



Setting the standard

Reporting Standards

Business Magazines

Version 2 2017

Issued July 2017

CONTENTS

Section	Page
Introduction	2
General Principles and Record Keeping	3
Retail Sales (Sale or Return)	6
Retail Sales (Limited Sale or Return)	10
Retail Sales (Firm Sale)	15
Single Copy Sales	19
Single Copy Subscription Sales	21
Paid and Controlled	26
Sponsored Subscription Sales	27
Multiple Copy Subscription Sales	30
Society/Association/Organisation Circulation	33
Controlled Free Circulation	36
Non-Controlled Free Circulation	42
Digital Editions	43
Reported Data	48
Other Bulk Distribution	51
Digital Licences	53
Basic Cover Price	55
Geographical Analysis	56
Demographic Analysis	57
Editions	60
Issues to be included / excluded	61
Reporting Periods	63
Certificate Types	65
Return Form Submission, Audit, Certification	66

INTRODUCTION

This document contains the Reporting Standards for print and digital edition of products registered in the Business Magazines sector.

The PDF versions of the Reporting Standards are issued at a certain point in time. As Reporting Standards are updated periodically, please check the website www.abcstandards.org.uk to ensure you are using the latest applicable standards.

Each category of circulation in the Reporting Standards has the following:

- Definition
- Principles
- Requirements
- Reporting
- Guidance

If you are after a quick understanding of the key points of any section then the definition and principles will provide an overview – you can download an Executive Summary containing just these sections from our website.

The guidance sections provide examples of how the requirements might be complied with. We will add to or amend these over time where we consider there may be a benefit following the identification of specific circumstances or requests for advice.

If you have any queries regarding how the Reporting Standards affect you or any specific queries please contact the ABC Client services team on 01442 870 800 or email info@abc.org.uk

GENERAL PRINCIPLES AND RECORD KEEPING

INTRODUCTION

This section sets out some key requirements relating to the overall reporting and auditing of your ABC claim.

PRINCIPLES

1. **Publication must be eligible to report under the Reporting Standards**
2. **Copies must comply with the Reporting Standards**
3. **Transactions related to the claim must be bona fide 'arms length' arrangements**
4. **Evidence to support the claim must be retained and available for a minimum period**
5. **There is a designated Audit Issue**

REQUIREMENTS

1. **The publication must be eligible to report under the Reporting Standards**
 - a) You may apply to register a printed publication under the Business Magazine Reporting Standards unless the majority of its circulation is in the Republic of Ireland, in which case it will report under Republic of Ireland Reporting Standards.
2. **Copies must comply with the Reporting Standards**
 - a) Copies claimed must comply with the relevant sections of these Reporting Standards with the following exceptions which you specifically cannot claim:
 - i) Free copies to contributors
 - ii) Free copies to advertisers
 - iii) Free copies to advertising agencies. Note: You may claim controlled or non-controlled free circulation to advertising agencies providing the publication relates to the running of the agency business. *For example: an office equipment magazine.*
 - iv) Free copies to press cutting agencies
 - v) File or office copies
 - vi) Free publisher employee copies
 - vii) Paid publisher employee copies (unless they qualify under the Paid Employee Copies category or they are purchased as a normal consumer).
 - viii) Electronic versions of the publication unless they meet the requirements to be claimed as a Digital Edition.
3. **Transactions related to the claim must be bona fide 'arms length' arrangements**
 - a) Transactions or arrangements (such as sales, circulation or distribution services) with your own organisation or Related Parties will initially be deemed as not bona fide 'arms-length' for ABC purposes, meaning they cannot be included in your claim. However they can be included if you are able to demonstrate to the satisfaction of your auditor or ABC that these comply with the Reporting Standards and are bona fide 'arms length' arrangements.
 - b) Related Parties for ABC purposes will include where:
 - i) One party has direct or indirect control of the other party; or

- ii) The parties are subject to common control from the same source; or
- iii) One party has influence over the financial & operating policies of the other party to an extent that the other party might be inhibited from pursuing at all times its own separate interests; or
- iv) The parties, in entering a transaction, are subject to influence from the same source to such an extent that one of the parties to the transaction has subordinated its own separate interests.
- v) Transactions between contract publishers and their clients are deemed not to be arms length in relation to a specific publication produced for that client.

This means the following are considered Related Parties for ABC purposes:

- The publisher, its subsidiary, parent and fellow undertakings (and Directors of these)
- Associates and Joint Ventures (and their investors)

4. Evidence to support the claim must be retained and available for a minimum period

- a) You must retain and be able to provide all records supporting the claim, including but not limited to:
 - i) An analysis of the claim by issue.
 - ii) Evidence supporting the number of copies printed for each issue claimed.
 - iii) Evidence supporting the number of copies distributed for each issue claimed, relevant to its circulation type.
 - iv) Evidence for each copy supporting the relevant circulation category and geographical region in which it is claimed on an issue by issue basis (i.e. not on a transactional basis).
 - v) A copy of each issue and any Editions claimed.
 - vi) Financial records.
- b) Records supporting the claim must be retained until we have completed the audit of the certificate for the subsequent corresponding Reporting Period. *For example the records supporting the January to December 2012 period must be retained until we have completed the audit for January to December 2013.*
- c) Records supporting the claim must be retained and made available to your Auditor or ABC on request, in accordance with the ABC Byelaws.

5. There is a designated Audit Issue

- a) The Audit Issue is a designated issue in the Reporting Period for which the Reporting Standards specify certain information is required to be retained or reported.
- b) The Audit Issue is the issue distributed nearest to the first day of the last month in the Reporting Period, which also falls within the Reporting Period. (Note: Due to the possible effect of the Spring Bank Holiday on retail sales, weekly publications reporting to a June Reporting Period end may choose to report the subsequent issue).
 - i. If two issues are equidistant from this date then you may choose either as the Audit Issue.

GUIDANCE

G4. Evidence to support the claim must be retained and available for a minimum period

- a) In relation to evidence supporting the number of copies distributed for each issue claimed, this must enable identification of the publication name, issue and quantity of copies. This means copies posted using a franking machine will not normally be able to be claimed as the records will not identify what has been posted.
- b) In relation to mailed copies there is no need to remove copies from the claim that are returned because they are undeliverable. *For example copies returned addressee gone away or not known.*

- c) In relation to print evidence you will normally provide print invoices and evidence of payment. If printing is carried out in-house or within a Related Party organisation then production records may be required. Other financial records may also be reviewed.
- d) In relation to distribution evidence you will normally provide distributors' invoices/despatch notes and evidence of payment. Other financial records may also be reviewed.
- e) In relation to publication sales you may need to provide access to financial records including sales ledgers and bank statements on request.
- f) The auditor may accept copies of records stored electronically, but we advise you check first.
- g) If records are not available or not accepted by your auditor/ABC then this may result in copies being disallowed, certificates being withdrawn or cancellation of the publication's ABC registration.
- h) For ease of auditing and to avoid additional costs any mailing list supplied for audit should be presented in a format agreed between you and your auditor. One agreed format is:
 - i) One file per publication in a comma-delimited format
 - ii) One line per addressee
 - iii) Each addressee coded to identify the circulation category/rate in which it has been claimed
 - iv) Separate fields for name, job title, company name, address records, circulation code, geographical code, request dates, number of copies etc
- i) We offer an optional 'sealed galley' service whereby a mailing list tested at an audit can be treated as a valid source record for future audits. This avoids the need to go back to original documentation at a future audit if a record is included on a mailing list previously audited and sealed. Please contact us for further details.

RETAIL SALES (SALE OR RETURN)

DEFINITION

A copy sold to a retailer, on a sale or return basis, for resale as a single copy to a consumer.

PRINCIPLES

1. **Single copy knowingly paid for by the consumer to the retailer**
2. **Copies are purchased from the publisher by the retailer, on a sale or return basis, either direct or via the distribution chain (typically distributor and/or wholesaler)**
3. **Cover price must be published on or inside front or back cover of the publication**
4. **The price paid for the publication by the consumer must be clear and conspicuous**
5. **There must be an incentive for unsold copies/net sale to be reported to the publisher**
6. **If the final net sale and/or rate classification are not known then estimates must be made**
7. **Reported by rate, comparing price paid by the consumer with the Basic Cover Price**

REQUIREMENTS

1. **Single copy knowingly paid for by the consumer to the retailer**
 - a) The purchase by the consumer may be in cash or by other means agreed by ABC in writing.
 - b) Back issues up to 12 months old can be claimed against the issue current at the time of sale.
2. **Copies are purchased from the publisher by the retailer, on a sale or return basis, either direct or via the distribution chain (typically distributor and/or wholesaler)**
 - a) 'Sale or Return' means unsold copies are returned or reported for credit. The copies claimed will therefore be the net sale (copies supplied less credited copies).
 - b) Where the publisher is not third party to the retailer then evidence of purchase by the consumer is required. *For example EPOS reports and retailer revenues.*
 - c) You must account for net sales on an issue by issue basis.
4. **The price paid for the publication by the consumer must be clear and conspicuous**
 - a) If a voucher from a publisher controlled promotion is used the amount paid by the consumer is deemed to be the total of the cash paid to the retailer and any cash they paid for the voucher.
 - b) The value (or perceived value) of gifts or cover mounts to the consumer have no effect on the price paid for ABC purposes. However cash reimbursements to the consumer must be taken into account (excluding limited low chance lottery style promotions).
 - c) You must retain details of promotional or special offers during the reporting period.
6. **If the final net sale and/or rate classification are not known then estimates must be made**
 - a) If at the time you submit your circulation claim:
 - i) Unsold copies could still be returned or reported, you must make an estimate of final sales.
 - ii) You are running a promotional scheme where the final position (e.g. the number of discounted sales via redeemed vouchers) is not known you must make an estimate of the final net sale and classification.

You must adjust your claim in the following period to reflect any difference between the estimated net sale and classification and the actual net sale and classification.

- b) In relation to promotional schemes utilising voucher redemption: If you are reporting on a monthly basis and the effect of not making an estimate is judged to be unlikely to affect the figures claimed by more than 2% of the total average circulation then you can account for the vouchers on a wash through basis (i.e. as they are redeemed).

7. Reported by rate, comparing price paid by the consumer with the Basic Cover Price

- a) Sales by retailers will be treated as sales at the cover price unless there is evidence to the contrary.

REPORTING

You will report retail sales as follows, which will be broken out on the ABC Certificate (note: the term Full Rate will replace full or Basic Cover Price for reporting purposes):

1. Average total retail sales for the period for UK and Other Countries.
2. Total retail sales (combined with single copy sales) for the Audit Issue for UK and Other Countries analysed into the following rate bands:
 - Full rate
 - Below Full Rate

GUIDANCE

G1. Single copy knowingly paid for by the consumer

- a) Cash means legal tender notes and coins, cheque, credit/debit card, wireless payment systems.
- b) This doesn't preclude a retailer selling more than one copy to a single purchaser (without the publisher's knowledge).

G2. Copies are purchased from the publisher by the retailer, on a sale or return basis, either direct or via the distribution chain (typically distributor and/or wholesaler)

- a) You will need to ensure all records required to support the retail sale claim are available for audit. This will include:
- i) Full details of the exact numbers claimed as unsold or returned copies (including undelivered, lost or stolen copies) for every issue in the audit period.
 - ii) Full issue by issue details of all financial records and contracts with distributors, wholesalers and retailers, with specific regard to normal and recognised trade terms. These must be reconcilable to the distribution and returns records on an issue specific basis and to the average net retail sales claim.
 - iii) Details of any change in trading terms from firm sale (if allowed) to sale or return (either temporarily or permanently) or vice versa.
 - iv) Details of discounts, special offers or restrictions on the return of unsold or undelivered copies.
- b) Copies reported using a pay on scan system will be reported in this category. You will need to ensure appropriate records of sales are available for audit.
- c) Retail sales of Digital Editions via a third party retailer (*for example Apple Newsstand, Google, Amazon etc*) will be reported in this category.

G4. The price paid for the publication by the consumer must be clear and conspicuous

- a) As the price paid may be affected by promotional schemes you should keep details of purchases and promotional spends so you can demonstrate copies are purchased and that sales under incentives/offers are classified correctly, or disallowed as necessary. You can contact ABC for confidential advice, supplying copies of the promotional material and offer wording. The information kept may include:
- Title/s involved
 - Issues involved
 - Duration of promotion

- Retail outlets involved
 - Wording of the promotion displayed at the retail outlet/s
 - How the resultant copies are claimed
 - How the promotion will be paid for
- b) Treatment of bundle/package promotions
- i) As each case can vary we recommend you contact us for advice before carrying out your promotion.
- ii) How the price of the publication is presented to the consumer will affect how or whether the copy may be claimed for ABC purposes.
- If the price of the publication appears in the promotional material and it is legible (taking into account its presentation and prominence (including the size of the font used) and assuming a reasonable speed of reading) then the price is likely to be considered clear and conspicuous.
 - o Stating the publication's price in relation to the promotion/bundle in the main wording of the offer will provide most clarity.
 - o The further away from the main offer wording and/or less prominent in the promotion the price of the publication becomes, the more likely it will not be considered clear and conspicuous.
 - o If the price of the publication is linked to the main offer wording with, say, an asterisk - this would make it more conspicuous.
 - Merely stating the price of the publication without reference to the bundle/package could just be a statement about the normal price of the publication and so will not necessarily render the price clear and conspicuous.
 - If there is conflicting information about the price, then the lowest price assessment would be taken for ABC purposes (which might mean it is free).
 - The absence of a clear and conspicuous price would render the copies as free, as would explicit wording stating the publication is free.

Examples:

1. Promotion "*Buy the publication and a bottle of water for £x*".
The price of the publication is not clear and conspicuous.
2. Promotion "*Buy the publication and a bottle of water for £x*" which is accompanied by the statement "*The price of the publication in this promotion is £y*"
The price of the publication is likely to be considered clear and conspicuous if the accompanying statement is either within the main body of the promotion, or is in a footnote that is asterisked to the main body and is legible.
3. Promotion "*Buy the publication and bottle of water for £x.*" Elsewhere in promotion "*Publication is £y Monday to Friday and £z on Saturdays*".
The price of the publication is not in the promotion and is unlikely to be considered clear and conspicuous as this statement appears to be the normal price of the publication.
4. Promotion: If a publication 'ABC News' is promoted as '*Buy ABC News for £x and get a free bottle of water*' then the bottle of water is treated as a free gift and it is clear the price paid is solely for the purchase of the publication.
5. Promotion: If the promotion is '*Buy a bottle of water and get a free copy of ABC News*' then the publication will be treated as free for ABC purposes.

- c) Per section 4b: "The discount or cash reimbursement must be taken into account

Examples:

1. Promotion: "*Buy publication and spend £5 and you get £1 off your publication*".

The publication is discounted by £1.

2. Promotion: "*Buy publication, spend £5 and get £1 off your shopping basket*".

The publication is discounted as it is part of the shopping basket, but it is difficult to determine how much it is discounted and will be considered on a case by case basis. In this example, using the minimum spend requirement of the offer gives a 20% discount and would seem a reasonable treatment.

3. Promotion: "*Buy publication and get £1 off a jar of coffee*". Or "*Buy publication and get the money off the rest of your shopping*".

The publication is full price, provided that the publication is sold at full price and the reimbursement does not exceed the cost of the items being discounted.

G6. If the final net sale and/or rate classification are not known then estimates must be made

- a) Estimates of final sale

An assessment of likely sales should be based on current and historic information such as:

- Current levels of sales and 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. You should record the calculations and assumptions used to arrive at the estimated net sale.

