



Audit Bureau of Circulations of South Africa

# Reporting Standards

## **Newspapers**

Version 1.2

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CHANGES TO REPORTING STANDARDS  
(additions in **bold**, deletions as ~~striethrough~~)

## **REPORTED DATA**

### **REQUIREMENTS**

#### **2. Postal deliveries**

**You must report the total number of copies posted via the South African Post Office**

## INTRODUCTION

This document contains the Reporting Standards for print and digital edition of products registered in the Newspapers 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 ABC website 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

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.

# 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**

## REQUIREMENTS

1. **The publication must be eligible to report under the Reporting Standards**
  - a) No further requirements
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
    - iv) Free copies to press cutting agencies
    - v) File or office copies
    - vi) Free publisher employee copies
    - vii) 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)
- Any entity which has, directly or indirectly, any shareholding or financial interest exceeding 25%, or any entity in which the publisher has, directly or indirectly, any shareholding or financial interest exceeding 25%.

#### **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), except for copies claimed in the SADC or Overseas categories where copies can be accounted for on a transactional basis (monthly as a minimum).
  - v) A copy of each issue and any Editions claimed.
  - vi) Financial records.
- b) Records supporting the claim must be retained until 24 months after the end of the Reporting Period.
- c) Records supporting the claim must be retained and made available to your Auditor or ABC on request, in accordance with the ABC Byelaws.

## **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 a 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

# NEWSPAPER DEFINITIONS AND SECTORS

## INTRODUCTION

This section sets out the Newspaper Sectors that are recognised and for which certificates will be issued.

## NEWSPAPER SECTORS

### Daily Newspapers

Definition: A newspaper with a Registered Cover Price that is published on a regular basis, either 5 times a week (Monday to Friday) or 6 times a week (Monday to Saturday).

### Hybrid Newspapers

Definition: A newspaper with a Registered Cover Price for normal sale, but which is also distributed free of charge to certain areas.

### Local Newspapers

Definition: A newspaper with a Registered Cover Price, targeted at a specific geographical area with less than 25% of its circulation sold outside this area.

### Weekend Newspapers

Definition: A newspaper with a Registered Cover Price, with a weekly frequency of two or less, published either Saturday or Sunday, or over both days.

### Weekly Newspapers

Definition: A newspaper with a Registered Cover Price, with a weekly frequency of four or less, published Monday to Friday.

## PRINCIPLES

1. **Members must indicate the Sector in which the publication resides.**
2. **The General Manager will confirm or change the Sector based on the definitions.**
3. **Should a dispute arise, the publisher may appeal the decision.**

## REQUIREMENTS

1. **Members must indicate the Sector in which the publication resides.**
  - a) This choice must be made when application is made to have the publication registered with the ABC
2. **The General Manager will confirm or change the Sector based on the definitions.**
  - a) Should the General Manager determine that the Sector should change, he/she will communicate the change, giving reasons.
3. **Should a dispute arise, the publisher may appeal the decision.**
  - a) The publisher may appeal the General Manager's decision in writing to the Rules Committee, which will determine a decision within 7 working days.
  - b) Should the publisher still dispute the determination by the Rules Committee, an appeal in writing may be made to the Board, who will make a determination within 10 working days, which determination will be final.



# SINGLE COPY SALES (SALE OR RETURN)

## DEFINITION

A copy sold 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**
2. **Copies are purchased from the publisher 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. **If the final net sale is not known then estimates must be made**
6. **Reported by rate, comparing price paid by the consumer with the Registered 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) You cannot claim sales of back issues.
2. **Copies are purchased from the publisher 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 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.
3. **Cover price must be published on or inside front or back cover of the publication**

No additional requirements.
4. **The price paid for the publication by the consumer must be clear and conspicuous**
  - a) The value (or perceived value) of gifts or cover mounts to the consumer have no effect on the price paid for ABC purposes.
  - b) 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.

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.
7. **Reported by rate, comparing price paid by the consumer with the Registered 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:

1. By geographical type:
  - a) Domestic;
  - b) Foreign;
2. By rate band:
  - a) 50% and above the Registered Cover Price
  - b) Below 50% of the Registered Cover Price
3. By combination with other circulation types.
  - a) Single copy sales (sale or return) will be reported combined with single copy sales (firm sale).
4. By total average circulation over the period.

## 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 e-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 Rx*".  
The price of the publication is not clear and conspicuous.
  
