that:

- a) the amount paid by the consumer must exceed the Newstrade margins (Wholesale and/or Retail as applicable); and
- b) there must be an auditable incentive for unsold copies to be returned to the publisher.

Where these conditions are not met, the resultant circulation must be excluded from sold copies.

9.3 NEWSTRADE SALES

These are copies which the Publisher can prove were sold to wholesalers or retailers for onward sale to purchasers on a Sale or Return or Limited Sale or Return basis.

- 'Sale or Return' means copies that remain unsold by the retailers can be returned to the newstrade supply chain for credit. These must be deducted from the initial 'sale' or 'supply', so that only those copies actually purchased by the public are claimed on the ABC Return (i.e. the net sale). This must be recorded on an issue by issue basis.
- 'Limited Sale or Return' means that the contract with the retailer specifies a maximum limit on the number of unsold copies that may be returned. Copies unsold and returned up to this limit must be deducted from the initial 'sale' or 'supply' to arrive at the net sale claim. This must be recorded on an issue by issue basis.

To qualify copies must also fulfil all the following criteria:

- Retailer and wholesalers must have an auditable financial incentive to return unsold copies.
- An audit trail must be in place to be able to vouch these details to the satisfaction of ABC.
- There must be evidence of payment being received by the Publisher.

9.4 REPORTING

Copies must be analysed into those sold at the published cover price and those below the published cover price.

9.5 NEWSTRADE SALES - UNSOLD/RETURNED COPIES

- Publishers will know the final unsold figures for most issues when they complete their ABC Return Form. However, if it is expected that additional unsold copies will be returned for issues which are unclosed at the time of submission of the Return Form, an estimate (or 'provision') of the number of unsold copies must be made for those issues, so that the figure for net newstrade sales is claimed as accurately as possible. In the following audit period, when the actual figures are known, an adjustment must be made in the subsequent period to account for any difference from the estimated figures.
- Full details of the exact numbers claimed, as unsold or returned copies (including undelivered, lost or stolen copies) must be available for every issue in the audit period. This means claims for credit from wholesalers and retailers and credit notes must be kept with supporting financial records for every issue e.g. returns envelopes, dockets etc. These must be reconcilable to the distribution and returns records on an issue specific basis.

9.5.1 Provisions

- An assessment of likely unsold copies should be based on current and historic information such as:
 - Current levels of unsold copies
 - Historic data and seasonal trends
 - Promotional activity
 - Print orders
 - Competitor activity
 - Information from sales force

Particular attention should be given to periods of promotion, re-launch and to non-UK circulation in general in order to arrive at a fair and reasonable representation of the net circulation. Taking into account all the information, an estimate of the final sales figures for issues must be made, from these figures the expected level of unsold copies can be calculated.

- The provision made and actual unsolds relating to the previous audit period must also be stated on the current Return. All provisions made must be reconciled in the following audit period unless the difference is material – see last bullet point below.
- If you are unsure of the level of provision required or if there is insufficient information available upon which to make a provision, the Bureau MUST be contacted prior to the submission of the Return. If any doubt exists it is the duty of the auditor or publisher to consult with the Bureau before creating a provision.
- It is imperative that all unsold copies are accounted for. This means that, as well as reconciling the unsolds records, all provisions must be reviewed in the next audit period to test

SECTION 9 – NEWSTRADE AND SINGLE COPY SALES [cont.]

the accuracy of those provisions. The current Return must be adjusted to account for any over or under provision from a previous period, in either the UK/Republic of Ireland or other countries figures. No adjustment to previously certified figures will be allowed unless the difference is found to be material following an ABC audit/inspection.

9.6 SINGLE COPY SALES

A single copy sale is one where the Publisher has sold an individual copy to a purchaser. All the criteria as noted under Newstrade Circulation must be fulfilled for the copy to count as a single copy circulation.

Note:

- Only Net Sales (i.e. after deducting returned copies) may be included as part of the total average net distribution.
- They must only consist of single copies sold direct to the final purchaser or net sales made through normal newstrade channels on a sale or return basis.
- Copies sold in bulk cannot be included as sold copies.

9.7 COVER PRICE

- For sold copies to be eligible for inclusion a cover price must be published on every copy of every issue.

9.8 CONTRA TRANSACTIONS

All copies sold to another person for sale, resale or subsequent transfer back to the Publisher, a subsidiary of the Publisher or other associated undertaking, must be excluded. Where the price paid for any copies is reimbursed in whole or in part to the Purchaser in cash, kind or by contra the Sales must be excluded.

Deals on advertising or sponsorship messages related to the purchase of the publication are specifically unacceptable. For the avoidance of doubt this is not limited to advertising or sponsors' messages printed in the publication.

Where the Publisher: owns, partially owns or has a controlling interest in the company which is normally involved in the day to day distribution of the publication or where both companies are owned or controlled by the same parent company copies distributed in this manner will not be excluded, provided that:

- a) the records of that company carrying out the distribution are audited to the next point in the distribution chain, ensuring from that point the copies are fully auditable in accordance with these rules; and
- b) a complete and secure audit trail exists to the satisfaction of both the Auditor and ABC.

9.9 NEWSTRADE & SINGLE COPY SALES - RECORDS REQUIRED

- Full auditable details on an issue specific basis of the gross distribution in number of copies (by the Publisher and/or Distributor) as well as financial terms for every issue

distributed during the Audit Period must be available.

- Full details of the exact numbers claimed as unsold copies or returned copies (including undelivered, lost or stolen copies) must be available. This means claims for credit (by Wholesalers and/or Retailers) and credit notes (issued by the Publisher and/or the Distributor) for every issue must be kept, together with supporting financial records.
- All financial and other arrangements with Distributors, Wholesalers, Retailers, etc., details on restrictions on the return of unsold or undelivered copies and details of the agreed Wholesale and Retail margins must be documented.
- For single copy sales, full payment of sold copies must be confirmed by the publisher's financial records e.g. invoices, sales ledgers or cash books and be supported by third-party evidence of payment and full details of the exact numbers of unsold or returned copies (including undelivered, lost or stolen copies) must be shown for each issue.