- b) All unsold copies must be accounted for. This means that all estimates of net sale must be reviewed in the next audit period to establish their accuracy and that claim adjusted to account for any over or under estimate from the previous period. This must be done for each relevant geographical area reported [Note: If the difference for a period is found to be material following an ABC audit or inspection, ABC may amend the Certificate for the period to which the estimate relates).
- c) In relation to promotional schemes utilising voucher redemption a wash through basis means vouchers are accounted for as they are redeemed. The specific point at which they are treated as redeemed is not prescribed but you should use a reasonable and consistent basis.

RETAIL SALES (LIMITED SALE OR RETURN)

DEFINITION

A copy sold to a retailer, on a limited sale or return basis, intended for resale as a single copy to a consumer.

PRINCIPLES

1. **Single copy made available for purchase by the consumer from the retailer**
2. **Copies are purchased from the publisher by the retailer, on a limited sale or return basis, either direct or via the distribution chain (typically distributor and/or wholesaler)**
3. **Cover price must be published on or inside front or back cover of the publication**
4. **The price paid for the publication by the consumer must be clear and conspicuous**
5. **There must be an incentive for unsold copies/net sale (to the limit) to be reported to the publisher**
6. **If the final net sale and/or rate classification are not known then estimates must be made**
7. **Reported by rate, comparing price paid by the consumer with the Basic Cover Price**

REQUIREMENTS

1. **Single copy made available for purchase by the consumer from the retailer**
 - a) The purchase by the consumer may be in cash or by other means agreed by ABC in writing.
 - b) Back issues up to 12 months old can be claimed against the issue current at the time of sale.
2. **Copies are purchased from the publisher by the retailer, on a limited sale or return basis, either direct or via the distribution chain (typically distributor and/or wholesaler)**
 - a) 'Limited Sale or Return' means unsold copies are returned or reported for credit up to a limit contractually agreed with the retailer. The copies claimed will therefore be the net sale (copies supplied less credited copies).
 - b) You must account for net sales on an issue by issue basis.
4. **The price paid for the publication by the consumer must be clear and conspicuous**
 - a) If a voucher is used the amount paid by the consumer is deemed to be the total of the cash paid to the retailer and any cash they paid for the voucher.
 - b) The value (or perceived value) of gifts or cover mounts to the consumer have no effect on the price paid for ABC purposes. However cash reimbursements to the consumer must be taken into account (excluding limited low chance lottery style promotions).
 - c) You must retain details of promotional or special offers during the reporting period.
6. **If the final net sale and/or rate classification are not known then estimates must be made**
 - a) If at the time you submit your circulation claim:
 - i) Unsold copies could still be returned or reported, you must make an estimate of final sales, taking into account the agreed returns limits with retailers.
 - ii) You are running a promotional scheme where the final position (e.g. the number of discounted sales via redeemed vouchers) is not known you must make an estimate of the final net sale and classification.

You must adjust your claim in the following period to reflect any difference between the estimated net sale and classification and the actual net sale and classification.

- b) In relation to promotional schemes utilising voucher redemption: If you are reporting on a monthly basis and the effect of not making an estimate is judged to be unlikely to affect the figures claimed by more than 2% of the total average circulation then you can account for the vouchers on a wash through basis (i.e. as they are redeemed).

7. Reported by rate, comparing price paid by the consumer with the Basic Cover Price

- a) Sales by retailers will be treated as sales at the cover price unless there is evidence to the contrary.

REPORTING

You will report the following, which will be broken out on the ABC Certificate (note: the term Full Rate will replace full or Basic Cover Price for reporting purposes):

1. Average total retail sales for the period for UK and Other Countries.
2. Total retail sales (combined with single copy sales) for the Audit Issue for UK and Other Countries analysed into the following rate bands:
 - Full rate
 - Below Full Rate

GUIDANCE

G1. Single copy made available for purchase by the consumer from the retailer

- a) Cash means legal tender notes and coins, cheque, credit/debit card, wireless payment systems.
- b) This doesn't preclude a retailer selling more than one copy to a single purchaser (without the publisher's knowledge).

G2. Copies are purchased from the publisher by the retailer, on a limited sale or return basis, either direct or via the distribution chain (typically distributor and/or wholesaler)

- a) You will need to ensure all records required to support the limited retail sale claim are available for audit. This will include:
 - i) Full details of the exact numbers claimed as unsold or returned copies (including undelivered, lost or stolen copies) for every issue in the audit period.
 - ii) Full issue by issue details of all financial records and contracts with distributors, wholesalers and retailers, with specific regard to normal and recognised trade terms and the agreed limited returns. These must be reconcilable to the distribution and returns records on an issue specific basis and to the average net retail sales claim.
 - iii) Details of any change in trading terms from firm sale (if allowed) to sale or return (either temporarily or permanently) or vice versa.
 - iv) Details of discounts, special offers or restrictions on the return of unsold or undelivered copies.
- b) Copies reported using a pay on scan system may be reported in this category. You will need to ensure appropriate records of sales are available for audit.

G4. The price paid for the publication by the consumer must be clear and conspicuous

- a) As the price paid may be affected by promotional schemes you should keep details of purchases and promotional spends so you can demonstrate copies are purchased and that sales under incentives/offers are classified correctly, or disallowed as necessary. You can contact ABC for confidential advice, supplying copies of the promotional material and offer wording. The information kept may include:
 - Title/s involved
 - Issues involved
 - Duration of promotion
 - Retail outlets involved
 - Wording of the promotion displayed at the retail outlet/s
 - How the resultant copies are claimed

- How the promotion will be paid for
- b) Treatment of bundle/package promotions
- i) As each case can vary we recommend you contact us for advice before carrying out your promotion.
 - ii) How the price of the publication is presented to the consumer will affect how or whether the copy may be claimed for ABC purposes.
 - If the price of the publication appears in the promotional material and it is legible (taking into account its presentation and prominence (including the size of the font used) and assuming a reasonable speed of reading) then the price is likely to be considered clear and conspicuous.
 - Stating the publication's price in relation to the promotion/bundle in the main wording of the offer will provide most clarity.
 - The further away from the main offer wording and/or less prominent in the promotion the price of the publication becomes, the more likely it will not be considered clear and conspicuous.
 - If the price of the publication is linked to the main offer wording with, say, an asterisk - this would make it more conspicuous.
 - Merely stating the price of the publication without reference to the bundle/package could just be a statement about the normal price of the publication and so will not necessarily render the price clear and conspicuous.
 - If there is conflicting information about the price, then the lowest price assessment would be taken for ABC purposes (which might mean it is free).
 - The absence of a clear and conspicuous price would render the copies as free, as would explicit wording stating the publication is free.

Examples:

1. Promotion "*Buy the publication and a bottle of water for £x*".
The price of the publication is not clear and conspicuous.
2. Promotion "*Buy the publication and a bottle of water for £x*" which is accompanied by the statement "*The price of the publication in this promotion is £y*"
The price of the publication is likely to be considered clear and conspicuous if the accompanying statement is either within the main body of the promotion, or is in a footnote that is asterisked to the main body and is legible.
3. Promotion "*Buy the publication and bottle of water for £x.*" Elsewhere in promotion "*Publication is £y Monday to Friday and £z on Saturdays*".
The price of the publication is not in the promotion and is unlikely to be considered clear and conspicuous as this statement appears to be the normal price of the publication.
4. Promotion: If a publication 'ABC News' is promoted as '*Buy ABC News for £x and get a free bottle of water*' then the bottle of water is treated as a free gift and it is clear the price paid is solely for the purchase of the publication.
5. Promotion: If the promotion is '*Buy a bottle of water and get a free copy of ABC News*' then the publication will be treated as free for ABC purposes.

- c) Per section 4b: "The discount or cash reimbursement must be taken into account

Examples:

1. Promotion: “Buy publication and spend £5 and you get £1 off your publication”.

The publication is discounted by £1.

2. Promotion: “Buy publication, spend £5 and get £1 off your shopping basket”.

The publication is discounted as it is part of the shopping basket, but it is difficult to determine how much it is discounted and will be considered on a case by case basis. In this example, using the minimum spend requirement of the offer gives a 20% discount and would seem a reasonable treatment.

3. Promotion: “Buy publication and get £1 off a jar of coffee”. Or “Buy publication and get the money off the rest of your shopping”.

The publication is full price, provided that the publication is sold at full price and the reimbursement does not exceed the cost of the items being discounted.

G6. If the final net sale and/or rate classification are not known then estimates must be made

- a) Estimates of final sale

An assessment of likely sales should be based on current and historic information such as:

- Current levels of sales and 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. You should record the calculations and assumptions used to arrive at the estimated net sale.

- b) All unsold copies that are capable of being credited must be accounted for. This means that all estimates of net sale must be reviewed in the next audit period to establish their accuracy and that claim adjusted to account for any over or under estimate from the previous period. This must be done for each relevant geographical area reported [Note: If the difference for a period is found to be material following an ABC audit or inspection, ABC may amend the Certificate for the period to which the estimate relates).

Worked example (assuming 12 issues in a reporting period)

Issue ID	Supply	Returns	Net Sale	Sales%
1	88,500	26,229	62,271	70.36% closed
2	88,500	24,728	63,772	72.06% closed
3	88,250	23,688	64,652	73.26% closed
4	89,630	14,266	75,364	71.08% closed
5	89,820	27,620	62,200	69.25% closed
6	89,650	21,982	67,668	75.48% closed
7	88,500	26,229	62,271	70.36% closed
8	88,500	24,728	63,772	72.06% closed
9	88,250	23,688	64,652	73.26% closed
10	89,630	14,266	75,364	84.08% unclosed
11	89,820	9,655	80,165	89.25% unclosed
12	89,650	465	89,185	99.48% unclosed

In this example issues 10, 11 and 12 are not yet closed so an estimate of the final net sales figures have to be made using the criteria mentioned above. You will, of course, notice that a proportion of the unsold copies have already been received, but at this stage you should just concentrate on what you think the final net sales will be.

When all the estimates have been made the final figures for your claim may look something like this: -
Issue Total

ID	Supply	Returns	Est. Sale	Sales%
10	89,630	25,096	64,534*	72% Estimated
11	89,820	25,150	64,670*	72% Estimated
12	89,650	24,205	65,445*	73% Estimated

This means that your estimate of final net sale for these three unclosed issues is 194,649.*

Remember that you must report separate figures for any geographical areas broken out on the Certificate (e.g. UK / Republic of Ireland or overseas).

Adjustment for the estimate

In the next reporting period you would have a report giving you the actual net sales for issues 10, 11 and 12 because by then they would be closed off and complete. For example, the final report may be as follows:

Issue ID	Total Supply	Actual Returns	Actual Sale	Sales%
10	89,630	25,382	64,248*	71.68%
11	89,820	25,884	63,936*	71.18%
12	89,650	26,312	63,338*	70.65%

In this example the actual net sales relevant to your estimate, is 191,522.*

The difference between your original estimate and the actual figure (i.e. 194,649 minus 191,522) means you have overestimated sales by a total of 3,127 copies over those 3 issues.

The average overestimate of sold copies was therefore 3,127 divided by 12 (total issues in the previous period) = 261.

So you must deduct 261 copies from the average in the current period, to ensure the overestimate from the previous period is accounted for.

- c) In relation to promotional schemes utilising voucher redemption a wash through basis means vouchers are accounted for as they are redeemed. The specific point at which they are treated as redeemed is not prescribed but you should use a reasonable and consistent basis.

RETAIL SALES (FIRM SALE)

DEFINITION

A copy sold to a retailer, on a firm sale basis, intended for resale as a single copy to a consumer.

PRINCIPLES

1. **Single copy made available for purchase by the consumer from the retailer**
2. **Copies are purchased from the publisher by the retailer, on a firm sale basis, either direct or via the distribution chain (typically distributor and/or wholesaler)**
3. **Cover price must be published on or inside front or back cover of the publication**
4. **The price paid for the publication by the consumer must be clear and conspicuous**
5. **The retailers' ability to vary supply must not be unduly restricted**
6. **If the final rate classification is not known then estimates must be made**
7. **Reported by rate, comparing price paid by the consumer with the Basic Cover Price**

REQUIREMENTS

1. **Single copy made available for purchase by the consumer from the retailer**
 - a) Contractual arrangement with the retailer must make clear that copies are for resale to the consumer.
 - b) The purchase by the consumer may be in cash or by other means agreed by ABC in writing.
 - c) You cannot claim back issue sales to the retailer.
2. **Copies are purchased from the publisher by the retailer, on a firm sale basis, either direct or via the distribution chain (typically distributor and/or wholesaler)**
 - a) 'Firm sale' means that unsold copies are not returned or reported for credit.
 - b) You must account for sales on an issue by issue basis.
4. **The price paid for the publication by the consumer must be clear and conspicuous**
 - a) If a voucher from a publisher controlled promotion is used the amount paid by the consumer is deemed to be the total of the cash paid to the retailer and any cash they paid for the voucher.
 - b) The value (or perceived value) of gifts or cover mounts to the consumer have no effect on the price paid for ABC purposes. However cash reimbursements to the consumer must be taken into account (excluding limited low chance lottery style promotions).
 - c) You must retain details of promotional or special offers during the reporting period.
6. **If the final rate classification is not known then estimates must be made**
 - a) If at the time you submit your circulation claim you are running a promotional scheme where the final position (e.g. the number of discounted sales via redeemed vouchers) is not known you must make an estimate of the final classification. In this case you must adjust your claim in the following period to reflect any difference between the estimated classification and the actual classification.
 - b) In relation to promotional schemes utilising voucher redemption: If you are reporting on a monthly basis and the effect of not making an estimate is judged to be unlikely to affect the figures claimed by more than 2% of the

total average circulation then you can account for the vouchers on a wash through basis (i.e. as they are redeemed).

7. Reported by rate, comparing price paid by the consumer with the Basic Cover Price

- a) Copies sold to the retailer can be claimed as sales at the cover price unless there is evidence to the contrary, in which case claims should be adjusted as follows:
 - i) The retailer distributes copies free to the consumer (these should be removed from claim)
 - ii) The retailer sells copies at less than the Basic Cover Price (these may be claimed in the appropriate rate band).
 - iii) The consumer makes part payment using a voucher from a publisher controlled promotion (these may be claimed in the appropriate rate band unless acceptance and redemption of vouchers is explicitly not allowed in the agreement between the publisher and the retailer in which case the voucher can be ignored),
 - iv) The consumer makes full payment using a voucher from a publisher controlled promotion (these should be removed from the claim).

For the avoidance of doubt: copies disposed of by the retailer (not provided to a consumer) do not need to be deducted.

REPORTING

You will report the following, which will be broken out on the ABC Certificate (note: the term Full Rate will replace full or Basic Cover Price for reporting purposes):

1. Average total retail sales for the period for UK and Other Countries.
2. Total retail sales (combined with single copy sales) for the Audit Issue for UK and Other Countries analysed into the following rate bands:
 - Full rate
 - Below Full Rate

GUIDANCE

G1. Single copy made available for purchase by the consumer from the retailer

- a) Cash means legal tender notes and coins, cheque, credit/debit card, wireless payment systems.
- b) This doesn't preclude a retailer selling more than one copy to a single purchaser (without the publisher's knowledge).

G2. Copies are purchased from the publisher by the retailer, on a firm sale basis, either direct or via the distribution chain (typically distributor and/or wholesaler)

- a) You will need to ensure all records required to support the retail sale claim are available for audit. This will include:
 - i) Full issue by issue details of all financial records and contracts with distributors, wholesalers and retailers, with specific regard to normal and recognised trade terms. These must be reconcilable to the distribution records on an issue specific basis and to the average retail sale claim.
 - ii) Details of any change in trading terms from firm sale (if allowed) to sale or return (either temporarily or permanently) or vice versa.
 - iii) Details of discounts or special offers.