2. Promotion "*Buy the publication and a bottle of water for Rx*" which is accompanied by the statement "*The price of the publication in this promotion is Ry*"  
  
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 Rx.*" Elsewhere in promotion "*Publication is Ry Monday to Friday*"  
  
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 Rx 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 4a: "The discount or cash reimbursement must be taken into account

Examples:

1. Promotion: "Buy publication and spend R20 and you get R1 off your publication".

The publication is discounted by R1.

2. Promotion: "Buy publication, spend R20 and get R2 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 10% discount and would seem a reasonable treatment.

3. Promotion: "Buy publication and get R1 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-SA 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).

**Worked example (assuming 12 issues in a reporting period)**

<b>Issue ID</b>	<b>Supply</b>	<b>Returns</b>	<b>Net Sale</b>	<b>Sales%</b>	
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 (Local, Foreign).

**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:

<b>Issue</b>	<b>Total Actual</b>		<b>Sales%</b>	
<b>ID Supply Returns Sale</b>				
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 the average of 261 copies in the current period, to ensure the overestimate from the previous period is accounted for.

## SINGLE COPY SALES (FIRM SALE)

### DEFINITION

A copy sold 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**
2. **Copies are purchased from the publisher 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 purchaser's ability to vary supply must not be unduly restricted**
6. **Reported by rate, comparing price paid by the consumer with the Registered Cover Price**

### REQUIREMENTS

1. **Single copy made available for purchase by the consumer**
  - a) Contractual arrangements must make clear that copies are for resale to the consumer.
  - b) Contractual arrangements must make clear that data of sales to consumers must be made available to ABC on request.
  - c) The purchase by the consumer may be in cash or by other means agreed by ABC in writing.
  - d) You cannot claim back issues.
2. **Copies are purchased from the publisher 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) If you make any reciprocal payments, or the purchaser makes any reciprocal charges for goods or services as part of the deal (*for example: for distribution or marketing*) then you must take these into account when calculating whether the trade discount exceeds this level.
  - c) The claimed total average Single Copy Sale (Firm Sale) is limited to a cap of 10% of the publication's claimed Single Copy Sale (Sale or Return) for the relevant Reporting Period.
  - d) You must account for sales on an issue by issue basis.
3. **Cover price must be published on or inside front or back cover of the publication**

No additional requirements.
4. **The price paid for the publication by the consumer must be clear and conspicuous**
  - a) 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 .
  - b) You must retain details of promotional or special offers during the reporting period.
5. **The purchaser's' ability to vary supply must not be unduly restricted**

No additional requirements.

## **6. Reported by rate, comparing price paid by the consumer with the Registered Cover Price**

- a) Copies sold 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 purchaser distributes copies free to the consumer (these should be removed from claim)
  - ii) The purchaser sells copies at less than the Registered Cover Price (these may be claimed in the appropriate rate band).

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

## **REPORTING**

You will report Single Copy Sales (Firm Sale) as follows, which will be broken out on the ABC Certificate:

1. By geographical type:
  - a. Domestic;
  - b. Foreign;
2. By rate band:
  - a. 50% and above the Registered Cover Price
  - b. Below 50% of the Registered Cover Price
3. By total average circulation over the period.

For the avoidance of doubt: Single Copy Sales (Firm Sale) will be reported together with Single Copy Sales (Sale or Return).

## **GUIDANCE**

### **G1. Single copy made available for purchase by the consumer**

- a) Cash means legal tender notes and coins, cheque, credit/debit card, wireless payment systems.
- b) This doesn't preclude a purchaser selling more than one copy to a single purchaser (without the publisher's knowledge).
- c) Details of sales to consumers made available to ABC on request may be in the form of EPOS reports or other means such as signed third party affidavits.

### **G2. Copies are purchased from the publisher 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.

### **G3. Cover price must be published on or inside front or back cover of the publication**

No further guidance.

**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 Rx*".

The price of the publication is not clear and conspicuous.

2. Promotion "*Buy the publication and a bottle of water for Rx*" which is accompanied by the statement "*The price of the publication in this promotion is Ry*"

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 Rx.*" Elsewhere in promotion "*Publication is Ry.*"

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 R<sub>x</sub> 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 4a: "The discount or cash reimbursement must be taken into account

Examples:

1. Promotion: "*Buy publication and spend R25 and you get R2 off your publication*". The publication is discounted by R2.

2. Promotion: "*Buy publication, spend R25 and get R2.50 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 10% discount and would seem a reasonable treatment.

3. Promotion: "*Buy publication and get R10 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.

**G5 The purchaser's ability to vary supply must not be unduly restricted**

No further guidance.

# SINGLE COPY SUBSCRIPTION SALES

## DEFINITION

A single copy sold and distributed to an individual or organisation by agreement.