SECTION 10 - AVERAGE PAGINATION / ADVERTISING CONTENT / FORMAT / PAGE SIZE / TARGET AUDIENCE

- 10.1 AVERAGE PAGINATION**
- 10.2 ADVERTISING CONTENT**
- 10.3 FORMAT**
- 10.4 PAGE SIZE**
- 10.5 TARGET AUDIENCE**

10.1 AVERAGE PAGINATION

- The average pagination for the issues included in the claim must be declared on the Return Form and will appear on the certificate.
- Claimed pagination is defined as the total number of pages printed and delivered to the defined distribution area for each title for each issue.
- Sections or Supplements that are an integral part of the main title may be included in the average pagination (and therefore carry the ABC figure and logo), provided they:
 - include a referral or generic banner that clearly states the association to the host.
 - are distributed at the same time as the main title. They must either be bound in or inserted prior to distribution and must be contained within each copy of the issue claimed.

Sections or supplements that do not meet these criteria may apply for separate certification. To achieve this it must be registered in its own right as a separate edition and will have to maintain all the specific ABC Bulk records necessary for audit and certification. If separate certification is granted and the supplement is production inserted into the main host publication, then a separate ABC Bulk figure for each must be shown on the main title and the supplement as the figures will differ and must not be combined.

10.2 ADVERTISING CONTENT

- The average advertising content for the issues included in the claim must be declared on the Return Form and will appear on the certificate.
- Advertising content for an issue is defined as the total number of pages (to the nearest 1/4 page) of advertising display and classified as a percentage of the issue pagination.
- Advertising content must include paid and free advertising, banners, headings, house advertising, reader offers, competitions and coupons. Advertorials must be treated as whole page advertising if the page is worded 'Advertising Feature'. If not it is only the actual advertising that must be included.
- Supplements with their own individual pagination which do not distribute to the precise certified distribution area must not be included in the calculation of advertising content.

10.3 FORMAT

The format of the publication (e.g. newspaper) must be entered on the Return Form and will appear on the certificate.

10.4 PAGE SIZE

The page size of the publication (width by height in millimetres) must be entered on the Return Form and will appear on the certificate.

10.5 TARGET AUDIENCE

- The target audience is a statement of intent, which the publisher must demonstrate is reasonable and is consistent with the method of distribution statement and distribution points claimed.

SECTION 11 - PUBLICITY RULES (MASTHEAD REPORTING)

11.1 INTRODUCTION

11.2 MANDATORY STATEMENT

11.2.1 MANDATORY STATEMENT - TIMING/UPDATE

11.3 GROUP CERTIFICATION CLAIMS

11.4 PUBLISHERS' STATEMENTS

11.4 PUBLISHERS' STATEMENTS

Publishers' statements regarding distribution may not be made with any greater prominence, either by typeface, position or design, than the accredited ABC statement approved by ABC. They must clearly be sourced as a 'Publisher's statement'.

11.1 INTRODUCTION

A fundamental requirement of the ABC Bulk rules is that publishers must publish their last certified distribution figures in the publication. The objective of this requirement is to aid transparency both for the advertiser and competing publishers.

These publicity rules are additional to the ABC Byelaws which include other rules relating to publicity and comparisons of audited and unaudited data.

11.2 MANDATORY STATEMENT

A statement of the last certified total average net distribution must be made on the front or back page of every copy for each issue in the following format:

ABC Logo – Total Average Net Distribution (latest certified distribution) – (period of certificate)

11.2.1 Mandatory statement – timing/update

The mandatory statement must be updated as follows:

- Daily, weekly and fortnightly publications - within 15 days of the release date of the certificate
- Monthly and other frequency publications – in the next issue after the release of the certificate.

The release date is set at 5 days after ABC approves the certificate for despatch. This grace period allows for postal delivery to the publisher and possible query. The publisher should therefore take the release date as the date of receipt of the certificate.

- A copy of the earliest amended issue must be retained for audit scrutiny.

11.3 GROUP CERTIFICATION CLAIMS

If a publication is part of a group, and a group certificate has been issued, then the group distribution figure may only be shown on the individual titles if:

- It is accompanied by the individual title's current certified figure and a clear statement that the title is part of the group; and
- The group statement is not made more prominently, either by typeface, design or position, than the individual title's figure. It must appear after or below the statement relating to the individual publication.

SECTION 12 - EXCLUSIONS

12.1 INTRODUCTION

12.2 EXCLUDING AN ISSUE - CIRCUMSTANCES BEYOND PUBLISHER'S CONTROL

12.3 EXCLUDING AN ISSUE - PUBLIC HOLIDAYS (DAILY PUBLICATIONS ONLY)

12.4 EXCLUDING AN ISSUE - PUBLIC HOLIDAYS (WEEKLY PUBLICATIONS ONLY)

12.5 APPLYING FOR OTHER ISSUES TO BE EXCLUDED

12.5.1 TIME LIMITS FOR APPLYING FOR EXCLUSION NOTES

12.5.2 LATE APPLICATION

12.6 REPORTING EXCLUDED ISSUES ON THE ABC RETURN

12.7 REPORTING EXCLUDED ISSUES IN THE PUBLICATION

12.7.1 PLANNED NON PUBLICATION

12.7.2 NON PUBLICATION OUTSIDE PUBLISHER'S CONTROL

12.7.3 MATERIAL REDUCTION IN NET DISTRIBUTION BEYOND PUBLISHER'S CONTROL

12.7.4 FAILURE TO ISSUE APPROPRIATE PUBLICITY STATEMENT

12.1 INTRODUCTION

In order to present an ABC Certificate that is as accurate and representative of a publication's performance as possible, certain issues are allowed to be excluded from the distribution claim for an audit period.