G4. The price paid for the publication by the consumer must be clear and conspicuous

- a) As the price paid may be affected by promotional schemes you should keep details of purchases and promotional spends so you can demonstrate copies are purchased and that sales under incentives/offers are classified correctly, or disallowed as necessary. You can contact ABC for confidential advice, supplying copies of the promotional material and offer wording. The information kept may include:

- Title/s involved
- Issues involved
- Duration of promotion
- Retail outlets involved
- Wording of the promotion displayed at the retail outlet/s
- How the resultant copies are claimed
- How the promotion will be paid for

b) Treatment of bundle/package promotions

- i) As each case can vary we recommend you contact us for advice before carrying out your promotion.
- ii) How the price of the publication is presented to the consumer will affect how or whether the copy may be claimed for ABC purposes.
 - If the price of the publication appears in the promotional material and it is legible (taking into account its presentation and prominence (including the size of the font used) and assuming a reasonable speed of reading) then the price is likely to be considered clear and conspicuous.
 - o Stating the publication's price in relation to the promotion/bundle in the main wording of the offer will provide most clarity.
 - o The further away from the main offer wording and/or less prominent in the promotion the price of the publication becomes, the more likely it will not be considered clear and conspicuous.
 - o If the price of the publication is linked to the main offer wording with, say, an asterisk - this would make it more conspicuous.
 - Merely stating the price of the publication without reference to the bundle/package could just be a statement about the normal price of the publication and so will not necessarily render the price clear and conspicuous.
 - If there is conflicting information about the price, then the lowest price assessment would be taken for ABC purposes (which might mean it is free).
 - The absence of a clear and conspicuous price would render the copies as free, as would explicit wording stating the publication is free.

Examples:

1. Promotion "*Buy the publication and a bottle of water for £x*".
The price of the publication is not clear and conspicuous.
2. Promotion "*Buy the publication and a bottle of water for £x*" which is accompanied by the statement "*The price of the publication in this promotion is £y*"
The price of the publication is likely to be considered clear and conspicuous if the accompanying statement is either within the main body of the promotion, or is in a footnote that is asterisked to the main body and is legible.
3. Promotion "*Buy the publication and bottle of water for £x.*" Elsewhere in promotion "*Publication is £y Monday to Friday and £z on Saturdays*".
The price of the publication is not in the promotion and is unlikely to be considered clear and conspicuous as this statement appears to be the normal price of the publication.
4. Promotion: If a publication 'ABC News' is promoted as '*Buy ABC News for £x and get a free bottle of water*' then the bottle of water is treated as a free gift and it is clear the price paid is solely for the purchase of the publication.

5. Promotion: If the promotion is *'Buy a bottle of water and get a free copy of ABC News'* then the publication will be treated as free for ABC purposes.

c) Per section 4b: "The discount or cash reimbursement must be taken into account

Examples:

1. Promotion: "*Buy publication and spend £5 and you get £1 off your publication*".

The publication is discounted by £1.

2. Promotion: "*Buy publication, spend £5 and get £1 off your shopping basket*".

The publication is discounted as it is part of the shopping basket, but it is difficult to determine how much it is discounted and will be considered on a case by case basis. In this example, using the minimum spend requirement of the offer gives a 20% discount and would seem a reasonable treatment.

3. Promotion: "*Buy publication and get £1 off a jar of coffee*". Or "*Buy publication and get the money off the rest of your shopping*".

The publication is full price, provided that the publication is sold at full price and the reimbursement does not exceed the cost of the items being discounted.

G6. If the final rate classification is not known then estimates must be made

- a) In relation to promotional schemes utilising voucher redemption a wash through basis means vouchers are accounted for as they are redeemed. The specific point at which they are treated as redeemed is not prescribed but you should use a reasonable and consistent basis.

SINGLE COPY SALES

DEFINITION

A single copy sold to a consumer direct by the publisher.

PRINCIPLES

1. **Single copy knowingly paid for by the consumer**
2. **Copies are purchased direct from the publisher**
3. **Cover price must be published on or inside front or back cover of the publication**
4. **The price paid for the publication by the consumer must be clear and conspicuous**
5. **If the final rate classification is not known then estimates must be made**
6. **Reported by rate, comparing price paid by the consumer with the Basic Cover Price**

REQUIREMENTS

1. **Single copy knowingly paid for by the consumer**
 - a) The purchase by the consumer may be in cash or by other means agreed by ABC in writing.
 - b) Back issues up to 12 months old can be claimed against the issue current at the time of sale.
2. **Copies are purchased direct from the publisher**
 - a) You must account for sales on an issue by issue basis.
4. **The price paid for the publication by the consumer must be clear and conspicuous**
 - a) If a voucher from a publisher controlled promotion is used the amount paid by the consumer is deemed to be the total of the cash paid to the publisher and any cash they paid for the voucher.
 - b) The value (or perceived value) of gifts or cover mounts to the consumer have no effect on the price paid for ABC purposes. However cash reimbursements to the consumer must be taken into account.
 - c) You must retain details of promotional or special offers during the reporting period.
5. **If the final rate classification is not known then estimates must be made**
 - a) If at the time you submit your circulation claim you are running a promotional scheme where the final position (e.g. the number of discounted sales via redeemed vouchers) is not known you must make an estimate of the final classification.

In this case you must adjust your claim in the following period to reflect any difference between the estimated classification and the actual classification.
 - b) In relation to promotional schemes utilising voucher redemption: If you are reporting on a monthly basis and the effect of not making an estimate is judged to be unlikely to affect the figures claimed by more than 2% of the total average circulation then you can account for the vouchers on a wash through basis (i.e. as they are redeemed).

REPORTING

You will report the following, which will be broken out on the ABC Certificate (note: the term Full Rate will replace full or Basic Cover Price for reporting purposes):

1. Total single copy sales (combined with retail sales) for the Audit Issue for UK and Other Countries analysed into the following rate bands:
 - Full rate
 - Below Full Rate

GUIDANCE

G1. Single copy knowingly paid for by the consumer

- a) Cash means legal tender notes and coins, cheque, credit/debit card, wireless payment systems.

G2. Copies are purchased direct from the publisher

- a) You will need to ensure all records required to support the single copy sale claim are available for audit. This will include financial records that adequately identify the numbers of each issue of the publication sold, including an audit trail to verify the money received.
- b) For copies sold at exhibitions or events evidence you may need might include:
 - Till receipts/cash sheets allowing monies to be traced through to evidence of banking.
 - Evidence that the publisher or their representatives had a presence at the exhibition or event to corroborate that copies were sold there. *For example: evidence the publisher had booked a stand or pitch at the event, or evidence the copies were delivered to the event venue.*

G4. The price paid for the publication by the consumer must be clear and conspicuous

- a) As the price paid may be affected by promotional schemes you should keep details of purchases and promotional spends so you can demonstrate copies are purchased and that sales under incentives/offers are classified correctly, or disallowed as necessary. You can contact ABC for confidential advice, supplying copies of the promotional material and offer wording. The information kept may include:
 - Title/s involved
 - Issues involved
 - Duration of promotion
 - Outlets involved
 - Wording of the promotion displayed
 - How the resultant copies are claimed
 - How the promotion will be paid for
- b) Promotions/gifts examples
 - If a publication 'ABC News' is promoted as '*Buy ABC News and get a free bottle of water*' then the bottle of water is treated as a free gift and it is clear the price paid is solely for the purchase of the publication.
 - If the promotion is '*Buy a bottle of water and get a free copy of ABC News*' then the publication will be treated as free for ABC purposes.

G5. If the final rate classification is not known then estimates must be made

- a) In relation to promotional schemes utilising voucher redemption a wash through basis means vouchers are accounted for as they are redeemed. The specific point at which they are treated as redeemed is not prescribed but you should use a reasonable and consistent basis.

SINGLE COPY SUBSCRIPTION SALES

DEFINITION

A single copy sold and distributed to an individual or organisation for a contracted period.

PRINCIPLES

1. **There must be a contractual arrangement between the subscriber and the publisher (or their agent)**
2. **Single copy per issue, distributed to a known addressee**
3. **Single copy knowingly paid for by the subscriber**
4. **For a contracted period and for a minimum number of issues (at least two)**
5. **Standard subscription rates must be published**
6. **Reported by rate, comparing price paid by subscriber with standard rate**
7. **The price paid for the publication by the subscriber must be clear and conspicuous**

REQUIREMENTS

1. **There must be a contractual arrangement between the subscriber and the publisher (or their agent)**
 - a) You must be able to provide evidence of the contractual arrangements between the subscriber and the publisher (or their agent) including the issues/period and the price.
 - b) If you merge publications or purchase a subscription list from a ceased publication it must be clear that subscribers have made a choice to receive the publication claimed.
2. **Single copy per issue, distributed to a known addressee**
 - a) You must retain a list of individual recipients for one designated issue each reporting period (the Audit Issue - see General Principles and Record Keeping section). In addition you must be able to recreate a list for any issue in the reporting period on request.
 - b) You must be able to demonstrate the copy is distributed to the addressee.
3. **Single copy knowingly paid for by the subscriber**
 - a) The subscriber must be the addressee except:
 - i) Where the addressee is an employee whose employer is the subscriber.
 - ii) Where the addressee is the recipient of a gift subscription from the subscriber (maximum 12 gift subscriptions per subscriber).
 - b) The purchase by the subscriber may be in cash or by other means agreed by ABC in writing.
 - c) You can claim copies where payment is outstanding as long as there are reasonable grounds to consider them to be live, good and collectable.
4. **For a contracted period and for a minimum number of issues (at least two)**
 - a) Back issues up to 12 months old supplied as part of a subscription agreement can be claimed against the issue current at the time of sale.
5. **Standard subscription rates must be published**
 - a) The 'Basic Annual Rate' (BAR) is the standard 1 year subscription rate for the publication, in contrast to a special price only available to a limited class, or under limited conditions.

- b) There can only be 1 BAR per country/wider geographical region.
- c) If print subscriptions are not available separately then there is no need to publish a BAR.

6. Reported by rate, comparing price paid by subscriber with standard rate

- a) You must claim a subscription in the appropriate rate band by comparing the price paid for the subscription with the relevant Basic Annual Rate at the time of sale (pro-rate if less than 1 year). Note - ignore for ABC purposes:
 - i) Bank charges or exchange rate differences
 - ii) The value (or perceived value) of any gifts, or other incentives (including bundled publications or media products that are not claimed for ABC purposes). However cash reimbursements to the consumer must be taken into account.
- b) If a subscription promotion includes a gift or product that is being claimed for ABC purposes (for example a bundled copy of a publication or access to a paid website) then the price paid must be allocated according to the following, moving down the list until one can be applied:
 - i) According to the specific terms of the offer.
 - ii) Where specific terms are not clear, by pro-rating the price according to the relative prices of the ABC claimed products.
 - iii) Where the specific terms are not clear and in the absence of a means of pro-rating the price paid, it should be divided equally between the number of ABC claimed products included in the sale.
- c) Where a subscription is sold through a subscription agent:
 - i) Copies can be claimed as sold at Basic Annual Rate unless they are known to be discounted.
 - ii) Linked incentives offered by the agent (with no contribution from the publisher) will be ignored for ABC purposes.
- d) You may treat subscription orders for more than one year as a sale at Basic Annual Rate if the published multi-year subscription rate when pro-rated to 1 year:
 - i) Is at least 90% of the BAR for a two year subscription; or
 - ii) Is at least 85% of the BAR for a three year subscription.
- e) You may treat renewal or direct debit rates as full rate providing the amount paid is at least 90% of the BAR.
- f) If you do not publish a relevant BAR then those copies must be claimed in the lowest rate band.
 - i) An exception is where no BAR is published because print subscriptions are not available separately. In this case you must determine rate band classification by using an "alternative BAR", which is set at 75% of the annualised print single copy cover price.

For example: If print only subscriptions are not available but the print copy cover price of a weekly publication is £2, then the "alternative BAR" used in lieu of the BAR is 52 weeks x £2 x 75% = £78.

- g) You must retain details of subscription rates and special offers during the reporting period

REPORTING

You will report the following, which will be shown on the ABC Certificate (note: the term Full Rate will replace Basic Annual Rate for reporting purposes):

1. Audit Issue total sponsored subscriptions for UK and Other Countries analysed into the following rate bands:
 - At Full Rate
 - Below Full Rate but not less than 50%;
 - Less than 50% of Full Rate but not less than 20%;

- Less than 20% of Full Rate but not less than 10%;
- Less than 10% of Full Rate.

2. The Full Rate published in/at the time of the Audit Issue for the UK and Other Countries.

- i. If there is more than one Full Rate for Other Countries then you must report a range, from the lowest to the highest.
- ii. If no Full Rate is published during the Reporting Period because print subscriptions are not available separately (and you are claiming print and/or Digital Edition Subscriptions), then you must report the "alternative BAR" as defined in section 6f above.

GUIDANCE

G1. There must be a contractual arrangement between the subscriber and the publisher (or their agent)

- a) If you merge publications or purchase a subscription list from a ceased publication it must be clear that subscribers have made a choice to receive the claimed publication. Examples of how this may be achieved are shown below.

Merger

If you merge publications where there are live subscriptions:

Subscribers to one publication only

- You may continue to fulfil the contractual requirement of the subscription by mailing copies of the 'new' publication until the expiry of the subscription period.

Subscribers to both publications

- You may refund the unexpired portion of one subscription and continue mailing copies until the remaining subscription expires.

OR

- You may net the value of the unfulfilled subscriptions and allocate copies on an issue by issue basis until the value has been subsumed.

Purchase or transfer of subscription lists from a ceased publication

If you purchase or transfer a list of subscribers from a ceased publication, you could claim these as subscriptions if you could demonstrate:

- The amount each subscriber is 'in credit' in terms of the payments for their subscription to the ceased publication
- How the credit is applied to the subscription to the claimed publication.
- The subscriber has either
 - i. Elected to continue his subscription to the claimed publication; or
 - ii. Has been given the option to discontinue his subscription to the ceased publication and obtain a refund.

- b) As records for two or three year subscriptions may need to be provided for audit you must ensure these are still available. You may wish to ask us to seal the galley (mailing list) at audit where this might prove difficult going forward.

G2. Single copy per issue, distributed to a known addressee

- a) Distribution evidence: This will usually be from a third party company whose normal business is single copy distribution (such as Royal Mail). Typically the evidence will include testing the payment of invoices and related advice notes sufficient to identify the publication, issue, quantities and date distributed.

G3. Single copy knowingly paid for by the subscriber

- a) Cash means legal tender notes and coins, cheque, credit/debit card, wireless payment systems.
- b) Where payment is outstanding you may take into account the following in considering whether there are reasonable grounds to consider the debt to be live, good and collectable:
- i) Publisher's normal credit terms
 - ii) Payment history

iii) Credit control efforts

G4. For a contracted period and for a minimum number of issues (at least two)

a) The contracted period may be a rolling issue by issue (or open ended) arrangement providing the contractual arrangements clearly intend there to be an on-going payment mandate and the sale is not promoted as a single copy purchase.

G5. Standard subscription rates must be published

a) Published does not mean necessarily published in the publication but published so that they are publicly available.