## PRINCIPLES

1. **There must be an agreement 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. **Reported by rate, comparing price paid by subscriber with the Registered Cover Price**
5. **The price paid for the publication by the subscriber must be clear and conspicuous**

## REQUIREMENTS

1. **There must be an agreement between the subscriber and the publisher (or their agent)**
  - a) You must be able to provide evidence of an agreement 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 or multiple copies per issue, distributed to a known addressee**
  - a) 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 paid for
  - c) You can claim copies where payment is outstanding for no longer than 3 months, and as long as there are reasonable grounds to consider them to be live, good and collectable.
  - d) You cannot claim sales of back issues.
4. **Reported by rate, comparing price paid by subscriber with the Registered Cover price**
  - a) You must claim a subscription in the appropriate rate band by comparing the price paid for the subscription with the Registered Cover Price at the time of sale. 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) You must retain details of subscription rates and special offers during the reporting period

## REPORTING

You will report single copy subscription sales as follows, which will be broken out on the ABC Certificate:

1. By geographical type:
  - a) Domestic
  - b) Foreign
2. By rate band:
  - a) 50% and above the Registered Cover Price.
  - b) Below 50% of the Registered Cover Price.
3. By total average circulation over the period.

## GUIDANCE

### G1. There must be an agreement 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.

**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. 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) Payment is by any means as defined.
- 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 Reported by rate, comparing price paid by subscriber with Registered Cover Price**

- a) [Requirement 4b 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 R500 and X and Y have registered prices of R10 and R20 respectively then the R500 paid will be pro-rated in the ratio 10:20.*
  - 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	No	Publication is free	
Publication A + Retail outlet Vouchers	Subscribe for 3 months and receive vouchers from a retail outlet	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 No	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 R800 and Publication B sub normally R400)	Subscribe to both Publication A and Publication B for R1000	Yes, both.	R1000 pro-rated = R677 Publication A and R333 Publication B	ii
Publication A and Publication B (both ABC claimed: Publication A sub normally R800 and Publication B sub normally R400) + Handbag	Subscribe to both Publication A and Publication B for R1000 and receive a handbag worth R500	Yes, both.	R1000 pro-rated = R677 Publication A and R333 Publication B (handbag ignored as not ABC claimed)	ii.

Publication A and Website access (both ABC claimed: Publication A sub normally R1000 but Website access is only available as a package with the Publication)	Subscribe to Publication A and receive website access – all for R1000	Yes, both	R1000 divided equally R500 for Publication A and R500 for website access (website access is not available either free or paid so no price can be identified to pro-rate).	iii
Publication A + Digital Edition (not ABC claimed)	Subscribe to Publication A for R1000 and receive the Digital Edition worth R800	Yes	Publication A at R1000 (Digital Edition ignored as not claimed)	i
Publication A + Digital Edition (both ABC claimed: Publication A sub normally R1000 and Digital Edition sub normally R500)	Subscribe to Publication A and the Digital Edition for R1200 (normally R1500).	Yes, both	R1200 pro-rated = Publication A at R800 and Digital Edition at R400	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)

## 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 that the copies are received by the same individuals over the term of the subscription**
3. **Copies are paid for by the subscriber**
4. **Reported by rate, comparing price paid by subscriber with Registered Cover price**
5. **The price paid for the publication by the purchaser 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 an agreement between the purchaser and the publisher, including the period, the quantities to be supplied and the price.
2. **Must be likely that the copies are received by the same individuals 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 individuals over the subscription term
  - b) You may claim copies sold to a Reseller, provided you have entered into an agreement with the Reseller ( who supplies publications to doctors' and dentists' waiting rooms, hairdressing salons, etc. which are used for the benefit of the clientele).
3. **Copies are paid for by the subscriber**
  - a) You can claim copies where payment is outstanding for no longer than 3 months, and there are reasonable grounds to consider them to be live, good, and collectable.
4. **Reported by rate, comparing price paid by subscriber with Registered Cover Price**
  - a) You must claim a subscription in the appropriate rate band by comparing the price paid for the subscription with the Registered Cover Price at the time of sale. 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.
5. **The price paid for the publication by the purchaser must be clear and conspicuous**
  - a) The purchaser must pay a percentage of the Registered Cover Price.
  - b) To determine the price paid:
    - i. 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).

- ii) If a subscription promotion includes a gift is 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:
  - According to the specific terms of the offer.
  - Where specific terms are not clear, by pro-rating the price according to the relative prices of the ABC claimed products.
  - 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) You must take into account:
  - i) Any reciprocal payments made by the publisher
  - ii) 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*).
  - iii) The value of any other goods or services provided free or discounted by the publisher (*for example advertising or promotional messages*).