The objective of allowing issues to be excluded is to prevent distortion of the certified figure by removing issues which are adversely affected by matters beyond the publisher's control.

An issue of the publication that is distributed during the audit period may only be excluded from the Total Average Net Distribution for the period if:

- An official exclusion note has been issued to the publisher; or
- The issue is allowed to be excluded because of the occurrence of a public holiday (see below).

12.2 EXCLUDING AN ISSUE – CIRCUMSTANCES BEYOND PUBLISHER'S CONTROL

- ABC will consider applications for exclusion notes where, through circumstances outside the publisher's control:
 - The distribution of an issue fails to achieve the planned level of distribution and that shortfall is greater than 10% of the planned distribution;

OR

- The planned level of distribution is achieved, but delivery is severely delayed resulting in a shortfall in net distribution and that shortfall is greater than 10% of the normal net distribution.
- Normal net distribution is taken as the average of the previous four comparable issues' distribution figures (e.g. for a Tuesday issue the previous four Tuesdays).
- When an issue is excluded from the ABC claim (because the publisher has chosen to take an optional exclusion in accordance with the rules) those issues must not be included in the previous 4 comparable issues.

12.3 EXCLUDING AN ISSUE – PUBLIC HOLIDAYS (DAILY PUBLICATIONS ONLY)

- Daily publications only may:
 - optionally exclude official national public holidays without applying for or holding an ABC exclusion note
 - optionally exclude any issue between Christmas Eve and up to and including the first Sunday after New Years Day without applying for or holding an ABC exclusion note.
- Where excluded, the dates affected must be entered under the Official National Public Holiday section of the Return. Scotland, Republic of Ireland, Northern Ireland and Wales are accepted as having their own official national public holidays for the purpose of this rule

12.4 EXCLUDING AN ISSUE – PUBLIC HOLIDAYS (WEEKLY PUBLICATIONS ONLY)

- Weekly publications only may:
 - Optionally exclude any two of the three issues published in the three weeks preceding the first Sunday after New Years Day without applying for or holding an ABC exclusion note.
 - Optionally exclude either the issue published in the week containing Good Friday or the issue published in the week containing Easter Monday, without applying for or holding an ABC exclusion note, except:
 - In Scotland where only the week containing Good Friday is allowed (as Easter Monday is not a public holiday)
 - In the Republic of Ireland where only the week containing Easter Monday is allowed (Good Friday is not a public holiday).
 - Have an exclusion application considered where the normal net sale has been disrupted by the occurrence of an Official National Public Holiday. The publisher must apply for and hold an ABC exclusion note
 - Have an exclusion application considered where the paper is likely to be affected by the occurrence of an official Local Bank Holiday (that is those Bank Holidays only recognised regionally or locally) where there is proof that the Banks will close, or that Banking hours will be restricted. The publisher must apply in advance and hold an ABC exclusion note
 - Have an exclusion application considered where the normal net sale has been disrupted by the occurrence of a religious holiday (with the exception of Easter Sunday) and the Publisher is able to demonstrate that the supplies to retailers have been curtailed on the day in question. The publisher must apply for and hold an ABC exclusion note
 - Optionally exclude issues published on Easter Sunday without applying for or holding an ABC exclusion note.
- Where excluded, the dates affected must be entered under the Official National Public Holiday section of the Return. Scotland, Republic of Ireland, Northern Ireland and Wales are accepted as having their own official national public holidays for the purpose of this rule

SECTION 12 - EXCLUSIONS

12.5 APPLYING FOR OTHER ISSUES TO BE EXCLUDED

- Publishers must apply for an issue to be excluded on the ABC Bulk Distribution exclusion application form (available from the ABC website)
- Reasons for the application must be given with details of the affected distribution
- If approved for exclusion, ABC will issue the publisher a signed official exclusion note
- There are no limits to the number of applications for exclusions in any one period.
- If it is subsequently identified that the application for an exclusion was incorrect, then the certificate may be re-issued.

12.5.1 Time limits for applying for exclusion notes

- **Daily, weekly and fortnightly publications** - within 7 days after the normal issue date of the qualifying issue.
- **Monthly and lesser frequency publications** - within 30 days after the normal issue date of the qualifying issue.

12.5.2 Late application

Requests for Exclusion Notes that are made after the stated time limit will not be allowed. The issue in question must be counted as if it had been published.

12.6 REPORTING EXCLUDED ISSUES ON THE ABC RETURN FORM

- Each issue excluded during the audit period must be reported on the ABC Return Form, along with the reason for the exclusion and the number of the signed official exclusion note.
- The exclusions will be reported in full on the Certificate and in ABC published data.

12.7 REPORTING EXCLUDED ISSUES IN THE PUBLICATION

- Any issue applying for exclusion must replace their existing period ABC statement of Net Distribution with a standard Exclusion statement of similar prominence and position on the front or back page.

12.7.1 Planned non publication

Planned non publication for which an Exclusion note has been issued must be advertised in the preceding issue by a standard statement of similar prominence and position to the period ABC statement. This should be worded as follows:

<ABC logo> Distribution Statement - There will be no issue of this title on (date/s).

12.7.2 Non publication outside publisher's control

- Where non publication is caused by reasons beyond the publishers control a retrospective statement of non publication must be added to the existing period ABC statement in the next published issue. This must be of similar prominence and position on the front or back page and worded as follows:

<ABC logo> Distribution Statement - There was no issue of this title on (date/s).

Where the decision not to publish the next issue is made after the production deadline of the preceding issue the retrospective statement above must be implemented in the next published issue.