G6. Reported by rate, comparing price paid by subscriber with standard rate

a) [Requirement 6b showing examples] If a subscription promotion includes a gift or product that is being claimed for ABC purposes (for example a bundled copy of a publication or access to a paid website) then the price paid must be allocated according to the following, moving down the list until one can be applied :

- i) According to the specific terms of the offer. *For example: Buy X magazine get Y free means Y will be treated as free*
- ii) Where specific terms are not clear, by pro-rating the price according to the relative prices of the ABC claimed products. *For example where the promotion is 'Buy a subscription to X and Y for £50' and X and Y have Basic Annual Subscription rates of £40 and £50 respectively then the £50 paid will be pro-rated in the ratio 40:50.*
- iii) Where the specific terms are not clear and in the absence of a means of pro-rating the price paid, it should be divided equally between the number of ABC claimed products included in the sale.

Further Examples of Subscription Promotions:

What's in the subscription promotion?	How is it promoted?	Can it be claimed?	How is it claimed?	Criteria applied
Publication A + Handbag	Subscribe today and receive a free handbag	Yes	At price paid (handbag ignored as not ABC claimed)	i
Publication + Handbag	Buy handbag and receive free subscription to Publication A	Not as paid	Publication is free (could be claimed as free if appropriate criteria met).	i
Publication A + Marks & Spencer Vouchers	Subscribe for 3 months and receive vouchers for Marks & Spencer	Yes	At price paid (vouchers ignored as not ABC claimed)	i
Publication A and Publication B (both ABC claimed)	Subscribe to Publication A and receive Publication B free	Publication A Yes. Publication B Not as paid	Publication A at price paid (Publication B treated as free as promoted as free)	i
Publication A and Publication B (both ABC claimed: Publication A sub normally £80 and Publication B sub normally £40)	Subscribe to both Publication A and Publication B for £100	Yes, both.	£100 pro-rated = £67 Publication A and £33 Publication B	ii
Publication A and Publication B (both ABC claimed: Publication A sub normally £80 and Publication B sub normally £40) + Handbag	Subscribe to both Publication A and Publication B for £100 and receive a handbag worth £50	Yes, both.	£100 pro-rated = £67 Publication A and £33 Publication B (handbag ignored as not ABC claimed)	ii
Publication A and Website access (both ABC claimed: Publication A sub normally £100 but Website access is only available as a package)	Subscribe to Publication A and receive website access – all for £100	Yes, both	£100 divided equally £50 for Publication A and £50 for website access (website access is not available either free or paid so no price can be identified to pro-rate).	iii

with the Publication)				
Publication A + Digital Edition (not ABC claimed)	Subscribe to Publication A for £100 and receive the Digital Edition worth £80	Yes	Publication A at £100 (Digital Edition ignored as not claimed)	i
Publication A + Digital Edition (both ABC claimed: Publication A sub normally £100 and Digital Edition sub normally £50)	Subscribe to Publication A and the Digital Edition for £120 (normally £150).	Yes, both	£120 pro-rated = Publication A at £80 and Digital Edition at £40	ii

b) Examples of promotional offers that would result in copies being claimed at a discounted rate:

‘Save 25% on your subscription’

‘2 years subscription for the price of one’

‘18 issues for the price of 12’

‘Buy 12 issues get 6 free’ (note: All 18 issues can be claimed as paid, with the price paid being allocated equally across them).

PAID AND CONTROLLED

DEFINITION

A single copy sold and distributed to an individual for a contracted period (single copy subscription) that falls within a defined group of individuals.

PRINCIPLES

1. **Single copy per issue, distributed to an individual that meets the requirements to be eligible as a Single Copy Subscription Sale**
2. **Standard subscription rates must be published**
3. **Individual falls within defined criteria (Terms of Control)**
4. **Individual's details supported by third party evidence that is less than three years old**

REQUIREMENTS

1. **Single copy per issue, distributed to an individual that meets the requirements to be eligible as a Single Copy Subscription Sale**
 - a) The requirements stipulated under the Single Copy Subscription Sales category apply.
2. **Standard subscription rates must be published**
 - a) The requirements stipulated under this principle in the Single Copy Subscription Sales category apply.
3. **Individual falls within defined criteria (Terms of Control)**
 - a) The requirements stipulated under this principle in the Controlled Free Circulation category apply.
4. **Individual's details supported by third party evidence that is less than three years old**
 - a) The requirements stipulated under this principle in the Controlled Free Circulation category apply.

REPORTING

You will report the following, which will be shown on the ABC Certificate (note: the term Full Rate will replace Basic Annual Rate for reporting purposes):

1. Audit Issue total Paid and Controlled for UK and Other Countries analysed into the following rate bands:
 - At Full Rate
 - Below Full Rate but not less than 50%
 - Less than 50% of Full Rate but not less than 20%;
 - Less than 20% of Full rate but not less than 10%
 - Less than 10% of Full Rate
2. The Full Rate published in/at the time of the Audit Issue for the UK and Other Countries. If there is more than one Full Rate for Other Countries then you must report a range, from the lowest to the highest.

GUIDANCE

As per the relevant principles in the Single Copy Subscription Sales and Controlled Free Circulation categories.

SPONSORED SUBSCRIPTION SALES

DEFINITION

More than one copy purchased by a third party subscriber and distributed to known individuals for a contracted period, with the intention of promoting their professional or business interests.

PRINCIPLES

1. **There must be a contractual arrangement between the subscriber and the publisher (or their agent)**
2. **Single copy per issue distributed to known addressees, requested by the subscriber**
3. **Copies are paid for by the subscriber**
4. **For a contracted period and for a minimum number of issues (at least two)**
5. **Standard subscription rates must be published**
6. **Reported by rate, comparing price paid by subscriber with standard rate**
7. **The price paid for the publication by the subscriber must be clear and conspicuous**

REQUIREMENTS

1. **There must be a contractual arrangement between the subscriber and the publisher (or their agent)**
 - a) You must be able to provide evidence of the contractual arrangements between the subscriber and the publisher (or their agent) including the issues/period, the quantities to be supplied and the price.
2. **Single copy per issue distributed to known addressees, requested by the subscriber**
 - a) You must be able to provide evidence the subscriber has specifically requested the copies be sent to the known individual recipients.
 - b) You must retain a list of individual recipients for one designated issue each reporting period (the Audit Issue - see General Principles section). In addition you must be able to recreate a list for any issue in the reporting period on request.
 - c) You must be able to demonstrate the copy is distributed to the addressee.
3. **Copies are paid for by the subscriber**
 - a) You can claim copies where payment is outstanding as long as there are reasonable grounds to consider them to be live, good and collectable.
4. **For a contracted period and for a minimum number of issues (at least two)**
 - a) You cannot claim distribution of back issues.
5. **Standard subscription rates must be published.**
 - a) The 'Basic Annual Rate' (BAR) is the standard 1 year subscription rate for the publication, in contrast to a special price only available to a limited class, or under limited conditions.
 - b) There can only be 1 BAR per country/wider geographical region.
6. **Reported by rate, comparing price paid by subscriber with standard rate**

- a) You must claim a subscription in the appropriate rate band by comparing the price paid for the subscription with the relevant Basic Annual Rate (BAR) for a single copy subscription at the time of sale (pro-rate if less than 1 year). Note:
- i) Ignore for ABC purposes: Bank charges or exchange rate differences.
 - ii) Ignore for ABC purposes: The value (or perceived value) of any gifts or other incentives (including bundled publications or media products that are not claimed for ABC purposes).
 - iii) When calculating what price has been paid you must take into account:
 - Any reciprocal payments made by the publisher.
 - Any reciprocal charges for goods or services made by the subscriber as part of the deal (*for example: for distribution or marketing*).
 - The value of any other goods or services provided free or discounted by the publisher (*for example advertising or promotional messages*).
- b) If a subscription promotion includes a gift or product that is being claimed for ABC purposes (for example a bundled copy of a publication or access to a paid website) then the price paid must be allocated according to the following, moving down the list until one can be applied:
- i) According to the specific terms of the offer.
 - ii) Where specific terms are not clear, by pro-rating the price according to the relative prices of the products.
 - iii) Where the specific terms are not clear and in the absence of a means of pro-rating the price paid, it should be divided equally between the number of ABC claimed products included in the sale.
- c) Where a subscription is sold through a subscription agent:
- i) Copies can be claimed as sold at Basic Annual Rate unless they are known to be discounted.
 - ii) Linked incentives offered by the agent (with no contribution from the publisher) will be ignored for ABC purposes.
- d) You may treat subscription orders for more than one year as a sale at Basic Annual Rate if the published multi-year subscription rate when pro-rated to 1 year:
- i) Is at least 90% of the BAR for a two year subscription; or
 - ii) Is at least 85% of the BAR for a three year subscription.
- e) You may treat renewal or direct debit rates as full rate providing the amount paid is at least 90% of the BAR.
- f) If you do not publish a relevant BAR then those copies must be claimed in the lowest rate band.
- g) You must retain details of subscription rates and special offers during the reporting period

REPORTING

You will report the following, which will be shown on the ABC certificate (note: the term Full Rate will replace Basic Annual Rate for reporting purposes):

1. Audit Issue total Sponsored Subscription Sales for UK and Other Countries analysed into the following rate bands:
 - At Full Rate
 - Below Full Rate but not less than 50%;
 - Less than 50% of Full Rate but not less than 20%;
 - Less than 20% of Full Rate but not less than 10%;
 - Less than 10% of Full Rate.

2. The Full Rate published in/at the time of the Audit Issue for the UK and Other Countries. If there is more than one Full Rate for Other Countries then you must report a range, from the lowest to the highest.

GUIDANCE

2. Single copy per issue, distributed to known addressees, requested by the subscriber

- a) Distribution evidence: This will usually be from a third party company whose normal business is single copy distribution (such as Royal Mail). Typically the evidence will include testing the payment of invoices and related advice notes sufficient to identify the publication, issue, quantities and date distributed.

3. Copies are paid for by the subscriber

- a) Where payment is outstanding you may take into account the following in considering whether there are reasonable grounds to consider the debt to be live, good and collectable:
 - i) Publisher's normal credit terms
 - ii) Payment history
 - iii) Credit control efforts

4. For a contracted period for a minimum number of issues (at least two).

- a) The contracted period may be a rolling issue by issue (or open ended) arrangement providing the contractual arrangements clearly intend there to be an on-going payment mandate and the sale is not promoted as a single copy purchase.

5. Standard subscription rates must be published.

- a) Published does not mean necessarily published in the publication but published so that they are publicly available.

6. Reported by rate, comparing price paid by subscriber with standard rate

- a) [Requirement 6b showing examples] If a subscription promotion includes a gift or product that is being claimed for ABC purposes (for example a bundled copy of a publication or access to a paid website) then the price paid must be allocated according to the following, moving down the list until one can be applied :
 - i) According to the specific terms of the offer. *For example: Buy X magazine get Y free means Y will be treated as free*
 - ii) Where specific terms are not clear, by pro-rating the price according to the relative prices of the products. *For example where the promotion is 'Buy a subscription to X and Y for £50' and X and Y have Basic Annual Subscription rates of £40 and £50 respectively then the £50 paid will be pro-rated in the ratio 40:50.*
 - iii) Where the specific terms are not clear and in the absence of a means of pro-rating the price paid, it should be divided equally between the number of ABC claimed products included in the sale.
- b) Examples of promotional offers that would result in copies being claimed at a discounted rate:

'10% Discount if you subscribe now.'

'Save 25% on your subscription'

'2 years subscription for the price of one'

'14 issues for the price of 12'

'Buy 12 issues get 2 free' (note: All 14 issues can be claimed as paid, with the price paid being allocated equally across them).

Bulk discounts for multiple orders

MULTIPLE COPY SUBSCRIPTION SALES

DEFINITION

More than one copy purchased by a known subscriber for a contracted period with the intention to distribute to the same group of, but unknown, individuals over the term of the subscription.

PRINCIPLES

1. **There must be a contractual arrangement between the subscriber and the publisher (or their agent)**
2. **Must be likely copies are received by the same individual(s) over the term of the subscription**
3. **Copies are paid for by the subscriber**
4. **For a contracted period and for a minimum number of issues (at least two)**
5. **Standard subscription rates must be published**
6. **Reported by rate, comparing price paid by subscriber with standard rate**
7. **The price paid for the publication by the subscriber must be clear and conspicuous**

REQUIREMENTS

1. **There must be a contractual arrangement between the subscriber and the publisher (or their agent)**
 - a) You must be able to provide evidence of the contractual arrangements between the subscriber and the publisher (or their agent) including the issues/period, the quantities to be supplied and the price.
2. **Must be likely copies are received by the same individual(s) over the term of the subscription**
 - a) You must be able to demonstrate, through the distribution method, that the copies are likely to be distributed to the same individual(s) over the subscription term.
3. **Copies are paid for by the subscriber**
 - a) You can claim copies where payment is outstanding as long as there are reasonable grounds to consider them to be live, good and collectable.
4. **For a contracted period and for a minimum number of issues (at least two)**
 - a) You cannot claim distribution of back issues.
5. **Standard subscription rates must be published.**
 - a) The 'Basic Annual Rate' (BAR) is the standard 1 year subscription rate for the publication, in contrast to a special price only available to a limited class, or under limited conditions.
 - b) There can only be 1 BAR per country/wider geographical region.
6. **Reported by rate, comparing price paid by subscriber with standard rate**
 - a) You must claim a subscription in the appropriate rate band by comparing the price paid for the subscription with the relevant Basic Annual Rate (BAR) for a single copy subscription at the time of sale (pro-rate if less than 1 year). Note:
 - i) Ignore for ABC purposes: Bank charges or exchange rate differences.
 - ii) Ignore for ABC purposes: The value (or perceived value) of any gifts or other incentives (including bundled publications or media products that are not claimed for ABC purposes).

- iii) When calculating what price has been paid you must take into account:
 - Any reciprocal payments made by the publisher.
 - Any reciprocal charges for goods or services made by the purchaser (or the intermediary if applicable) as part of the deal (*for example: for distribution or marketing*).
 - The value of any other goods or services provided free or discounted by the publisher (*for example advertising or promotional messages*).
- b) If a subscription promotion includes a gift or product that is being claimed for ABC purposes (for example a bundled copy of a publication or access to a paid website) then the price paid must be allocated according to the following, moving down the list until one can be applied:
 - i) According to the specific terms of the offer.
 - ii) Where specific terms are not clear, by pro-rating the price according to the relative prices of the ABC claimed products.
 - iii) Where the specific terms are not clear and in the absence of a means of pro-rating the price paid, it should be divided equally between the number of ABC claimed products included in the sale.
- c) Where a subscription is sold through a subscription agent:
 - i) Copies can be claimed as sold at Basic Annual Rate unless they are known to be discounted.
 - ii) Linked incentives offered by the agent (with no contribution from the publisher) will be ignored for ABC purposes.
- d) You may treat subscription orders for more than one year as a sale at Basic Annual Rate if the published multi-year subscription rate when pro-rated to 1 year:
 - i) Is at least 90% of the BAR for a two year subscription; or
 - ii) Is at least 85% of the BAR for a three year subscription.
- e) If you do not publish a relevant BAR then those copies must be claimed in the lowest rate band.
- f) You must retain details of subscription rates and special offers during the reporting period.

REPORTING

You will report the following, which will be shown on the ABC Certificate (note: the term Full Rate will replace Basic Annual Rate for reporting purposes):

1. Audit Issue total multiple copy subscription sale for UK and Other Countries analysed into the following rate bands:
 - At Full Rate
 - Below Full Rate but not less than 50%;
 - Less than 50% of Full Rate but not less than 20%;
 - Less than 20% of Full Rate but not less than 10%;
 - Less than 10% of Full Rate.
2. The Full Rate published in/at the time of the Audit Issue for the UK and Other Countries. If there is more than one Full Rate for Other Countries then you must report a range, from the lowest to the highest.