## REPORTING

You will report Corporate Subscription sales as follows, which will be broken out on the ABC Certificate:

1. By geographical type:
  - a) Domestic
  - b) Foreign
2. By price band
  - a) 50% and above the Registered
  - b) Below 50% of the cover price
2. By total average circulation over the period.

## GUIDANCE

### **G2. Must be likely that the copies are received by the same individuals 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.*

### G3. 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

### G4. Reported by rate, comparing rate paid by subscriber with Registered Cover Price

- a) [Requirement 4a 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 R50' and X and Y have Registered Cover Prices of R40 and R50 respectively then the R50 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).*



## MULTIPLE COPY SALES

### DEFINITION

Copies purchased by a third party from the publisher, delivered and made available for pick up or receipt by consumers.

### PRINCIPLES

1. **There must be a contractual arrangement between the final purchaser (third party) and the publisher or an intermediary**
2. **Copies are paid for by the final purchaser**
3. **The publisher must receive a positive financial contribution per copy from the final purchaser**
4. **Copies distributed and made available for pick up or receipt by consumers**
5. **Claimed quantity should not exceed potential demand by the intended consumers**
6. **The price paid for the publication by the final purchaser (and the intermediary if applicable) must be clear and conspicuous**
7. **Claimed quantity is subject to a cap.**

### REQUIREMENTS

1. **There must be a contractual arrangement between the final purchaser (third party) and the publisher or an intermediary**
  - a) You must be able to provide evidence of the contractual arrangements between the final purchaser and the publisher and/or the intermediary (if applicable) including the issues, quantities to be supplied and price per copy.
  - b) You cannot claim sales of back issues except 3 a) iv) below (Print Media in Education).
2. **Copies are paid for by the final purchaser**

No additional requirements.
3. **The publisher must receive a positive financial contribution per copy from the final purchaser**
  - a) Either the final purchaser or intermediary (if applicable) must pay the publisher a net amount for the copies:
    - i) 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*).
    - ii) In the case of copies purchased by a commercial entity with the intention of giving individual copies to its customers as added value to a commercial transaction, it is recognised that a distribution company must be used. In this scenario:
      - If that distribution company is used as an intermediary to sell to the final purchaser, the publisher may not receive a net payment for the copies from the distribution company due to the payment of distribution charges.
      - If a distributor pays a contractual entry fee to the final purchaser which is of a general basis and not specific to any specified group of publications or publishers then this will not be considered a reciprocal payment to be taken into account for ABC purposes.

- iii) In the case of Barter deals, the publisher will not receive payment for the copies. One of the following conditions must be applicable for each deal:
  - The Goods/Services agreement and Publication purchase agreement are separately specified; or
  - The Goods/ Services agreement includes specific details regarding the quantity and purchase price of the publication; or
  - The purchase price is a separate itemized line item within the contract specifying the quantity and purchase price of the publication.In addition to one of the above conditions being applicable:
  - The Goods/Services agreement must specify the goods/services being provided, and the value of each.
  - Both parties must invoice the deal.
- iv) In the case of PMIE (Print Media in Education), copies are sold to an independent sponsor, and delivered to schools and educational institutions for educational purposes:
  - Educational institutions (registered with the Department of Education) must submit written requests and undertake to use the publication for educational purposes only.
  - You may only deliver recent copies; Daily newspapers within 1 week and only 1 issue per day; Weekly and Weekend newspapers within 1 issue period.
  - You must obtain a standard request form from the sponsor and must be retained for 2 years
  - Payments must be received directly from the sponsor.
  - You must enter into a written agreement with the sponsor. You may not claim copies unless the agreement predates the circulation.
  - If the sponsor is also an advertiser in the publication, you may not use advertising funds to sponsor PMIE.
  - Deliveries must correspond with educational timetables.

**4. Copies distributed and made available for pick up or receipt by consumers**

- a) You must be able to demonstrate that the copies are distributed and made available for pick up or receipt by the intended consumers.

**5. Claimed quantity should not exceed potential demand by the intended consumers**

- a) Copies supplied should not exceed "total potential penetration" or other quantifiable measure.

**6. The price paid for the publication by the final purchaser (and the intermediary if applicable) must be clear and conspicuous.**

- a) The net price paid must be at least minimum legal tender per copy.

**7. Claimed Quantity is subject to a cap**

- a) The claimed quantity is subject to a maximum of 10% of total circulation.

**B4 REPORTING**

You will report multiple copy sales as follows, which will be broken out on the ABC Certificate:

- 1. By geographical type:
  - a) Domestic
  - b) Foreign
- 2.
  - a) At 50% and above the Registered Cover Price
  - b) Below 50% of the Registered Cover Price
- 3. By total average circulation over the period.