12.7.3 Material reduction in net distribution beyond publisher's control

Where the reduction is caused by reasons beyond the publisher's control (see rule 12.2), a retrospective statement of reduced distribution must be added to the existing period ABC statement in the next published issue (or the one following if the publishing frequency is daily). This must be of similar prominence and position and worded as follows:

<ABC logo> (Net Distribution for Qualifying Issue) - Date of Issue.

12.7.4 Failure to issue appropriate publicity statement

If the appropriate Distribution Statement as detailed in 12.7.1, 12.7.2 or 12.7.3 has not been made, or not made in the correct issue then ABC may not issue an Exclusion Note (or if an Exclusion Note had been issued, but it is subsequently found that the publicity statements have not been made then the Exclusion Note may be rescinded). In such circumstances ABC will decide appropriate corrective action, which might mean not allowing the exclusion of the issue in question or further publicity statements.

SECTION 13 - DIGITAL EDITIONS

13.1 INTRODUCTION

13.2 DEFINITION OF A DIGITAL EDITION

13.1 INTRODUCTION

Digital editions (or 'e-publications') of a magazine or newspaper may be included on the ABC certificate. They are not included in the average net distribution figure and must at all times be reported separately from the print copies.

Note: Publishers who wish to include digital copies must register and gain approval of their systems from ABC before any issues can be claimed.

13.2 DEFINITION OF A DIGITAL EDITION

- A digital edition is defined as a replica of the print publication distributed electronically as a unit.
- The overarching principle behind the definition of a digital edition is that it is sufficiently similar to be considered as the 'same product' as the print edition or editions of which it is a copy. This is the same principle that underpins the rules for the reporting of print editions.
- To be able to be reported on the ABC certificate a digital edition must be identified as either a digital edition of the main edition or the digital edition of another specified print edition that is reported on the ABC certificate. (The relevant print edition will be referred to as the 'parent edition')
- A digital edition must carry the same editorial and the same ROP (not classified) advertisements (by number and advertisers) as the parent edition.
- Digital editions and their parent edition must be published on or about a common distribution date.
- Digital editions must carry a logotype/masthead incorporating the generic name of the parent publication and be consistent with the general appearance of the parent edition.
- Within each sector the existing rules for editions apply to digital editions in terms of inclusion on a certificate.
- Advertisements may include electronic enhancements or be adapted to take advantage of the medium.
- In cases where editorial or advertising renders the digital edition illegal for on-line publication the specific advertising/editorial may be removed. In this instance the digital edition will still qualify as a replica of its parent.

REGISTRATION/FURTHER INFORMATION

ABC Council has approved a full set of rules for the certification of digital editions. If you wish to include digital editions on your ABC Bulk certificate you should contact ABC to obtain the rules and discuss the requirements in advance of the issues for which they are intended to be claimed.

APPENDIX ONE - ABC BYELAWS

DEFINITIONS :

ABC/Audit Bureau of Circulations/Bureau	Audit Bureau of Circulations Limited
ABC/VFD	Audit Bureau of Circulations/Verified Free Distribution
Advertising Rate Cards	Material in which a media owner lists the cost of advertising space in a publication/exhibition
Approved circulation auditor	Auditor appointed by the member and approved by ABC to conduct the audit in accordance with the relevant Audit Rules (as hereinafter defined)
Media packs	Promotional material relating to a Title/s in which a media owner makes claims in relation to a publication/exhibition
Official/Official of the Bureau/Official of ABC	Employee or other person acting for ABC in an official capacity
Permanent Information Form	Form on which data relating to the Title are submitted to the Bureau
Return	Form on which circulation/distribution/exhibition data for an audit period are reported to ABC for certification
Title	Publication, exhibition, other published media or list/database
Trade Press	Publications or other media which provide information for persons in relation to their employment or interest in the media industry

Headings and brief introductions to certain clauses (shown in Italics) are for convenience only, do not form part of the Byelaws and will not affect their interpretation.

1. CONSTITUTION

- (a) The constitution of the Audit Bureau of Circulations Limited (hereinafter referred to as the "Bureau") is contained in the Memorandum and Articles of Association of the Company. An up-to-date copy may be inspected by any member on application to the Company Secretary of the Bureau. The operation of the Bureau is governed by its Memorandum and Articles, by Byelaws made by the Council ("the Byelaws") and by the Bureau's Audit Rules approved by the Council and published from time to time ("the Audit Rules"). The Articles of Association govern a member's admission to and continuance of membership.
- (b) A member may not remain in membership of the Bureau if none of its titles is registered with the Bureau.
- (c) Membership of the Bureau is subject to compliance with the Audit Rules and Byelaws and a failure to comply shall be a ground for complaint in accordance with the procedure set out below.

2. IMPLEMENTATION

The following Byelaws shall be effective from 1 January 2005 and replace all previous Byelaws of the Bureau with effect from that date and all practices and procedures of the Bureau shall be subject to these Byelaws.

3. INSPECTION OF RECORDS

Introduction

ABC's credibility relies on the accuracy of the data it certifies. Therefore it requires the following rights of access to records, in order that the accuracy of any data to be certified may be verified.

- (a) Within 10 working days of being so requested any authorised representative of the Bureau must be allowed access to all or any

of the member's records whether held by the member or a third party agent for the purpose of checking the accuracy of any Return.

- (b) Where a publisher appoints an independent distribution or third party agent to deal with part of his circulation or where the file of addresses for postal distribution of a publication is not in the control of the publisher member and is held by a specialised mailing house or third party agent whether in ownership of the publisher member or not, the publisher must provide a letter of confirmation from the agent to the Bureau that the records of the agent, the manual or computer address file or any necessary records and ancillary documents of the agent will be made available for inspection by a representative of the Bureau or the Approved Circulation Auditor within 10 working days of a request.