GUIDANCE

G2. Must be likely copies are received by the same individual(s) over the term of the subscription

- a) You might demonstrate the copies are likely to be distributed to the same individual(s) over the subscription term by:
 - i) By providing names of the individuals to whom the copies are distributed

- ii) By demonstrating that copies are distributed to the same fixed pool of individuals *e.g. employees of a particular department or company who can reasonably be expected to be present at the same delivery location on an on-going basis.*

3. Copies are paid for by the subscriber

- a) Where payment is outstanding you may take into account the following in considering whether there are reasonable grounds to consider the debt to be live, good and collectable:
 - i) Publisher's normal credit terms
 - ii) Payment history
 - iii) Credit control efforts

4. For a contracted period for a minimum number of issues (at least two).

- a) The contracted period may be a rolling issue by issue (or open ended) arrangement providing the contractual arrangements clearly intend there to be an on-going payment mandate and the sale is not promoted as a single copy purchase.

5. Standard subscription rates must be published.

- a) Published does not mean necessarily published in the publication but published so that they are publicly available.

6. Reported by rate, comparing price paid by subscriber with standard rate.

- a) [Requirement 6b showing examples] If a subscription promotion includes a gift or product that is being claimed for ABC purposes (for example a bundled copy of a publication or access to a paid website) then the price paid must be allocated according to the following, moving down the list until one can be applied :
 - i) According to the specific terms of the offer. *For example: Buy X magazine get Y free means Y will be treated as free*
 - ii) Where specific terms are not clear, by pro-rating the price according to the relative prices of the ABC claimed products. *For example where the promotion is 'Buy a subscription to X and Y for £50' and X and Y have Basic Annual Subscription rates of £40 and £50 respectively then the £50 paid will be pro-rated in the ratio 40:50.*
 - iii) Where the specific terms are not clear and in the absence of a means of pro-rating the price paid, it should be divided equally between the number of ABC claimed products included in the sale.
- b) Examples of promotional offers that would result in copies being claimed at a discounted rate:

'Save 25% on your subscription'

'2 years subscription for the price of one'

'18 issues for the price of 12'

'Buy 12 issues get 6 free' (note: All 18 issues can be claimed as paid, with the price paid being allocated equally across them).

Bulk discounts for multiple orders

SOCIETY/ASSOCIATION/ORGANISATION CIRCULATION

DEFINITION

A single copy of an official Society publication distributed to a member of that society.

Note: 'Society' throughout this section refers to the Society, Association or Organisation as appropriate.

PRINCIPLES

1. **The publication is an official publication of the Society**
2. **Single copy of an issue distributed to an individual who is a member of the Society (or an employee nominated under a corporate society membership)**
3. **Copies reported by circulation type**

REQUIREMENTS

1. **The publication is an official publication of the society**
 - a) You must be able to provide evidence that the publication is an official publication of the Society.
2. **Single copy distributed to an individual who is a member of the Society (or an employee nominated under a corporate society membership)**
 - a) Corporate members are members of the Society (companies or organisations) who pay the membership fee or fees and nominate employees as recipients of the publication. These recipients may be claimed as Society circulation.
 - b) Evidence of the individual's Society membership (or organisation's corporate membership and nominated employees) must be available.
 - c) You must be able to demonstrate the copy is distributed to the individual.
 - d) You must retain a list of individual recipients for one designated issue each reporting period (the Audit Issue – see General Principles and Record Keeping section). In addition you must be able to recreate a list for any issue in the reporting period on request.
 - e) You cannot claim distribution of back issues.
3. **Copies reported by circulation type**
 - a) Paid Optional Single Copies
 - i) The individual (or their employer if corporate society member) has paid an amount explicitly for the publication (over and above the Society membership fee).
 - ii) In the case of a corporate society member, when calculating what price has been paid you must take into account:
 - Any reciprocal payments made by the publisher
 - Any reciprocal charges for goods or services made by the purchaser (or the intermediary if applicable) as part of the deal (*for example: for distribution or marketing*).
 - The value of any other goods or services provided free or discounted by the publisher (*for example advertising or promotional messages*).
 - iii) You can claim copies where payment is outstanding as long as there are reasonable grounds to consider these to be live, good and collectable.

- b) Unpaid Requested Single Copies
 - i) The individual has requested a copy of the publication.
 - ii) At the date you distribute the copy you must have third-party evidence that the individual has, within the previous three years, made a clear request to receive the publication.
 - ii) The date of the request must be recorded so that it can be analysed by age.
- c) Non-Optional Single Copies
 - i) A copy of the publication sent to an individual member of the Society.

REPORTING

1. You will report Society circulation as follows, which will be broken out on the ABC Certificate:
 - a) By geographical type:
 - i) United Kingdom
 - ii) Other Countries
 - b) By circulation type:
 - i) Paid Optional Single Copies
 - ii) Unpaid Requested Single Copies
 - iii) Non-Optional Single Copies
 - c) By total circulation for the Audit Issue.
 - d) If you're claiming any unpaid requested copies you will report an analysis of the age of the requested copies from the date of the distribution of the Audit Issue in the following bands:
 - i) 0 - 1 year
 - ii) 1 - 2 years
 - iii) 2 - 3 years

For Example:

Audit Issue distributed on 20 .11. 2013

Under 1 year: All requests dated between 21.11.2012 and 20.11.2013 inclusive

1 to 2 years: All requests dated between 21.11.2011 to 20.11.2012 inclusive

2 to 3 years All requests dated between 21.11.2010 to 20.11.2011 inclusive

Requests dated before 21.11.2010 are no longer valid to be claimed as controlled circulation copies.

2. The Society/Societies name(s) will also be reported on the ABC Certificate.

GUIDANCE

G2. Single copy of an issue distributed to an individual who is a member of the Society (or an employee nominated under a corporate society membership).

- a) You must be able to prove copies have been distributed to members of the society. Evidence of membership will be requested for a sample of addressees at the audit. This evidence may be:
 - i) By locating the addressee in a published list of society members, which covers the period of the Audit Issue.
 - ii) If the publisher is the society, by providing evidence that the addressee has paid their society membership fee for the period covering the Audit Issue.
 - iii) If the publisher is third-party to the society, written confirmation from the society that the sampled addressees were members at the date of distribution of the Audit Issue. Note: If you are publishing the publication for the society on a contract basis we will not consider you third party for ABC purposes – this means written confirmation from the society will not be acceptable as audit evidence of society membership.

- b) Corporate membership example. 'A Ltd.' is a corporate member of Alpha Society. Four copies, addressed to individuals by name, are sent to four different people at A Ltd. These would constitute four valid corporate copies. Multiple copies to a single addressee cannot be claimed.

G3. Copies reported by circulation type

- a) Details of membership rates for the Society must be available to enable confirmation that for paid circulation an amount has been paid for the publication over and above the membership fee.

CONTROLLED FREE CIRCULATION

DEFINITION

Copies sent free to a defined group of individuals.

PRINCIPLES

1. **Single copy per issue, distributed to an individual**
2. **Individual falls within defined criteria (Terms of Control)**
3. **Individual's details supported by third party evidence that is less than three years old**
4. **Copies reported either as requested or non-requested**

REQUIREMENTS

1. **Single copy per issue, distributed to an individual**
 - a) You must be able to demonstrate the copy is distributed to the individual.
 - i) Each copy should be addressed or accompanied by instructions which enable the distributor to deliver to the individual.
 - b) You must retain a list of individual recipients for one designated issue each reporting period (the Audit Issue – see General Principles and Record Keeping section). In addition you must be able to recreate a list of any issue in the reporting period on request.
 - c) You cannot claim distribution of back issues.
2. **Individual falls within defined criteria (Terms of Control)**
 - a) The publisher sets the Terms of Control, complying with the following:
 - i) The wording must be clear and relate to individuals not companies
 - ii) Phrases or words that are subjective and/or difficult to explicitly prove are not permitted.
 - iii) There must be at least one qualifying demographic which is neither:
 - a geographic criteria at a country level or higher (*for example individuals in the UK*); or
 - an interest in the field (*for example individuals with an interest in technology*).
 - iv) It must be possible for individuals not to meet the criteria.
 - b) You must not publish either the Terms of Control or an approximation of these in the publication or on any documents or promotional material targeted at the reader.
3. **Individual's details supported by third party evidence that is less than three years old**
 - a) At the date you distribute a copy you must have third-party evidence* that:
 - i) supports the individual's name, job title/function (as appropriate) and address details.
 - ii) proves explicitly that the individual meets the Terms of Control.
 - iii) is less than three years old. Please refer to the guidance for dating evidence.

*b) A related party (as defined in the General Principles section) is NOT a third party. Therefore evidence provided by a related party is not acceptable for ABC purposes except in the following circumstances where at least one of the following applies:

- i) ABC has audited and verified the data at audit to be compliant with all the requirements necessary for the circulation claim in question *For example: ABC has already audited the data from included on an attendance list as part of an event audit.*
- ii) You have purchased the data from the related party and:
 - You have paid a purchase invoice (money must have changed hands - an inter-company accounting transaction is not sufficient).
 - The data purchased is sold as part of an established data rental/sale business. The onus is on you to provide suitable proof of this fact. Examples of suitable proof include promotional material and data rental/sale invoices.

4. Copies reported either as requested or non-requested

The following additional requirements apply to copies claimed in these categories:

Individually requested

- a) The copy must be addressed to the individual by name.
- b) You must have third-party evidence that the individual has, within the last three years, made a clear request to receive the publication before you send it to them.
- c) The date of the request must be recorded so that it can be analysed by age.

Company requested

- a) The copy must be addressed to the individual, either by name or job title/function.
- b) At the date you distribute the copy you must have third-party evidence that another employee or colleague from the individual's company or organisation has, within the last three years, made a clear request to receive the publication on the individual's behalf.
- c) The date of the request must be recorded so that it can be analysed by age.

Non-requested (either by name or by job title/function)

- a) The copy must be addressed to the individual, either by name or job title/function, depending on the circulation category in which it is claimed.
- b) For by job title/function copies you may add a stylized/generic job title/job function to the address of an organisation for which you have third party evidence of the organisation's name and address providing:
 - i) The job title/ job function could reasonably be expected to relate to an individual in that organisation.
 - ii) Multiple or similar job titles/ job functions at the same organisation are not used in a way that might result in copies being distributed to the same individual.

REPORTING

You will report controlled circulation as follows, which will be broken out on the ABC Certificate:

1. Audit Issue by geographical type:
 - a) United Kingdom
 - b) Other Countries
2. Audit Issue by circulation type:
 - a) Individual requests

- b) Company requests
 - c) Non-requested by name
 - d) Non-requested by job title/function
3. If your claim includes any controlled circulation copies you will report the applicable Terms of Control.
4. If you're claiming any controlled requested copies you will report an analysis of the age of the requested copies from the date of the distribution of the Audit Issue in the following bands:
- a) 0 - 1 year
 - b) 1 - 2 years
 - c) 2 - 3 years

GUIDANCE

G1. Single copy per issue, distributed to an individual

- a) Distribution evidence: This will usually be from a third party company whose normal business is single copy distribution (such as Royal Mail). Typically the evidence will include testing the payment of invoices and related advice notes sufficient to identify the publication, issue, quantities and date distributed. This means copies posted using a franking machine will not normally be able to be claimed as the records will not identify what has been posted.

G2. Individual falls within defined criteria (Terms of Control)

- a) The Terms of Control enable you to demonstrate the attributes or quality of your circulation to potential advertisers and to differentiate your publication from others serving the same or similar markets. Controlled circulation is therefore useful to advertisers and media buyers because they enable them to target their advertising more effectively.
 - i) The Terms of Control must relate to individuals not companies. *For Example: 'Engineering companies in the U.K.' would not be allowed whereas 'individuals in engineering companies' is acceptable.*
 - ii) Subjective phrases or words that are subjective and/or difficult to explicitly prove are not permitted. This may include terms such as: related, associated, selected, allied to the field, various, specialist, professional, executive, key, substantial, high spending, major, senior (unless it has a capital S and is part of a job title), all..., every.....
 - iii) There must be at least one qualifying demographic (*for example job title, job function, purchasing responsibility, business, industry sector or members of a particular society*). Note: A geographical region at a country level alone is specifically not permitted as a qualifying demographic as it is not considered a sufficiently distinguishing demographic. *For example: 'Individuals in the UK' would not be allowed but 'Company Directors in the UK' would.*

G3. Individual's details supported by third party evidence that is less than three years old

- a) You may use third party evidence from different sources (also known as 'secondary sources') to prove the addressee meets the Terms Control, verify the individual's name and address details or a request for the publication.
- b) Any material used to capture information to prove the individual meets the Terms of Control must neither explicitly or implicitly lead the addressee to give the desired qualification data in order to receive the publication. Suitable ways to ensure this requirement is complied with is to add an option to the possible answers such as: Other (please specify.); or add possible responses/tick boxes (where used) that include some items that would fall outside the Terms of Control.
- c) You must be able to provide the third party evidence at audit.
 - It is your responsibility to comply with copyright legislation in relation to the use of data from third-party sources
 - If you are sourcing data from websites, and may have difficulty proving the date of the source, you may opt to use ABC's source validation service. An engagement letter detailing the provision of this service must be in place before the date of distribution of the issue for which the source will be used. Please contact us to arrange this.
- d) Examples of possible evidence types and how they must be dated are provided in the table below.

- e) For data captured over the telephone, by email or online, the following gives guidance and examples of how details could be demonstrated as third party:
- Asking the individual providing the data to provide their name and the answer to ABC's Personal Identifier Question (PIQ) - a memorable question set by ABC and changed each calendar year – details of the current PIQ can be found on the ABC website.
 - In the case of information obtained via telephone calls, recording the telephone calls in a manner that can be made available for review at audit. If you would like our advice on whether a call recording system might be acceptable please contact us. Note: It remains your responsibility to comply with any legislation regarding the recording of telephone conversations.
 - It may help if a copy of the data captured via online or telephone campaigns is kept in its original state as once this data is entered or merged onto a main database the audit trail evidencing the collection of the data can be lost. You may also consider retaining invoices from external contractors evidencing the work carried out in this regard.
 - You are advised to retain copies of online forms/screenshots or telephone scripts to provide evidence of questions asked and responses recorded.
- f) In relation to the exception for data provided by a related party (The data purchased is sold as part of an established data rental/sale business): The onus is on you to provide suitable proof of this fact. Examples of suitable proof include promotional material and data rental/sale invoices.