## **GUIDANCE**

### **G1. There must be a contractual arrangement between the final purchaser (third party) and the publisher or an intermediary**

- a) In relation to airline copies, or copies purchased by a commercial entity with the intention of giving individual copies to its customers as added value to a commercial transaction:
- i) It is the publisher's responsibility to ensure their distribution company will:
    - Provide evidence of distribution of the copies airside/trackside as detailed below
    - Understand and keep up to date with the requirements of the ABC Reporting Standards
    - Report the number of sold copies by issue for each ABC reporting period to the publisher
    - Provide access to the publisher's circulation auditor and/or the ABC to any records requested for the purpose of checking the accuracy of any claim or compliance with the Reporting Standards and byelaws
  - ii) The publisher's circulation auditor and/or the ABC must have access to documentary evidence relevant to the deal between the final purchaser and any intermediary (if applicable).

### **G4. Copies distributed and made available for pick up or receipt by consumers**

- a) Evidence of distribution of the copies to the distribution company and onward must be available. This will typically involve the distribution company maintaining a goods inwards and goods outwards recording system, with clearly documented management controls that:
- Is updated daily for planned and unplanned changes
  - Is reconciled on a regular basis to resolve differences between goods in and goods out
  - Identifies the newspapers and number of copies supplied to every distribution point
  - Operates appropriate and effective quality assurance processes for ensuring that the newspapers and number of copies supplied to every point is correctly stated.
  - If weaknesses in management controls are found during the audit work, the publication's circulation auditor/ABC will inform the distributor and the publisher of defined improvements to be implemented and a timescale to ensure copies are still eligible for ABC purposes.
- b) Evidence of proof of delivery for Print Media in Education copies must be available.

### **G6. The price paid for the publication by the final purchaser (and the intermediary if applicable) must be clear and conspicuous**

- a) Averaging or bundling by issue/publication/customer is not permitted regardless of what the contractual arrangements state. For example: If an invoice states 5,000 copies at 50c and 5,000 copies at 0c then allowable, they cannot be averaged out at 25c.

## CONTRACTED TRAVEL SALES

### DEFINITION

Copies purchased by a supplier of public transport and lounge services (airline, railway, bus, airport lounges) from the publisher, delivered and made available for pick up or receipt by consumers.

### PRINCIPLES

1. **There must be a contractual arrangement between the final purchaser (third party) and the publisher**
2. **Quantities claimed will be in terms of applicable agreements**
3. **Copies distributed and made available for pick up or receipt by consumers**
4. **Claimed quantity should not exceed potential demand by the intended consumers**
5. **The price paid for the publication by the final purchaser must be clear and conspicuous**

### REQUIREMENTS

1. **There must be a contractual arrangement between the final purchaser (third party) and the publisher**
  - c) You must be able to provide evidence of the contractual arrangements between the final purchaser and the publisher including the issues, quantities to be supplied and price per copy. The contract period must be for a minimum of 3 months
  - d) You cannot claim sales of back issues.
2. **Quantities claimed will be in terms of applicable agreements**
  - a) Quantities supplied need not be invoiced but claims will be in terms of applicable agreements, supported by evidence of distribution of the copies.
  - b) It is recognized that copies supplied will be barter deals. As such, no payment will be received by the publisher.  
The agreement must specify:
    - i) The quantity and purchase price of the publication
    - ii) The goods/services being provided and the value of each
3. **Copies distributed and made available for pick up or receipt by consumers**
  - a) You must be able to demonstrate that the copies are distributed and made available for pick up or receipt by the intended consumers.
4. **Claimed quantity should not exceed potential demand by the intended consumers**
  - b) Copies supplied may not exceed 25% of "total potential penetration" per site or other quantifiable measure.
5. **The price paid for the publication by the final purchaser must be clear and conspicuous.**
  - a) The net price paid must be at least minimum legal tender per copy.

## **B4 REPORTING**

You will report contracted travel sales as follows, which will be broken out on the ABC Certificate:

1. By geographical type:
  - a) Domestic
  - b) Foreign
2.
  - a) At 50% and above the Registered Cover Price
  - b) Below 50% of the Registered Cover Price
3. By total average circulation over the period.