4. COMPLAINTS PROCEDURE

Introduction

If a member of ABC or an Official of ABC wishes to make a complaint that another member is not complying with the ABC Byelaws or Audit rules, then this section sets out the procedure that should be followed. It is intended to allow both parties to the complaint the opportunity to make their representations and for ABC to ensure it has all the information required to make a fair and informed decision.

- (a) If a member of the Bureau or an Official of the Bureau (other than the Chief Executive or Chairman) ("the complainant") considers that another member ("the member complained of") has not complied with or is not complying with the Audit Rules or the Byelaws, he may make a complaint to that effect in accordance with this complaints procedure.
- (b) The complainant shall send to the Head of Compliance a written notification of complaint ("the notification of complaint") setting out the matters of which he complains accompanied by copies of any documents on which the complaint relies.

APPENDIX ONE - ABC BYELAWS [cont.]

- (c) If the complainant is the Head of Compliance then he shall send the complaint to the Chief Executive and references below in this process to the Head of Compliance shall be read as references to the Chief Executive and references to the Chief Executive shall be read as Chairman.
- (d) Unless the Head of Compliance considers the complaint to be manifestly ill founded, he shall send a copy of the notification of complaint and any related documents to the member complained of.
- (e) Within 10 working days of receipt of the notification of complaint, or within such further time as the Head of Compliance may allow, the member complained of shall send to the Head of Compliance a written statement of response setting out his response to the matters raised by the complainant accompanied by copies of any documents on which he relies. Where the Head of Compliance considers that a reply is required from the complainant, he will send the complainant a copy of the response if a reply is required from the complainant.
- (f) Within 10 working days of receipt of the statement of response, or within such further time as the Head of Compliance may allow, the complainant may send to the Head of Compliance a written statement of reply setting out his reply to the matters raised by the member complained of accompanied by copies of any documents on which he relies.
- (g) If it is contended expressly or by implication in the notification of complaint or response or reply that a decision by an Official of the Bureau (the "Official") is not in accordance with the Audit Rules or the Byelaws the Head of Compliance may refer the statement to the Official and the Official may send to the Head of Compliance and to the parties to the complaint his written comments within 10 working days (or within such further time as the Head of Compliance may allow).
- (h) After consideration of the notification of complaint, response and reply (if any) and any written comments by the Official, the Head of Compliance may require the complainant or the member complained of or the Official to provide further information or documents relating to the matters raised.
- (i) When the Head of Compliance considers that sufficient information and documents have been provided, he shall make a decision on the complaint and shall notify the complainant and the member complained of the same.
- (j) If the Head of Compliance decides that the member complained of has complied with the Audit Rules and Byelaws, he will notify the complainant and the member complained of. Both parties and ABC must keep all matters relating to the complaint confidential, including all correspondence and the fact that a complaint was even made. However if the Head of Compliance decides special circumstances require it, he may issue a ruling that the complaint has not been upheld and authorise the circulation of that ruling to other members and the Trade Press.
- (k) If the Head of Compliance decides that the member complained of has not complied with the Audit Rules or Byelaws, or that a decision by an Official was not in accordance with the Audit Rules or the Byelaws he may implement any or all of the penalties outlined at section 6.
- (l) Should the complainant or member complained of disagree with this decision, they will have the right to appeal to the Chief Executive for a review. This appeal must be made in writing within 5 working days of notification of the decision, the Chief Executive to respond within 10 working days of receipt of the request for a review, or within such further time as the Chief Executive may reasonably require.
- (m) Should the Head of Compliance believe that a penalty other than one set out in section 6 be applied, he may in addition and subject to the approval of the Chief Executive implement any or all of the actions detailed below:
- i. withdraw any Bureau certificate already issued and issue a corrected certificate;
 - ii. require the member complained of to submit or resubmit any returns;
 - iii. direct that the member complained of be expelled, suspended from membership temporarily and/or subject to the fulfilment of such conditions as the Head of Compliance may impose;
 - iv. direct that the registration of the title in question be cancelled or suspended temporarily;
 - v. direct that a reaudit take place by the member's Approved Circulation Auditor or ABC.
- (n) The decision on the complaint by the Chief Executive under section 4l or the Head of Compliance and Chief Executive together under section 4m shall not be carried into effect if within 5 working days of being notified of the decision, the complainant or the member complained of gives notice to the Chief Executive that he requires a complaints panel to be convened to reconsider the complaint.
- (o) If the Chief Executive receives such a notice he shall refer the complaint for reconsideration to a panel consisting of 3 members of the Council of the Bureau (not connected with the complainant or the member complained of or the matters raised) selected by the Chairman ("the complaints panel").
- (p) If they consider it appropriate, before reconsidering the complaint, the complaints panel may invite the complainant, the member complained of, or the Official to make further written representations, and may call on appropriate experts. The meeting of the panel must take place within 15 working days of the Chief Executive receiving the notice in accordance with 4n above, unless an extension of not more than 10 working days is agreed by all parties.
- (q) The complaints panel may confirm, reverse or vary the decision of the Chief Executive and/or Head of Compliance.
- (r) The decision of the complaints panel shall be of no effect unless and until it has been reviewed and approved by the Council. The review by the Council must take place within 10 working days of the panel's decision.
- (s) Until the completion of the complaints procedure, contents of the statement of complaint, the statement of response, the statement of reply and any other information and documents which have been provided shall be confidential to the complainant, the member complained of and the Bureau and neither the complainant nor the member complained of shall institute any legal proceedings against any person in respect of any matters referred to therein. If, as mentioned in section 4j above, the complaint is not upheld, both parties and ABC must keep all matters relating to the complaint confidential, including all correspondence and the fact that a complaint was even made. However if the Head of Compliance decides special circumstances require it, he may issue a ruling that the complaint has not been upheld and authorise the circulation of that ruling to other members and the Trade Press.

APPENDIX ONE - ABC BYELAWS [cont.]