Example sources and dates of sources

Source Type	Example Evidence	Date of Source
Written communication from addressee / addressee's company	Copy of communication	Date of document
Telephone communication with addressee / addressee's company	Record of the response to personal identifier question, copy of record and telephone number	Date of communication
Requests for other journals	Copy of request card	Date of request
Reader Enquiry cards	Copy of reader enquiry card	Date of enquiry, postmark or distribution of the issue which contained the card
Web based reader enquiry form	Record of the response to the personal identifier question, copy of record and email address/telephone number	Date of communication
Email communication from addressee / addressee's company	Record of the response to Personal Identifier Question and copy of communication	Date of email
Competition entries – paper	Copy of the entry	Date of entry
Competition entries – web	Record of the response to the personal identifier question, copy of record and email address / telephone number	Date of entry
Press cuttings	Copy of the cutting, which includes issue date or complete publication	Cover date of the publication or the first day of the cover date month
Published directories that are publicly available	Copy of the directory	Month and year of publication date. E.g. Cover date is 2013/2014 the date is 1st January 2013 unless an actual publication date is shown
Exhibition attendee lists	Copy of list, invoices / suppliers statement	Last day of Exhibition

Suppliers / business lists	Copy of list, invoices / suppliers statement	Date of acquisition of list
Business cards- if signed and dated	Copy of the Business Card	Date of signature on card
Website data*	Method and date of contact must be recorded. A hard or soft copy of the page which contains the sourced data plus the site's home page must be retained	Either a specific date within the published text on the webpage, or a copyright date (where the 1st of the year should be used - e.g. © 2013 = 1/1/2013) Note: If there is no date on the website then it is unlikely source can be used for ABC purposes (a screen print date generated by the user's computer is not acceptable) unless the data has been validated by ABC's source validation service.
*If you are sourcing large quantities of data from websites we recommend you tell us at the time of collection and would like to remind you that it is your responsibility to ensure you are legally entitled to use and store the data for the purposes of the ABC claim and audit. We may ask you to make a declaration that internet sites used as sources are third party. It may be acceptable to use other methods of record keeping or audit as long as you obtain our written agreement.		

G4. Copies reported either as requested or non-requested

Individually requested and company requested circulation

- a) You must be able to demonstrate third party evidence of a clear request to receive the publication within the last three years. The following provide guidance and examples of acceptable methods of achieving this:
 - i) The requestor must have been asked and agreed, or they have stated, that they wish to receive a copy of the publication (or for company requested for their colleague to receive a copy). Bear in mind you will need to be able to demonstrate this at audit. *For example using a question such as 'sign here to request a free copy of <publication name> or 'Complete this form to continue receiving this publication'.*
 - ii) There must be a clear separate request to receive the publication that is not combined with a request for another product or service. *For example: This means if the requestor is being offered the opportunity to request two or more publications, or register for an exhibition at the same time as requesting the publication, it should be clear to them that they can separately request to receive the publication(or not) with or without requesting or accepting the other product/service. You may use separate questions or separate boxes to make it clear what the individual is requesting in this scenario.*
 - iii) For a written or faxed request, the evidence could be demonstrated as third party by requiring the requestor to sign and date the form/request.
 - iv) For a request made over the telephone, by email or online, the following gives guidance and examples of how details could be demonstrated as third party:
 - Asking the requestor to provide their name and the answer to ABC's Personal Identifier Question (PIQ) - a memorable question set by ABC and changed each calendar year – details of the current PIQ can be found on the ABC website.
 - In the case of telephone requests, recording the telephone calls in a manner that can be made available for review at audit. If you would like our advice on whether a call recording system might be acceptable please contact us. Note: It remains your responsibility to comply with any legislation regarding the recording of telephone conversations.
 - It may help if a copy of the data captured via online or telephone campaigns is kept in its original state as once this data is entered or merged onto a main database the audit trail evidencing the collection of the data can be lost. You may also consider retaining invoices from external contractors evidencing the work carried out in this regard.
 - You are advised to retain copies of online forms/screenshots or telephone scripts to provide evidence of questions asked and responses recorded.
- b) If you change a publication's name or merge two publications then valid requests for the original publication may be transferred to the new publication as requested controlled circulation providing you can still prove the individual meets the Terms of Control for the new publication.

Non-requested circulation

- a) When adding stylised/generic job titles/functions:

- i) These must reasonably be expected to relate to an individual in that organisation. (*for example Managing Director, Credit Controller*)
- ii) Multiples of a job title/ job function (or similar ones) must not be used in a way that might result in them being distributed to the same individual. *For example: If 30 copies were addressed to 'Company Secretary' at 30 branches of XYZ Co Ltd, these copies would be treated as duplicates as XYZ Co Ltd would be expected to have only one Company Secretary. It would be expected that copies from each branch would be forwarded to the one Company Secretary. This problem would not arise if each of the copies were addressed to a Branch Manager as it would be reasonable to assume each branch would have a manager.*

G5. Reporting

- a) Age of requests bandings - example

Audit Issue distributed on 20.11.2013

Under 1 year: All requests dated between 21.11.2012 and 20.11.2013 inclusive

1 to 2 years: All requests dated between 21.11.2011 to 20.11.2012 inclusive

2 to 3 years: All requests dated between 21.11.2010 to 20.11.2011 inclusive

Requests dated before 21.11.2010 are no longer valid to be claimed as controlled circulation copies (they may be eligible for non-controlled circulation in sectors where this is available)

- b) The ageing of requests for Annual Publications may be from the end of the distribution period if this method of reporting period is chosen.

NON-CONTROLLED FREE CIRCULATION

DEFINITION

Single copies distributed to individuals or organisations.

PRINCIPLES

1. Single copy per issue, distributed to an individual or organisation

REQUIREMENTS

1. Single copy per issue, distributed to an individual or organisation

- a) You must be able to demonstrate the copy is distributed to the individual or organisation.
 - i) Each copy should be addressed or accompanied by instructions which enable the distributor to deliver to the individual.
- b) You must retain a list of the recipients for one designated issue each reporting period (the Audit Issue – see General Principles and Record Keeping section). In addition you must be able to recreate a list of any issue in the reporting period on request.
- c) You cannot claim distribution of back issues.

REPORTING

You will report non-controlled free circulation as follows, which will be broken out on the ABC Certificate:

1. Audit Issue by geographical type:
 - a) United Kingdom
 - b) Other Countries
2. Audit Issue by circulation type:
 - a) By name
 - b) Not by name

GUIDANCE

1. Single copy per issue, distributed to an individual or organisation

- a) Distribution evidence: This will usually be from a third party company whose normal business is single copy distribution (such as Royal Mail). Typically the evidence will include testing the payment of invoices and related advice notes sufficient to identify the publication, issue, quantities and date distributed.
- b) Distribution evidence: If a copy is handed to an individual (say at an exhibition) distribution evidence may comprise the recording of the individual's full name and address details, the date and their signature clearly acknowledging receipt of the publication (including the relevant issue information). Note:
 - i) The signed acknowledgement must not be combined with a request or acknowledgement of another product or service.
 - ii) Copies given away with entry tickets or goody bags can only be claimed if the individual's full details are recorded and they have explicitly signed acknowledging receipt of the issue of the publication.

DIGITAL EDITIONS

DEFINITION

A digital edition is an edition of the print publication published electronically as a unit.

PRINCIPLES

1. **Prior notification of Digital Edition claims and plans are required**
2. **A Digital Edition is sufficiently similar to be considered the same product as the print parent edition**
3. **Digital Edition copies are opted in**
4. **A Digital Edition is published and available to the consumer**
5. **Digital Edition copies must meet requirements of the relevant print category except where varied by this section**
6. **Reported by rate, comparing price paid with the print copy price**
7. **Optional metrics/breakdowns can be reported**

REQUIREMENTS

1. **Prior notification of Digital Edition claims and plans are required**
 - a) Digital Edition claims must be audited by ABC Staff Auditors
 - b) You must register your intention to claim in advance of the publication of the issues as part of the audit is carried out during the reporting period.
 - c) You must provide planned distribution dates in advance and notify us of any changes.
2. **Digital Edition is sufficiently similar to be considered the same product as the print parent edition**
 - a) A Digital Edition must be identified as an edition of a publication reported on the ABC Certificate (the Parent Edition). This means it must carry a logotype/masthead incorporating the generic name of the Parent Edition and be consistent with the general appearance of the Parent Edition.
 - b) A Digital Edition is published electronically as a unit.
 - c) It may be reformatted to suit the different delivery medium. *For example: changes in page size or order.*
 - d) Editorial or advertising may include electronic enhancements or be adapted to take advantage of the medium. *For example: pictures replaced with video*
 - e) Compared to the print parent edition, you can change editorial content, providing at any point in time:
 - i) A minimum of about 75% of the editorial in the print parent edition is present in the Digital Edition.
 - ii) Additional editorial, not in the print edition, can be added to the digital edition up to about 25% of the total editorial by volume in the print edition.

You must declare editorial changes when submitting your claim to ABC and be able to demonstrate they fall within the permitted parameters.
 - f) A Digital Edition may include live social media feeds, news feeds and/or video feeds. These will be ignored in relation to the editorial change requirements.
 - g) A digital edition must carry all of the ROP (not classified) advertisements (by number and advertisers) that appear in the parent edition unless agreed otherwise with the advertiser/agency.

- h) You can sell advertisements for inclusion in the digital edition only.
- i) If editorial or advertising renders the digital edition illegal for publication the specific advertising/editorial may be removed. In this instance you can ignore the relevant editorial/advertising from your calculations of changes.
- i) Digital editions and their parent edition must be published on or about a common distribution date.

3. Digital Edition copies are opted in

- a) The individual must have either specifically purchased the Digital Edition, or requested to receive/view it.
- b) Free Digital Edition copies do not need a specific request in the following circumstances:
 - i) If they are claimed in the Society and Controlled non-requested categories of circulation
 - ii) If they are Corporate Digital Edition Subscription copies where the individual is sent an email alert informing them that the issue is available for view/download.
 - iii) If you are converting an existing recipient of a free requested print copy to a Digital Edition copy in accordance with the following:
 - You notify the recipient in advance of your intention to change the supply of their copy to a digital edition, and provide the recipient with the opportunity to opt out of receiving the digital edition before it is served.
 - You have not received an opt-out from the individual.
 - You retain copies of the notifications of change and any opt-outs received for audit.
 - The date of the original request (not the notification of change to digital) will remain the date of the request for ABC purposes.
 - You identify on the mailing list supplied for audit (e.g. via a code) those individuals who have been converted from a print to a digital requested copy together with the date of the conversion.

4. A Digital Edition is published and available to the consumer

- a) You must provide ABC with free access to the digital edition for every issue.

5. Digital Edition copies must meet requirements of the relevant print category except where varied by this section.

- a) Digital Edition copies can be claimed only for specified circulation categories depending on the sector. The requirements of those categories in relation to print copies apply to Digital Edition copies except as varied by this section.
- b) In relation to all paid categories you must be able to demonstrate the copy has been sold and at what price.
- c) If the purchaser pays less than 20% of the UK print copy price or it is received free:
 - i) You must capture their name, postal address and email address.
 - ii) You can only claim one Digital Edition copy per individual
 - iii) You cannot claim the copy if you have provided a paid or free print copy to the same individual (where known).
 - iv) For Corporate Subscription Digital Editions:
 - There must be a contractual arrangement between the purchaser (a third party employer) and the publisher for at least two issues.
 - The copies are purchased by the third party employer for its employees
 - The claimed quantity must be restricted to those employees that have personally opted to receive/view the Digital Edition or been sent an email alert informing them that the issue is available to view/download. Note: Any email that generates a hard bounce back must be excluded. *For example: A company takes out a subscription for each of its 100 employees. If only 40 of those employees personally register to receive/view the digital edition then only those 40 copies may be included on the ABC Certificate.*

- d) Gift subscriptions, where the recipient receives a subscription as a gift from a paying subscriber (up to a maximum of 12 gift subscriptions per subscriber), can be claimed as Digital Edition Single Copy Subscription Sales as follows:
 - i) The amount paid for the gift subscription must be at least 20% of the UK print Basic Annual Subscription Rate (BAR).
 - ii) The recipient's email address must be provided.
 - iii) The recipient is deemed (for ABC purposes) as having paid for the subscription.
 - iv) The recipient's geographical location for reporting purposes will be treated as being the same as that of the purchaser making the gift.
- e) If the purchaser pays at least 20% of the UK print copy price then there is no requirement to provide details of the purchaser.
- f) In relation to free Digital Edition copies (where applicable):
 - i) You must send an email alert to the individual informing them that the issue is available for view/download.
 - ii) You must exclude copies where the email alert generates a Hard Bounceback measured at least 24 hours after the email was sent. A Hard Bounceback is where an NDN (Non-Delivery-Notice) such as an SMTP 550 error or other hard bounceback error message is received.
 - iii) You must be able to provide evidence of the emails sent and Hard Bouncebacks received.
 - iv) Recipients may be contacted as part of the audit process.
- g) You must retain and supply us on an issue by issue basis (or as otherwise agreed) a list of individual recipients for each issue (the 'Total Distribution List' (TDL)) which includes details of all the recipients of individually distributed print copies and all Digital Edition copies (other than those purchased for 20% or more of the UK print copy price). We must be able to identify the circulation category/type each copy is claimed in. As referred to above, this list should exclude:
 - i) Duplicate records (i.e. each individual on the list can only be claimed once - the print copy takes precedence).
 - ii) Individuals where Hard Bouncebacks have arisen from email notifications for Digital Editions.
- h) You must supply us the claim for Digital Edition copies on an issue by issue basis (or as otherwise agreed).
- i) Whenever a publisher quotes an ABC figure that includes digital copies, the split between print copies and digital copies must be made clear.

6. Reported by rate, comparing price paid with the print copy price

- a) Paid digital edition copies must be claimed in the appropriate rate band by comparing the price paid with the UK print copy Basic Cover Price (single copy sales) and the UK print copy Basic Annual Rate (subscriptions). Note:
 - i) If there is no UK print Basic Annual Rate (BAR) because print subscriptions are not available separately then you must use the alternative BAR (see Single Copy Subscriptions section 6f).
 - ii) You can ignore the value (or perceived value) of any gifts, or other incentives (including bundled publications or media products that are not claimed for ABC purposes). However cash reimbursements to the consumer must be taken into account (excluding limited low chance lottery style promotions).
- b) If a subscription promotion includes a gift or product that is being claimed for ABC purposes (for example a bundled copy of a publication or access to a paid website) then the price paid must be allocated according to the following, moving down the list until one can be applied:
 - i) According to the specific terms of the offer.
 - ii) Where specific terms are not clear, by pro-rating the price according to the relative prices of the ABC claimed products.

- iii) Where the specific terms are not clear and in the absence of a means of pro-rating the price paid, it should be divided equally between the number of ABC claimed products included in the sale.
- c) If a publication's digital edition copy is sold bundled as a package with the print copy (whether for a single issue or a subscription) then the treatment is as follows:
 - i) Both the digital edition and the print copy can be included in the ABC claim if the price paid for the package exceeds the UK print copy Basic Cover Price (single copy sale) or UK Basic Annual Rate (subscriptions) by at least 20%
 - ii) If the price paid for a package bundling a publication's print and a digital edition is less than 20% above the UK print copy Basic Cover Price (single copy sale) or the UK print copy Basic Annual Rate (subscriptions) then only the print copy can be included in the ABC claim.

7. Optional metrics/breakdowns can be reported

- a) You may make a statement on the Certificate of the average number of additional digital edition copies per issue that have been paid for or requested free (where applicable) by individuals, but which are not included in the ABC claim because a print copy to those individuals has been claimed. Note: Only one additional digital edition copy per issue per individual can be claimed.
- b) You may report a breakdown of Digital Editions by browser, device or other identifiable and auditable metric.