## **GUIDANCE**

### **G1. There must be a contractual arrangement between the final purchaser (third party) and the publisher**

- a) If the publisher uses a distribution company, it is the publisher's responsibility to ensure their distribution company will:
  - Provide evidence of distribution of the copies airside/trackside as detailed below
  - Understand and keep up to date with the requirements of the ABC Reporting Standards
  - Report the number of sold copies by issue for each ABC reporting period to the publisher
  - Provide access to the publisher's circulation auditor and/or the ABC to any records requested for the purpose of checking the accuracy of any claim or compliance with the Reporting Standards and byelaws
- b) The publisher's circulation auditor and/or the ABC must have access to documentary evidence relevant to the deal between the final purchaser and any intermediary (if applicable).

### **G4. Copies distributed and made available for pick up or receipt by consumers**

- a) Evidence of distribution of the copies to the distribution company and onward must be available. This will typically involve the distribution company maintaining a goods inwards and goods outwards recording system, with clearly documented management controls that:
  - Is updated daily for planned and unplanned changes
  - Is reconciled on a regular basis to resolve differences between goods in and goods out
  - Identifies the newspapers and number of copies supplied to every distribution point
  - Operates appropriate and effective quality assurance processes for ensuring that the newspapers and number of copies supplied to every point is correctly stated.
  - If weaknesses in management controls are found during the audit work, the publication's circulation auditor/ABC will inform the distributor and the publisher of defined improvements to be implemented and a timescale to ensure copies are still eligible for ABC purposes.
- b) Evidence of proof of delivery for Print Media in Education copies must be available.

### **G6. The price paid for the publication by the final purchaser (and the intermediary if applicable) must be clear and conspicuous**

- a) Averaging or bundling by issue/publication/customer is not permitted regardless of what the contractual arrangements state. For example: If an invoice states 5,000 copies at 50c and 5,000 copies at 0c, they cannot be averaged out at 25c.

## OTHER COUNTRIES

### DEFINITION

Copies sold for distribution outside the country of publication.

### PRINCIPLES

1. **Copies are purchased from the publisher on a contractual basis by a third party for distribution outside the country of publication**
2. **Copies may be sold on a Sale or Return or Firm Sale basis**

### REQUIREMENTS

1. **Copies are purchased from the publisher on a contractual basis by a third party for distribution outside the country of publication**

No additional requirements.

2. **Copies may be sold on a Sale or Return or Firm Sale basis**

a) If copies are sold on a sale or return basis and at the time you submit your circulation claim unsold copies could still be returned or reported you must make an estimate of final sales. If an estimate is made:

- i) You must adjust your claim in the following period to reflect any difference between the estimated net sale and actual net sale
- ii) You may account for unsold copies on a transactional basis (i.e. when they are reported for credit). This must be done on a monthly basis as a minimum.

b) You cannot claim sales of back issues.

### REPORTING

You will report Other Countries sales as Foreign.

### GUIDANCE

- G1. **Copies are purchased from the publisher on a contractual basis by a third party for distribution outside South Africa**

a) The third party may be an organisation or an individual.

## e-EDITIONS

### DEFINITION

An e-Edition is an edition of the print publication published electronically as a unit which once published is, as a principle, inert (i.e. does not change).

### PRINCIPLES

1. **Prior notification of e-Edition claims and plans are required**
2. **An e-Edition is sufficiently similar to be considered the same product as the print parent edition**
3. **e-Edition copies are opted in**
4. **An e-Edition is published and available to the consumer**
5. **e-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 Registered Digital Price**

### REQUIREMENTS

1. **Prior notification of e-Edition claims and plans are required**
  - a) You must register your intention to claim in advance of the publication of the issues.
  - b) You must provide planned distribution dates in advance and notify us of any changes.
2. **e-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 print publication reported on the ABC Certificate. This means it must carry a logotype/masthead incorporating the generic name of the print publication and be consistent with the general appearance of the print publication.
  - b) An e-Edition is published electronically as a unit and once published is, as a principle inert.
  - c) It may be reformatted to suit the different delivery medium. *For example: changes in page size or order.*
  - d) An e-Edition must carry the same national advertisements as the print parent edition.
  - e) Editorial or advertising may include electronic enhancements or be adapted to take advantage of the medium.  
*For example: pictures replaced with video*
  - f) e-Editions and their print parent edition must be published on or about a common distribution date.

**3. e-Edition copies are opted in**

- a) The individual must have either specifically purchased the e-Edition, or requested to receive/view it.

**4. An e-Edition is published and available to the consumer**

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

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

- a) e-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 e-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) For Corporate Subscription e-Editions:
  - There must be a contractual arrangement between the purchaser (a third party employer) and the publisher for at least 3 months.
  - 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 e-Edition. *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 e-Edition Single Copy Subscription Sales as follows:
  - i) The amount paid for the gift subscription must be reflected in the relevant price band.
  - 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) Where both print and e-Edition versions of the publication are sold, you cannot claim both, and the print version takes precedence.
- f) You must supply us the claim for e-Edition copies on an issue by issue basis (or as otherwise agreed).