- (t) Matters raised under this Complaints Procedure cannot also be subject to reviews or appeals under the Review Procedure in section 5 below.

5. REVIEW PROCEDURE

Introduction

This section sets out the procedure for members who wish to contest a decision made by ABC because they believe it has not been made in accordance with ABC's own Audit Rules or Byelaws

- (a) If a member ("the member seeking review") considers that a decision by an Official of the Bureau ("the Official") is not in accordance with the Audit Rules or the Byelaws, he may apply for a review of the decision in accordance with this review procedure.
- (b) The member seeking review shall send to the Chief Executive a written request for review setting out the reasons why he contends that the decision was not in accordance with the Audit Rules or the Byelaws accompanied by copies of any documents on which he relies. This must be received by the Chief Executive within 5 working days of any written notification of intent to request a review.
- (c) If the Official whose decision is questioned is the Chief Executive, then he shall send the request for review to the Chairman and references below in this review procedure to the Chief Executive shall be read as references to the Chairman.
- (d) The Chief Executive shall send a copy of the request for review to the Official.
- (e) If the Chief Executive considers that the request for review directly affects another member or members ("the member(s) affected"), he shall also send a copy of the request for review to the member(s) affected.
- (f) Within 10 working days of receipt of the request for review, or within such further time as the Chief Executive may allow, the Official (and any member(s) affected) shall send to the Chief Executive written statement(s) of response setting out his/their response(s) to the matters raised by the member seeking review accompanied by copies of any documents on which he/they rely. The Chief Executive will send the statement(s) of response to the member seeking review.
- (g) Within 10 working days of receipt of the statement(s) of response, or within such further time as the Chief Executive may allow, the member(s) seeking review may send to the Chief Executive a written statement of reply setting out his reply to the matters raised by the Official (and any member affected) accompanied by copies of any documents on which he relies. If received, the Chief Executive will forward the statement of reply to the Official (and to any member(s) affected).
- (h) After consideration of the request for review, the statement(s) of response and the statement of reply (if any) the Chief Executive may require the member seeking review, the Official and any member(s) affected to provide further information or documents relating to the matters raised.
- (i) When the Chief Executive considers that sufficient information and documents have been provided, he shall make a decision concerning the request for review.
- (j) If the Chief Executive decides that the decision by the Official was not in accordance with the Audit Rules or the Byelaws, he may implement any or all of the actions below:
- i. issue a ruling to that effect and authorise the circulation of that ruling to other members and to the Trade Press;
 - ii. withdraw any Bureau certificate already issued and issue a corrected certificate;
 - iii. require the member seeking review or any member affected to submit or resubmit any returns;
 - iv. direct that a reaudit take place by the member's Approved Circulation Auditor or ABC.
- (k) The decision by the Chief Executive shall not be carried into effect if within 5 working days of being notified of the decision the member seeking review or any member(s) affected gives notice to the Chief Executive that he requires a review panel to be convened to reconsider the request for review.
- (l) If the Chief Executive receives such a notice he shall refer the request for review for reconsideration to a panel consisting of 3 members of the Council of the Bureau (not connected with the member seeking review or any member affected) selected by the Chairman ("the review panel").
- (m) If they consider it appropriate, before reconsidering the request for review, the review panel may invite the member seeking review, the Official and any member(s) affected to make further written representations, and may call on appropriate experts. The meeting of the panel must take place within 15 working days of ABC receiving the request for review.
- (n) The review panel may confirm, reverse or vary the decision of the Chief Executive.
- (o) The decision of the review panel shall be of no effect unless and until it has been reviewed and approved by the Council. The review by the Council must take place within 10 working days of the panel's decision.
- (p) Until the completion of the review procedure, the contents of the request for review, the statement(s) of response and reply and any other information and documents which have been provided shall be confidential to the member seeking review, the Bureau and any member affected and neither the member seeking review nor any member(s) affected shall institute any legal proceedings against any person in relation to any matters referred to therein. If the review concludes that the decision by an Official of the Bureau is in accordance with the Audit Rules or the Byelaws, then both the member seeking review and ABC must keep all matters relating to the review confidential, including all correspondence and the fact that a review was even requested. However if the Chief Executive decides special circumstances require it, he may issue a ruling that the review has not been upheld and authorise the circulation of that ruling to other members and the Trade Press.
- (q) Matters raised under this Review Procedure cannot also be subject to reviews or appeals under the Complaints Procedure in section 4 above.

6. PUBLICITY RULES

Introduction

This section contains fundamental rules on how members may promote their links with ABC and in particular their circulation/distribution/attendance data. The intention is to avoid users of the data being misled because of how the data is presented.

APPENDIX ONE - ABC BYELAWS [cont.]

Applicant

- (a) An applicant for membership of the Bureau may not make any reference to Bureau membership until the Bureau has notified the applicant that the application has been approved. The penalty for non-compliance may be a six-month delay to the application approval.
- (b) After receiving the formal notification of acceptance, the member may only state Bureau application approved and the month of application approval. No other reference to the Bureau may be published or used in publicity statements, and the statement may not be used alongside unaudited figures or other circulation / distribution / attendance data.

After certification

Media Packs/Rate Cards

- (c) A member must include a copy of the latest Bureau certificate with all Advertising Rate Cards and Media Packs distributed OR, if approved by the Bureau, a member may include the data on the Advertising Rate Cards providing all certified data and the audit period are reported.
- (d) If media packs/rate cards are on a website there must be a hypertext link to the ABC website and ABC must have access to the website without payment.