REPORTING

You will report total Digital Edition copies for the Audit Issue as follows, which will be broken out on the ABC Certificate:

- 1. By geographical type:
 - a) United Kingdom
 - b) Other Countries
- 2. By circulation type:
 - a) As for print copies, in the same rate bands (and aggregated in the total figures):
 - i) Single copy sales
 - ii) Single Copy Subscription Sales
 - iii) Paid and Controlled circulation
 - iv) Society circulation
 - v) Controlled Free Circulation – individually requested and non-requested
 - b) Digital Edition specific:
 - i) Corporate Digital Edition subscriptions

GUIDANCE

G5. Digital Edition copies must meet requirements of the relevant print category except where varied by this section

- a) Typically to provide evidence of the email alerts to individuals informing them that the issue is available for view/download you will provide system generated proof (such as a notification log of the email alerts sent). This system generated proof would normally need to include evidence of what has been distributed, when and to whom, such as:
 - i) Date sent
 - ii) Time sent
 - iii) Name of publication
 - iv) Issue identifier
 - v) Email address
 - vi) Size of file delivered
 - vii) Addressee identifier

- b) Our testing of email alerts may involve email 'writebacks' to individuals on an on-going basis during the reporting period which is why we will ask for information throughout.
- c) Whenever a publisher quotes an ABC figure that includes digital copies, the split between print copies and digital copies must be made clear.

For example any of these statements would be acceptable:

ABC total average circulation 13,785 (Jan – Dec 2013, 9,200 print, 4,585 digital)

ABC total average circulation 13,785 (including 4,585 digital), Jan – Dec 2013

ABC total average circulation 13,785 (9,200 print), Jan – Dec 2013

This would also apply to extracted figures not just the total average, e.g.: Single copy subscriptions 6,742 (including 1,456 digital)

- d) Retail sales of Digital Editions via a third party retailer (*for example Apple Newsstand, Google, Amazon etc*) will be reported in this category.

G6. Reported by rate, comparing price paid with the print copy price

- a) The rate band in which single copy sales of digital editions are claimed will be calculated by comparing the price paid against the UK print copy Basic Cover Price. The rate band in which digital edition subscriptions are claimed will be calculated by comparing the price paid against the UK print copy BAR for subscriptions. *For example the BAR for a print subscription is £200. Its digital edition is marketed for a subscription rate of £80. For rate band reporting purposes an £80 subscription to the digital edition must be reported according to $80/200 = 40\%$*
- b) Both the digital edition and the print copy can be included in the ABC claim if the price paid for the package exceeds the UK print copy Basic Cover Price (single copy sale) or UK Basic Annual Rate (subscriptions) by at least 20%. *For example: If the BAR for a print subscription is £100, then to claim both the print and digital edition copy sold together in a subscription package, the package must be sold for at least £120.*

REPORTED DATA

INTRODUCTION

This section sets out other data and information that is reported on the ABC Certificate.

REQUIREMENTS

1. Total Average Circulation

- a) You must report the total Average Circulation per issue for the Reporting Period analysed into UK and Other Countries.

2. Total Average Retail Sale

- a) You must report the total Average Retail Sale per issue for the Reporting Period analysed into UK and Other Countries.

3. Total Audit Issue Circulation

- a) You must report the total Audit Issue Circulation per issue for analysed into UK and Other Countries.
 - i) Copies claimed in the following categories will be included in the Audit Issue (and total Average) Circulation figure:

- Retail and Single Copy Sales, including:
 - Retail Sales (Sale or Return)
 - Retail Sales (Limited Sale or Return)
 - Retail Sales (Firm Sale)
 - Single Copy Sales
 - Single Copy Subscription Sales
 - Paid and Controlled
 - Sponsored Subscriptions
 - Multiple Copy Subscription Sales
 - Society Circulation
 - Controlled Free Circulation
 - Non-Controlled Free Circulation
 - Digital Editions

4. Issue details, circulations and variances

- a) You must report the following for each issue in the Reporting Period:
 - i) The issue identifier *For example cover date, issue number*
 - ii) The Date of Distribution
 - iii) The total circulation

We will report the percentage variance of any issue's total circulation from the average circulation, where this is greater than 10%.

5. A duplication level for the Audit Issue

- a) You must report a duplication level, as a percentage, for the Audit Issue mailing list. Note:
 - i) A duplicate is defined as two or more occurrences of the same name, or company name (where the addressee is not identified by name or job title) or address unless it can be shown that the copies are distributed to different individual addressees.
 - ii) The mailing list tested for duplicates must include all copies where there is a requirement for the end recipient to be known. This means copies in the following categories must be tested: Single Copy Subscriptions, Paid and Controlled, Sponsored Subscription Sales, Society/Association/Organisation Circulation, Controlled Free Circulation and Non-Controlled Free Circulation.

6. Optional analyses

- a) You may request to report additional analyses, derived from (or closely connected with) data reported on the certificate, subject to the following:
- i) The data to be reported on the certificate is, in our opinion:
 - o Auditable
 - o Related to the product being certified
 - o Albeit reporting different information, is in keeping with the requirements for data and evidence in relation to existing relevant Reporting Standards. *For example: If the breakout is an analysis of subscription bundles, we would expect the evidence levels to be in line with that already in place for subscriptions.*
 - ii) We will review the request and confirm whether we agree it can be reported, how it will be reported and any requirements in relation to the audit timing or process.

Note: There may be additional costs associated with the preparation of the certificate and audit of the additional data.

GUIDANCE

G5. A duplication level for the Audit Issue

It is usually impractical to test every addressee of a copy against every other addressee of a copy for a mailing list therefore you might decide to test on a sample basis. You may use various techniques to identify any duplicates and you can choose not to carry out a test. However if we carry out a test at audit and find a material discrepancy to the level reported we may revise the claim.

The following advice and method of testing will give an indication of the likely level of duplications in a mailing list.

- a) If there is more than one list that constitutes the whole mailing list of the Audit Issue, the duplication test must include testing for duplication between the lists. You can achieve this by merging the different mailing lists into one.
- b) If you sort the mailing list by postcode, with a secondary sortation by surname or company alpha then duplications will often, but not always, appear next to each other.
- c) Select a sample based on the size of the mailing list:

i) Duplication Test A - 10,000 copies or more

Test a sample of 200 addressees on an 'nth' interval basis where the nth number is calculated as follows:

$$\frac{\text{Total number of labels for 'Audit Issue'}}{200} = \text{nth number}$$

Select every nth addressee in the list starting at a random point within the first 'n' addressees and scan the particular geographical for duplicates of each selected addressee.

ii) Duplication Test B - 5,000 and 9,999 copies

Test a 2% sample of addressees for duplications by selecting every 50th addressee on the list starting at a random point within the first 20 addressees and scan the particular geographical area for duplicates of each selected addressee.

iii) Duplication Test C – Up to 4,999 copies

Test a sample of 100 addressees for duplications on an 'nth' interval basis where the nth number is calculated as follows:

$$\frac{\text{Total number of labels for 'Audit Issue'}}{100} = \text{nth number}$$

Select every nth addressee in the list starting at a random point within the first 'n' addressees and scan the particular geographical for duplicates of each selected addressee.

- d) Calculate the duplication level as a percentage

Quantify the duplications, remembering that two occurrences of an addressee count as one duplication, three occurrences count as two etc. Watch out for companies that might have changed name or moved which can lead to the same addressee being included as a duplicate.

For example:

*Test A: 200 checked 6 duplicates = 6
2 triplicates = 4
Total = 10*

These results indicate $10/200 = 5\%$ duplication in the list.

- e) Report the duplication level on the return

The figure is reported as a whole number (you can round down). You do not need to reduce the circulation claim to take account of the level of duplication.

OTHER BULK DISTRIBUTION

DEFINITION

Copies, either purchased or free, delivered and made available for pick up or receipt by consumers.

PRINCIPLES

1. **Copies distributed to a location where they are to be made available for pick up or receipt by consumers**
2. **Copies reported separately from print circulation**
3. **Copies reported by rate – paid or free**
4. **Copies reported by type**

REQUIREMENTS

1. **Copies distributed to a location where they are to be made available for pick up or receipt by consumers**
 - a) You must be able to demonstrate that the copies are distributed to a location where they are made available for pick up or receipt by consumers.
2. **Copies reported separately from print circulation**
 - a) These copies are not included in the total average circulation or Audit Issue circulation figures.
3. **Copies reported by rate – paid or free**
 - a) If copies are claimed as paid:
 - i) You must be able to provide evidence of the contractual arrangements between you and the purchaser including the issues, quantities to be supplied and price per copy.
 - ii) The purchaser must pay at least minimum legal tender per copy (net).
 - iii) You can claim copies as paid Other Bulk Distribution where payment is outstanding as long as there are reasonable grounds to consider the debt to be live, good and collectable.
4. **Copies reported by type**
 - a) Bulk Distribution will be analysed by category/distribution location – the level of detail analysed is at the publisher's discretion.

REPORTING

You will report the following, which will be shown on the ABC Certificate as a stand-alone section:

1. By issue (or summarised by month of issue as a minimum) and distribution date.
2. By paid or free
3. By type

GUIDANCE

G1. Copies distributed to a location where they are to be made available for pick up or receipt by consumers

- a) Evidence should confirm the delivery of copies to the location where the copies are to be made available for pick up or receipt by individuals of the target audience. This means evidence of delivery to a central warehouse, your offices or any other intermediary location is not sufficient. *For example: for copies distributed at an exhibition you might provide an invoice/delivery note from your printer or a recognised distributor (a company whose business is distribution) which provides all the details of the consignment (publication, issue, number of copies) being delivered to the exhibition venue, plus a showguide demonstrating you were exhibiting.*

G4. Copies reported by type

- a) The level of detail given will largely be your decision, affected by the nature of the deals and the available space on the Certificate. *For example if all bulk sales for a particular issue are sold to airlines they can be grouped as one figure. However if free bulk distributions were also claimed for the same issue, these would have to be disclosed separately. You may also separately identify details of a bulk distribution to a key trade exhibition for example.*

DIGITAL LICENCES

DEFINITION

A Digital Licence is an agreement, either paid for or free, to provide the subscriber's multiple users with access to the publication's Digital Edition for a contracted period.

PRINCIPLES

1. **There must be a contractual arrangement between the publisher (or their agent) and the subscriber to provide the subscriber's multiple users access to the publication's Digital Edition**
2. **Licences and Seats reported separately from print circulation**
3. **Licences and Seats reported by rate – paid or free**
4. **Licences and Seats reported by organisation type**

REQUIREMENTS

1. **There must be a contractual arrangement between the publisher (or their agent) and the subscriber to provide the subscriber's multiple users access to the publication's Digital Edition**
 - a) The Digital Edition must be hosted either:
 - i) On the subscribing organisation's intranet; or
 - ii) Elsewhere and access is controlled via a log-in or password protected process.
 - b) The contracted period must be defined.
 - c) The number of multiple users ('Seats') must be stated. (I.e. General terms such as 'Global' or 'Companywide' are not permitted).
 - d) For free Digital Licences only, the contractual arrangement must include a requirement for the subscriber to notify all individual seats of the availability of each issue.
 - e) The Digital Edition accessed via the Digital Licence must meet the requirements to qualify as a Digital Edition of the ABC certified publication.
3. **Licences and Seats reported by rate – paid or free**
 - a) Licences and Seats will be reported by rate, comparing price paid per Seat under each licence against the UK print price (Basic Cover Price if one issue or Basic Annual Rate for subscriptions – pro-rated where applicable).
 - b) You can claim copies as paid Digital Licences where payment is outstanding as long as there are reasonable grounds to consider the debt to be live, good and collectable.
4. **Licences and Seats reported by organisation type**
 - a) Digital Licences and Seats will be analysed by organisation type, the categories being at the publisher's discretion.
 - b) You may optionally report demographic and geographic breakouts with ABC's agreement.

REPORTING

You will report the following, which will be shown on the ABC Certificate (note: the term Full Rate will replace Basic Cover Price/Basic Annual Rate for reporting purposes):

1. Audit Issue total Digital Licences and Seats analysed into the following rate bands:

- a) 50% of full rate or above
- b) Between 20% and 50% of full rate
- c) Less than 20% of full rate
- d) Free

GUIDANCE

G4. Licences and Seats reported by organisation type

Example Reporting: Audit issue digital licences analysis

Organisation type	Total		50% or above	Between 20% and 50%	Less than 20%	Free
	No. Licences	No. Seats	No. Seats	No. Seats	No. Seats	No. Seats
Bank	43	530	530			
Pension	52	612	612			
Insurance	100	800	725	75		
Total	195	1,942	1.867	75		

BASIC COVER PRICE

DEFINITION

The Basic Cover Price is the standard published price for an issue against which circulation is reported.

PRINCIPLES

1. **The Basic Cover Price is a recognised standard price**
2. **A cover price must be published to claim certain categories of paid circulation**
3. **Copies reported by rate, comparing price paid with Basic Cover Price**

REQUIREMENTS

1. **The Basic Cover Price is a recognised standard price**
 - a) The Basic Cover Price is the published cover price at which a single copy of the publication may be purchased without limitation and for an on-going duration, in contrast to a short-term price or special price only available to a limited class or under limited conditions.
2. **A cover price must be published to claim certain categories of paid circulation**
 - a) The relevant circulation section of these Reporting Standards will stipulate if a cover price must be published for copies to be included in the ABC claim. Where a cover price must be published it must be published on or inside the front or back cover of the publication.
 - b) If you fail to publish a cover price for an issue (that includes circulation that requires a cover price to be published) then:
 - i) You must notify ABC's Group Executive Director, Standards, Operations & Compliance before the return submission deadline explaining the reasons why it happened and what steps are being taken to prevent a recurrence.
 - ii) We may request further information or documentation surrounding the omission.
 - iii) We will review the circumstances surrounding the omission and if it is decided the occurrence is exceptional and the claim verifiable then the copies may be claimed.
3. **Copies reported by rate, comparing price paid with Basic Cover Price**
 - a) Circulation sections will stipulate if copies are reported by rate.

REPORTING

You will report the following, which will be broken out on the ABC Certificate:

1. For all Certificates, except International Certificates, the cover price published on or within the Audit Issue for:
 - a) UK
 - b) Republic of Ireland (if applicable).
2. For International Certificates if there was more than one cover price for the Audit Issue then you must enter the range of lowest to highest cover prices.

GUIDANCE

None.

GEOGRAPHICAL ANALYSIS

DEFINITION

The Geographical Analysis is an optional breakout of the circulation into geographical locations.

PRINCIPLES

1. Publishers may optionally report a Geographical Analysis
2. The circulation is analysed into standardised geographical locations

REQUIREMENTS

1. Publishers may optionally report a Geographical Analysis
 - a) You may report a Geographical Analysis as an optional table added to the Standard Certificate.
2. The circulation is analysed into standardised geographical locations
 - a) The Geographical Analysis is a census of the analysed data (i.e. not sample based and no extrapolation).
 - b) You may select the level of detail to which you analyse copies, with the ability to mix different levels from the following:
 - i) World Region. *For example: Europe, North America, Asia*
 - ii) Country. *For example: United Kingdom, Ireland, Germany*
 - iii) UK Region. *For example: East Anglia, East Midlands*
 - iv) UK Counties. *For example: Cambridgeshire, Dorset*Details of the World Regions, Countries and Counties that can be analysed are available on the ABC website.
 - c) You may analyse copies as 'Other', which will have a distinct definition (i.e. 'none of the above'), and which you must be able to prove the categorisation. *For example: United Kingdom 3,879 broken out into London 3,100 and Other 779 (being UK but not London).*
 - d) If you cannot prove a copy's categorisation or choose not to analyse it in a geographical category then it will be reported as 'Not analysed'.

REPORTING

You will report the Geographical Analysis as follows, which will be broken out on the ABC Certificate:

1. As an analysis of the Audit Issue circulation.

GUIDANCE

- G2. The circulation is analysed into standardised geographical locations
 - a) Retail sales can be analysed by the geographical location of the wholesaler.

DEMOGRAPHIC ANALYSIS

DEFINITION

You can choose to report demographic information about your circulation on your ABC certificate.