**6. Reported by rate, comparing price paid with the Registered e-Edition Price**

- a) Paid e-Edition copies must be claimed in the appropriate rate band by comparing the price paid with the Registered Digital Price. Note:
  - i) 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 .
- 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.



## REPORTING

You will report total average e-Edition copies as follows, which will be broken out on the ABC Certificate:

1. By geographical type:
  - a) Domestic
  - b) Foreign
2. By circulation type:
  - a) As for print copies, in the same rate bands but separate to print copies:
    - i) Single copy sales
    - ii) Single Copy Subscription Sales
    - iii) Multiple Copy Subscriptions (incl. Corporate Subscriptions)

## GUIDANCE

### **G5 E-Edition copies must meet requirements of the relevant print category except where varied by this section.**

- a) Single copy retail sales of e-Editions via a third party retailer (*for example Apple Newsstand, Google, Amazon etc*) will be reported in the category Single Copy Sales (Sale or Return). Single copy sales of e-Editions direct to a consumer by the publisher will be claimed in the category Single Copy Sales (sale or Return).

# 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.
  - i) Copies claimed in the following categories (both Print and e-Edition, where applicable) will be included in the total Average Circulation figure, broken down by geographical area:

- Single Copy Sales (Sale or Return)
  - Single Copy Sales (Firm Sale)
  - Single Copy Subscriptions
  - Multiple Copy Subscriptions (incl. Corporate e-Edition Subscription Sales)
  - Multiple Copy Sales, including
    - Print Media in Education
    - Other Multiple Copy Sales
  - Contracted Travel Sales

The geographical areas are:

- Domestic
  - Foreign

- ii) Digital Edition copies are reported separately to the print copies and broken down by the following geographical areas: Domestic, Foreign.

### 2. Postal deliveries

- a) You must report the total number of copies posted via the South African Post Office

## REGISTERED COVER PRICE

### DEFINITION

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

### PRINCIPLES

1. **The Registered 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 Registered Cover Price**

### REQUIREMENTS

1. **The Registered Cover Price is a recognised standard price**
  - a) The Registered 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.
  - b) Where multiple cover prices by edition exist, the Registered Cover Price will be the price at which at least 80% of the circulation is sold at, or the highest price at which the publication is sold.
  - c) A title may register several cover prices, but not less than 50% of the Registered Cover Price. Where different circulation category prices are displayed on the masthead, these will not require equal prominence.
2. **A cover price must be published to claim certain categories of paid circulation**
  - a) The cover price 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 the ABC's General Manager 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 Registered Cover Price**
  - a) Circulation sections will stipulate if copies are reported by rate.
  - b) You must communicate a change in the cover price to the ABC within 10 working days of the change.
  - c) Where several cover prices are registered, copies will be reported by rate, comparing the price paid with the cover price registered for those copies.

### REPORTING

You will report the Registered Cover Price for the last issue included in the reporting period

## EDITIONS

### DEFINITION

An Edition is a version of an issue of the publication that varies from the Main Edition (the one that has the largest circulation), usually for reasons of geography, timing, content or language. 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

### 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) Where the Edition is in a different language, the name must be a direct translation or a translation acceptable to the ABC so as not to give the impression that it is a different publication.
  - d) The Edition must carry the same cover date/issue identification as the Main Edition.
  - e) The Edition must be published and distributed on or about the same date as the Main Edition.
  - f) The number of national advertisements in an Edition must be the same as the Main Edition.
  - f) 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.

### 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.
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:
      - You can demonstrate a shortfall in the Domestic normal net sale (i.e. excluding Multiple Copy Sales) and that shortfall is 15% or more of the average normal net sale of the previous 3 equivalent issues (e.g. for a Monday compare to Mondays etc). Note:
        - o The shortfall must have arisen because of the circumstances outside of your control. *For example: machinery breakdown, severe adverse weather significantly affecting distribution.*
        - o If one or more of the last four issues are excluded because of an official National Public Holiday or Christmas/New year trading period exclusions then do not use this as one of the 3 comparable issue but go back one further issue.
        - o If one or more of the last four issues are excluded because of an ABC Granted Exclusion then it will be counted as one of the 3 comparable issues.
    - ii) You submit your application to us using an ABC Exclusion Note Request Form within 21 days of the cover date of the affected issue.