Use of Bureau data

- (e) Any figures sourced to the Bureau quoted on any material must include the latest average total net circulation / distribution / attendance figures certified by the Bureau (as soon as practical) and the period of certification must be stated. Note:
 - i. for this purpose "material" includes any media in which figures are published and includes editorials, sales presentations and websites.
 - ii. if there are two Certificates with the same end date e.g. 12 months to 31 December 2002 and 6 months to 31 December 2002, then the mandatory Certificate will be deemed the latest.
 - iii. single issue and 3-month Certificates co-exist with the latest 6 or 12-month certificate. Therefore if the single issue or 3-month figure is quoted it must always be accompanied by the total average net circulation figure for the most recent 6 or 12-month certificate issued.
- (f) The term "readership" or "reader" may not be used in conjunction with any Bureau data.
- (g) All published data must be sourced and presented in such a way that it is clear which information has and which has not been certified by the Bureau.
- (h) Non-Bureau data must be sourced as "Publisher's Statement" or other appropriate source and must be accompanied by the latest average total net circulation / distribution / attendance figures certified by the Bureau and the period of certification must be stated, in accordance with Byelaw 6e.
- (i) Publicity statements or claims relating to data certified by the Bureau must be factually correct. Where publicity statements or claims are contradicted by ABC data but the member uses data from another source to support those statements or claims, then that alternative source must be clearly identified.

Use of the Bureau logos

- (j) The Bureau logos must not be positioned in such a way as to imply non-audited data has been audited.

- (k) The Bureau logos may not be used in relation to a registered title until receipt of the first certificate.
- (l) A member may not publish a claim of Bureau membership or the Bureau logos in a Supplement, unless that Supplement is either bound into the entire print run of an issue of a registered title or is separately certified.
- (m) A member may not publish a claim of Bureau membership or the Bureau logos in a title not registered with the Bureau.

Comparisons

- (n) Where a comparison is made with the Bureau certified figure(s) of (another) title(s), the audit periods must be shown and the same audit periods must be compared if available. In every case the figures must be the latest certified by the Bureau.
- (o) Comparisons must be on a like for like basis.
- (p) If a member compares data extracted from the certified circulation analysis, it must be clear that data has been extracted.
- (q) If the publishing frequencies of the publications being compared are different, the comparison must include their respective frequencies.
- (r) If the comparison is between a publication that has primarily paid circulation and one that has primarily free circulation, a fair and clear distinction between the respective types of circulation must be shown.
- (s) A member may not compare unaudited data with ABC/VFD data.
- (t) A member may not compare data for an unaudited title with ABC/VFD data.
- (u) A member may not compare a single-issue audit figure with an average net circulation figure.

Implied involvement of ABC

- (v) Statements used in publicity material must not imply the involvement of the Bureau or its rules and procedures in any way unless such statements have been certified by the Bureau.
- (w) A member may not alter an ABC advertisement, nor publish an advertisement, which purports to be from or authorised by the Bureau.

Concurrent release

- (x) A member with title(s) in a concurrent release of ABC data may not breach the release date and time set by the Bureau.

Penalties

- (y) In cases where a member is found to have breached either one or more publicity rules set out in this Section 6 or one or more rules in the ABC rulebook for the relevant sector, the Head of Compliance:
 - i. may issue a ruling to that effect
 - ii. may authorise the circulation of that ruling to other members and/or to the Trade Press.
 - iii. will decide on the required method to correct the information in the marketplace

In cases where a member is found to have breached publicity rule/s on more than one occasion in a 12-month period, the Head of Compliance may, subject to the approval of the Chief Executive, decide to cancel or suspend temporarily the registration of the title/s concerned.

APPENDIX ONE - ABC BYELAWS [cont.]

7. AUTHORISATION AND PAYMENT OF FEES

- (a) Annual subscription and other fees shall be approved by the Council and are binding on all members. The payment of subscription and other fees should be made within 30 days of the invoice date.
- (b) If fees remain unpaid after 60 days of the invoice date the Bureau has the right to cancel the registration of the title to which the outstanding fees relate.
- (c) Annual subscriptions are not refundable.

8. AUDITS

- (a) All Bureau audits will be governed by the current Audit Rules in force for the particular membership sector.
- (b) Except where the Bureau conducts the audit, the circulation or distribution return form must be filed with the Bureau by an approved auditor who must be a member of either The Institute of Chartered Accountants in England and Wales (ICAEW), Institute of Chartered Accountants of Scotland (ICAS), Institute of Chartered Accountants in Ireland (ICAI) or Association of Chartered Certified Accountants (ACCA), unless previously approved by the Bureau following application by the member setting out exceptional circumstances.
- (c) A letter of engagement between the member and the auditor must include the standard terms specified in the Audit Rules and should be filed with the Bureau prior to the commencement of the audit. Any member changing his auditor is required to submit details of the new audit firm to the Bureau for approval. The Bureau cannot process the return for certification until it holds the valid letter of engagement.
- (d) Where the audit is to be conducted by the Bureau, the respective duties and responsibilities of the Bureau and the member are detailed in a Terms of Audit letter.
- (e) ABC reserves the right to audit or inspect any return before issuing the certificate.
- (f) In the event that a return of net circulation / distribution / attendance is not submitted to the Bureau by the standard deadline for the registered audit period, the Bureau must implement the following standard procedure:-
 - i. a letter must be sent to the member requiring that the return be submitted and the penalty fee for late submission be paid within 10 working days of the date of the letter and invoice.
 - ii. if the member does not submit the return and pay the penalty fee by the due date, the Bureau has the right to cancel the registration of the title.
 - iii. a title may not be re-registered with the Bureau until 12 months from the date of the cancellation.
- (g) Audits for titles outside the UK or Republic of Ireland must be conducted by ABC staff auditors, unless otherwise agreed by ABC. All records required for audit purposes must be in English.

9. APPLICATION FOR MEMBERSHIP AND REGISTRATION

- (a) A non-member may apply to the Bureau for membership and for registration of any title. The applicant must complete a Membership Application Form and Permanent Information Form and submit or make available any other documentation which may be required for inspection by the Bureau. The fees for title registration and annual

subscription are not refundable and must be paid before the application can be approved by the Bureau.