PRINCIPLES

1. There are different types of demographic analyses
2. Demographic details must be supported by third party evidence that is less than three years old

REQUIREMENTS

1. There are different types of demographic analyses
 - a) Each demographic analysis is a census of the analysed data for the Audit Issue (i.e. not sample based or extrapolated).
 - b) If you cannot or choose not to report data for a copy, it will be identified as not analysed. Note: Non-controlled free circulation must be reported as not analysed for any demographic except the geographical analysis.
 - c) Analysis tables will be one of the following types:
 - i) Single Response Table: There is only one response included for each analysed copy.
 - ii) Multiple Response Table:
 - There may be more than one response included for each analysed copy, unless data is re-grouped when only one response per individual can be counted within a regrouped category.
 - We will add a footnote indicating there are multiple responses for each copy and add the percentage of the Audit Issue total circulation that is analysed.
 - We may require additional explanatory notes if deemed necessary for clarity.
 - iii) Cross Analysis Table:
 - One demographic is cross referenced against another. *For example: Job Title against Number of Employees.*
 - We will add a footnote indicating the number of copies analysed and add the percentage of the Audit Issue total circulation that is analysed.
 - We may require additional explanatory notes if deemed necessary for clarity.
 - d) We will calculate for each demographic claimed its percentage of the Audit Issue total circulation and add this to the table. You can request the percentages be removed.
 - e) Any descriptions of grouped data must be representative of the data grouped and not lead to ambiguity about the category in which a demographic could be claimed. *For example having Sales Managers and, IT Managers may be grouped together under one heading 'Managers' (assuming no other Managers).*
 - f) Analysis by job title (if claimed): Where more than one type of a particular job title appears on a demographic table, any generic use of that title must be preceded with the word 'other'. *For example: Sales Managers 1,400, Technical Managers 3,200, Other Managers 2,200.*
 - g) Analysis by site (if claimed): Site analysis demonstrates the number of establishments that the publication is distributed to:
 - i) A site is defined as "An establishment or separate business location primarily engaged in one economic activity at a single location. *For example in the motor trade a chain with five body shops at different addresses would constitute five sites.*
 - ii) Site numbers are shown as an additional column demographic tables.

- iii) Only places of work must be analysed, not home addresses.
- iv) For demographics, which relate to the Company not the individual (*for example: Industry / Business / Sector, Number of Employees*), you must apply the company level demographic to all individuals at a site regardless of the individual's response.
- vi) For individual-level demographics, *for example: Job Title, Purchasing Influence*:
 - You must analyse sites according to the individuals' demographic responses
 - The total in the sites column may exceed the total number of sites, as different categories may occur at the same site. For this reason we will not total the number of sites on the table and add an explanatory note.

2. Demographic details must be supported by third party evidence that is less than three years old

- a) At the date you distribute a copy you must have evidence to support the claimed demographic that meets the requirements of the evidence required under the Controlled Circulation section. Note:
 - i) The Audit Issue Mailing list must include against each addressee all demographic data included in your claim. You must ensure your coding system and any grouping of codes into demographic categories is explained clearly.
 - ii) If you have evidence from more than one source (which may be contradictory) you may choose which demographic and evidence you use to support your claim.
 - iii) If you group or convert the data from its original format on source documentation to the format on your database and/or claim then you must retain a record that explains the link between them.

GUIDANCE

1. There are different types of demographic analyses

- a) Site Duplication Level: It is usually impractical to test every site claimed against every other site on the mailing list, therefore you might decide to test on a sample basis. You may use various techniques to identify any duplicates (and recognise sites by a unique number) and you can choose not to carry out a test. However if we carry out a test at audit and find a material discrepancy to the level reported we may revise the claim.

The following advice and method of testing will give an indication of the likely level of site duplications in a mailing list.

- i) Produce an Audit Issue file listing all site addressees with all site level demographics claimed.
- ii) If you sort the mailing list by geographical region/postcode, with a secondary sortation by company name alpha then duplications will often, but not always, appear next to each other.
- iii) Test a sample of 100 sites for duplications on an 'nth' interval basis where the nth number is calculated as follows:

$$\frac{\text{Total number of sites for Audit Issue}}{100} = \text{nth number}$$

Select every nth site in the list starting at a random point within the first 'n' sites and scan the particular geographical for duplicates of each selected site.

- iv) Calculate the duplication level as a percentage

Quantify the duplications, remembering that two occurrences of a site count as one duplication, three occurrences count as two etc. Watch out for companies that might have changed name or moved which can lead to the same site being included as a duplicate.

For example:

100 sites checked 5 duplicates found = 5% site duplication on the list.

- v) Report the duplication level on the return

The figure is reported as a whole number (you can round down). You do not need to reduce the site claim to take account of the level of duplication, unless it exceeds 5% in which case sites cannot be claimed.

EDITIONS

DEFINITION

An Edition is a version of an issue of the publication that varies from the Main Edition (the UK and/or ROI version that has the largest circulation), usually for reasons of geography, timing or content. How it has varied from the Main Edition will affect how or whether it can be included on the same ABC Certificate.

PRINCIPLES

1. An Edition must be in keeping with the overall issue to be reported on the same ABC Certificate
2. Changes to an Edition may require a breakout on the ABC Certificate

REQUIREMENTS

1. An Edition must be in keeping with the overall issue to be reported on the same ABC Certificate
 - a) The Edition must carry a logotype/masthead incorporating the generic name of the Main Edition.
 - b) The branding and appearance of the Edition must not give the impression that it is a different publication than the Main Edition. For the avoidance of doubt a change in format alone (such as a change in publication size) will not infringe this requirement.
 - c) The Edition must carry the same cover date/issue identification as the Main Edition.
 - d) The Edition must be published and distributed on or about the same date as the Main Edition.
 - e) There can be up to 100% change in advertising (including classified) from the Main Edition.
2. Changes to an Edition may require a breakout on the ABC Certificate
 - a) Where there are any advertising changes, you must report the average and Audit Issue total circulations for that Edition, which will appear on the Certificate.
 - b) Advertising changes are ignored for ABC purposes if:
 - i) They are made solely because their inclusion would, in the opinion of the publisher, the advertiser or their agency render the publication illegal in a particular territory. Note: This opinion must be judged reasonable by the auditor and ABC.
 - ii) The advertisement has changed but it is the same advertiser.
 - c) Where the Edition is in a different format than the Main Edition *for example A5 rather than A4*, you must report the average and Audit Issue circulation for that Edition, which will appear on the Certificate.
 - d) If you do need to breakout an Edition then the Main Edition will be broken out as well.

GUIDANCE

None.

ISSUES TO BE INCLUDED/EXCLUDED

DEFINITION

All published issues for which the majority of the distribution took place within the Reporting Period must be included except for any issues allowed to be excluded according to this section.

PRINCIPLES

1. **All issues published in the Reporting Period must be included**
2. **Published issues that are allowed to be excluded according to this section may be removed from the average circulation figure**
3. **Issues allowed to be excluded from the average circulation figure will be reported**

REQUIREMENTS

1. **All issues published in the Reporting Period must be included**
 - a) Whether an issue is included in the Reporting Period is determined by the date by which 50% of the claimed distribution is distributed/made available. For each component of distribution the date distributed/made available is determined as follows:
 - i) Mailed copies: The date the copies enter the distribution chain, i.e. when they are posted or delivered to a courier.
 - ii) Paid copies: The first date the copies are made available to the consumer, i.e. for retail sales the first official on sale date.
 - iii) Copies made available for pick up by consumer: The date the copies are made available/handed out to the consumer.
 - iv) Free Digital Edition copies: The date email notifications are sent.
2. **Published issues that are allowed to be excluded according to this section may be removed from the average circulation**
 - a) There are certain circumstances under which you may exclude an issue from the reported circulation. The circumstances and information surrounding any exclusion are subject to audit.
 - b) **ABC granted exclusion:** You may exclude an issue for which we have issued an exclusion note. You can apply for an ABC granted exclusion if:
 - i) Due to circumstances outside your control the achieved auditable distribution of an issue is less than planned, resulting in a reduction in the publication's average circulation greater than 0.5%.
 - ii) You submit your application to us before you submit your circulation Return, including details of the issue concerned, its distribution date, the planned and achieved distribution and the reason for the shortfall.

If we do not issue an exclusion note we will issue a rejection notice detailing the reason for rejection
3. **Issues allowed to be excluded from the average circulation figure will be reported**
 - a) Any issues excluded from the reported circulation will be reported on the Certificate.

REPORTING

You will report the following which will be reported on the ABC Certificate:

1. Number of issues included in the circulation claim.

2. Details of any issues excluded from the circulation claim, including for each:
 - a) The general reason for exclusion.
 - b) The total net circulation.

GUIDANCE

None.

REPORTING PERIODS

DEFINITION

Each ABC Certificate has a defined Reporting Period which identifies the date or dates it covers.

PRINCIPLES

1. **You must report a continuous series of Reporting Periods on a mandatory frequency**
2. **You can report optional shorter Reporting Periods**

REQUIREMENTS

1. **You must report a continuous series of Reporting Periods on a mandatory frequency**
 - a) Once we have issued a publication's first ABC Certificate for a mandatory reporting period we must continue to issue Certificates for subsequent consecutive mandatory Reporting Periods (i.e. so there is no gap in certification) while the publication remains registered.
 - b) Depending on the market sector in which the publication is reported the mandatory Reporting Period will either be:
 - i) 12 months, 1st January to 31st December
 - ii) 12 months, 1st July to 30th June
 - iii) For annual publications (1 issue per year) the distribution period (the entire date range over which the claimed copies have been distributed) or a single principal distribution date (the date by which more than 50% of the claimed distribution has occurred).
 - c) Changing the mandatory frequency, if possible, is expected to be infrequent. We reserve the right to reject or impose conditions on requests to change frequency if in our view this might affect transparency or comparability.
 - d) If in our opinion there are exceptional changes to a publication during the Reporting Period that mean issuing a Certificate for the mandatory Reporting Period in full might lead to confusion or a lack of transparency in the data certified, then we may agree or require the issue of more than one Certificate covering the mandatory period. *For example if a publication changes from a paid circulation model to free circulation during the period then one Certificate could be issued up until the point of change and one from that point to the end of the mandatory Reporting Period.*
2. **You can report optional shorter Reporting Periods**
 - a) Optional Reporting Periods are whole months or any number of whole months in addition to mandatory Reporting Periods. Note: A month is a calendar month.
 - i) You can report an optional single issue with the condition that you must then also report to the next 6 month mandatory period end (i.e. to 30th June or to 31st December).
 - b) For newly registered publications only:
 - i) You can report single issues until the start of the next month.
 - ii) You can report one or more consecutive optional Reporting Periods (i.e. there is no gap in certification) before reporting your first mandatory Reporting Period.

GUIDANCE

G2. You can report optional shorter Reporting Periods

- a) Please contact us regarding any additional optional periods as early as possible in order that we can discuss fees and scheduling of audits.

CERTIFICATE TYPES

DEFINITION

The ABC Certificate is published by ABC for a specific period and contains the data and information that is subject to audit.

PRINCIPLES

1. **You must report using a standard Certificate type**
2. **You may choose to report using an optional Certificate type**

REQUIREMENTS

1. **You must report using a standard Certificate type**
 - a) The key feature of the standard Certificate is that publications must report this as a minimum, presenting set information in a standardised format.
 - b) The standard Certificate may be either:
 - i) A Standard Certificate that reports the average and Audit Issue circulation analysed into UK and Other Countries.
 - ii) A Cross-Platform Certificate that reports the same information as a Standard Certificate but with the addition of Digital Edition copies.
 - iii) An International Certificate that reports the average circulation combined with a geographical analysis of the Audit Issue circulation.
 - iv) An Annual Certificate that reports the circulation of a publication published annually.
 - v) An Editions Certificate that reports the circulation of a publication that includes different editions.
 - vi) A Certificate that reports additional demographic information.
2. **You may choose to report using an optional Certificate type**
 - a) The key feature of optional Certificates is that they offer the reporting of additional information. They usually incorporate all the information that would be reported on a mandatory Certificate.
 - b) The optional Certificate available is:
 - i) A Group Certificate that combines the circulations from 2 or more publications' Certificates providing:
 - Each Certificate relates to the same Reporting Standards
 - Each Certificate is for the same Reporting Period

Note: You may include publications with different publishing frequencies.

ABC will produce Group Certificates from the data submitted for the constituent publications.

GUIDANCE

None.

RETURN FORM SUBMISSION, AUDIT, CERTIFICATION

DEFINITION

The Return Form is a submission in which the circulation claim is reported to ABC for certification. Each circulation claim is subject to audit.

PRINCIPLES

1. **A Return Form must be submitted for the registered product for every applicable Reporting Period**
2. **The Return Form must be submitted by the Submission Deadline**
3. **ABC will issue a Certificate based on the Return Form**
4. **Each circulation claim is audited to verify it is in accordance with the applicable Reporting Standards**

REQUIREMENTS

1. **A Return Form must be submitted for the registered product for every applicable Reporting Period**
 - a) You must submit a Return Form for the applicable mandatory and optional Reporting Periods you have chosen to report.
 - b) We will advise you how to submit your Return Form. *For example online via the ABC eReturn website.* However if you have not heard from us at the appropriate time please contact us.
 - c) You will submit your Return Form to us, authorised by an appropriate individual representing your organisation.
 - d) Whilst our systems contain some arithmetic and logic validation processes, the accuracy of the Return Form remains your responsibility.
 - e) Estimates and assumptions must not be made on the Return Form unless the Reporting Standards allow for them, or we have authorised them.
2. **The Return Form must be submitted by the Submission Deadline**
 - a) We will publicise the applicable Submission Deadline.
 - b) It is your responsibility to ensure Return Forms are submitted by the Submission Deadline. Failure to do so can result in a penalty and/or cancellation of your product's ABC registration under the ABC Byelaws.
3. **ABC will issue a Certificate based on the Return Form**
 - a) We will publish the certified data on our website subject to any timing criteria applicable to the sector. We may also make arrangements to provide our data to be published via commercial data providers and to those who subscribe to our data services.
 - b) We will confirm when circulation figures will become publicly available, normally 5 working days after a draft Certificate has been sent to you.
4. **Each circulation claim is audited to verify it is in accordance with the applicable Reporting Standards**
 - a) The audit must be carried out by ABC Staff Auditors.
 - b) Requirements in relation to the auditor and audits will be covered by the ABC Byelaws, ABC Audit Programmes and contractual arrangements.
 - c) If following an audit we identify material problems with the Return Form or Certificate then we will propose to revise the claim. If a Certificate has already been issued we will issue a revised Certificate with an Audit Report that identifies the changes. This replaces your original Certificate and must be used in its place. The process is as follows:

- i) We will send you a letter detailing the reason/problem giving rise to the amendment.
- ii) You will have 10 working days from the receipt of this letter to provide any further information to us, or object to the revision of the claim.
- iii) If you wish to object to the revision of the claim you must do this in writing to the Director of Audit who will investigate and provide a decision within 10 working days. If the objection is to a decision by the Director of Audit or the Chief Executive then the first level of appeal will be in accordance with the Review Procedure detailed in the ABC Byelaws.
- iv) Subsequent Certificates will not be issued until we have resolved all queries on a previous audit and issued the revised Certificate, if applicable.
- v) We publish details of Audit Reports on our website.

GUIDANCE

None.

This page is intentionally left blank

www.abc.org.uk



Contact us

ABC, Saxon House, 211 High Street, Berkhamsted, Hertfordshire, HP4 1AD

+44 (0) 1442 870800 info@abc.org.uk

© ABC 2017 www.abc.org.uk