- (b) A member may apply to register additional titles by completing a Permanent Information Form and submitting or making available any other documentation which may be required for inspection by the Bureau. The fees for title registration and annual subscription must be invoiced but need not have been paid before the application is approved by the Bureau.
- (c) If the Bureau is not able to issue the first circulation/distribution certificate within 12 months from the date of application the Bureau can cancel the title's registration.
- (d) The Bureau may approve an application to register a title prior to the publication of the launch issue provided that the requisite registration and annual subscription fees are paid in advance.

10. TRANSFER OF A TITLE TO ANOTHER MEMBER

The Bureau may cancel the registration of a title unless within 30 days of the transfer of a title to another member the following terms have been fulfilled:-

- i. the previous owner has notified the Bureau of the transfer. This requirement may be waived if the Bureau is satisfied that there are reasons why the previous owner is unable to notify the Bureau of the transfer.
- ii. all outstanding fees or subscription charges have been paid to the Bureau.
- iii. the new owner has completed a Permanent Information Form, agreed to maintain the title in continuous Bureau certification and paid the relevant subscription fee that is applicable for the appropriate period. The new owner is then required to comply with all the terms of Section 6 relating to publicity. The onus is on the new owner to ensure that the records specified by the Audit Rules for the membership category exist for the whole audit period and will be available for audit/inspection.

11. TRANSFER OF A TITLE TO A NON-MEMBER

- (a) Registration shall cease immediately upon the transfer of a title to a non-member.
- (b) The right to use a Bureau logo ceases at the date of the transfer of a title to a non-member.
- (c) The non-member may apply for membership and registration of the title in accordance with Section 9.
- (d) ABC can decide whether a short period audit must be undertaken in addition to the normal audit.
- (e) When an application has been approved, the publicity rules in Section 6 relating to an applicant will apply.

12. MERGER OF TITLES OR CHANGE IN THE NAME OF A TITLE

The Bureau may cancel the registration of a title unless within 30 days of the merger of two titles or a change in the name of a title the following terms have been fulfilled:-

- i. the merger or change in name has been notified to the Bureau on a Permanent Information Form.
- ii. the member has agreed to maintain the title in continuous Bureau certification and paid the subscription fee applicable for the time being.

APPENDIX ONE - ABC BYELAWS [cont.]

13. RE-LAUNCH INVOLVING MATERIAL CHANGE TO A TITLE

In cases where there is a re-launch involving a material change to a registered title during an audit period, the Bureau may permit the member to undertake up to two consecutive short period audits of the title in addition to the normal audit. For the purposes of this paragraph, a material change means a change in:

- i. geographical distribution;
- ii. frequency;
- iii. circulation/distribution size by more than 50% of the latest Bureau certified figure;
- iv. target market.

14. RESIGNATION

- (a) The Bureau will allow a member to resign a title from registration provided that the following terms have been fulfilled:
 - i. the member notifies the ABC of the resignation before the expiry date of the current certificate
 - ii. there is no complaint in process against the title
 - iii. the audit of the current certificate has been completed
 - iv. there is no inspection outstanding against the title

If any of these terms are not fulfilled, the Bureau will cancel the registration of the title.
- (b) Where the terms in 14 (a) have been fulfilled and a member has resigned a title from registration, the member ceases to have the right to use the ABC logo on any material connected with the title from the date when the resignation has been accepted by the Bureau, but is entitled to use the current certificate until its expiry date.

15. RE-REGISTRATION

- (a) A member or non-member may apply at any time for a title to be re-admitted for registration provided that all outstanding Bureau invoices have been paid and any certificate issued prior to resignation required no further inspection or audit.
- (b) If the Bureau has cancelled registration of a title in accordance with the Byelaws, the title cannot be re-registered until 12 months from the date of the cancellation and cannot apply for a retrospective audit.
- (c) The Bureau may impose such prior conditions as to reports, inspections and otherwise as it thinks fit and the Council shall re-admit such member upon compliance with such conditions to the satisfaction of the Bureau.
- (d) Any member who re-registers a title with the Bureau following cancellation for non-payment of fees must pay the monies previously outstanding before the Bureau can accept the registration. Payment of the audit fee prior to audit shall also be required by the Bureau.
- (e) In cases where the same media owner re-registers a title for certification, the first audit must be undertaken within 6 months of the application being approved.

16. COPYRIGHT OF CERTIFICATE AND BUREAU DATA

The copyright of the Bureau Circulation Certificate of a Title rests jointly with the owner of the title and the Bureau. The Bureau shall

be free to use and publish the information provided to it by a member without restriction. The Bureau will provide copies of circulation certificates to all enquirers.

17. NOTICES AND COMMUNICATIONS

Every communication or notice given under these Byelaws (including under the Complaints Procedure) shall be served in a manner consistent with the Articles of Association. In particular, any such communication or notice communication addressed to the Bureau shall be served either personally by leaving the communication or notice at the Bureau's registered office during working hours at Saxon House, 211 High Street, Berkhamsted, Herts HP4 1AD or by sending it through the post in a first class prepaid letter to that address. A communication or notice to be given by the Bureau shall be served either personally on the member by leaving the communication or notice at its address as appearing on the Register of Members or by sending it through the post in a prepaid letter to such address. Any member described in the Register of Members by an address not within the United Kingdom who shall have supplied the Bureau with an address within the United Kingdom shall be entitled to have communications and notices served upon him at such address either by personal delivery or by postal delivery. Any communication or notice served personally shall be treated as served on the day of service. Any communication or notice, if sent by first class post, shall be deemed to have been served on the day following that on which the letter containing the same is put into the post, and in proving such service it shall be sufficient to prove that the letter containing the communication or notice was properly addressed and posted as a prepaid letter.

SUPERSEDED



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