If we do not issue an exclusion note we will issue a rejection notice detailing the reason for rejection.
  - c) **Optional exclusion:** You may optionally exclude the following without applying for an exclusion note:

- i) For Daily Newspapers the following may be excluded and the number of publishing days reduced accordingly:
- Circulation on public holidays.
  - Circulation during the period commencing on 16 December and ending on 31 December. If 16 December falls on Wednesday, circulation will be excluded from Monday 14 December. If this option is chosen, the full period must be excluded.

If a public holiday falls on a:

- Monday, only the circulation for that day may be excluded.
- Tuesday, the circulation for both the Monday and the Tuesday may be excluded.
- Wednesday, only the circulation for that day may be excluded.
- Thursday, the circulation for both the Thursday and the Friday may be excluded.
- Friday, the circulation for both the Friday and the Saturday may be excluded.
- Saturday, only the circulation for that day may be excluded.
- Circulation for a day falling between two public holidays may be excluded.

ii) For Weekend Newspapers, the following may be excluded and the number of publishing days reduced accordingly:

- an issue falling over a weekend may be excluded, where either the Thursday or Friday before, or the Saturday, or the Monday or Tuesday following, is a public holiday.
- Circulation during the period commencing on 16 December, and ending on 31 December. If this option is chosen, the full period must be excluded.

iii) For Weekly Newspapers, the following may be excluded, and the number of publishing days reduced accordingly:

- Circulation on public holidays.
- Where a public holiday falls on a Tuesday or Thursday and the newspaper is published on a Monday or Friday, the circulation for both the public holiday and the publishing day.
- Any issue published the day before or following a public holiday.
- Circulation during the period commencing on 16 December, and ending on 31 December. If this option is chosen, the full period must be excluded.

### 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. Issues excluded from the circulation claim.

## GUIDANCE

None

# BACK ISSUES

## DEFINITION

An issue becomes a back issue when the next issue is available for sale or distribution.

## PRINCIPLES

1. You may not claim back issues.

## REQUIREMENTS

None

## GUIDANCE

None

## REPORTING PERIODS

### DEFINITION

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

### PRINCIPLES

2. **You must report a continuous series of Reporting Periods on a mandatory frequency**
3. **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 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) The mandatory Reporting Period will be quarterly.

### GUIDANCE

None



# CERTIFICATES

## 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

## 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.

## GUIDANCE

None.

# INPUT FORM SUBMISSION, AUDIT, CERTIFICATION

## DEFINITION

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

## PRINCIPLES

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

## REQUIREMENTS

- 1. An Input Form must be submitted for the registered product for every applicable Reporting Period**
  - a) You must submit an Input Form for the applicable mandatory Reporting Period.
  - b) The Input form must be submitted electronically on the ABC website.
  - c) Whilst our systems contain some arithmetic and logic validation processes, the accuracy of the Input Form remains your responsibility.
  - d) Estimates and assumptions must not be made on the Input Form unless the Reporting Standards allow for them.
- 2. The Input Form must be submitted by the Submission Deadline**
  - a) We will publicise the applicable Submission Deadlines.
  - b) It is your responsibility to ensure Input Forms are submitted by the Submission Deadline. Failure to do so will result in the suspension of your title's ABC registration under the ABC Byelaws.
- 3. ABC will issue a Certificate based on the Input Form**
  - a) We will issue a Certificate based on the Input Form. If you use ABC Auditors, the certificate must be signed by an appropriate official representing your organization, and uploaded onto the ABC system. If you use a non-ABC Auditor, the signed certificate must be initialed by the auditor, and together with the Auditor's Report uploaded onto the ABC system.
  - b) We will publicise the applicable dates for uploading.
  - c) It is your responsibility to ensure that the Certificate and Auditor's Report (where applicable) are uploaded by the deadline. Failure to do so will result in the suspension of your title's registration under the ABC Byelaws.
  - d) We first release the circulation figures for publications in a quarterly release of data. We publicise the date and time of this release and you must not issue or publicise any figures before this release.
    - i) If we do not receive the Input Form by the submission deadline, the publication will be reflected as 'No submission'.
- 4. Each circulation claim is audited to verify it is in accordance with the applicable Reporting Standards**

- a) The audit must be carried out either by ABC Auditors or an Approved Auditor appointed by you.
- b) Requirements in relation to the auditor and audits will be covered by the ABC Byelaws, ABC Audit Programmes and contractual arrangements.
- c) We carry out Check Audits on all publications that are not audited by ABC Auditors. The Check Audits are carried out by ABC Auditors and all publications will be inspected at least once every two years on average.
- d) If following an audit or Check Audit we identify material problems (more than 2% of Average circulation) with the Input Form or Certificate then we will revise the claim. If a Certificate has already been issued we will issue a revised Certificate. 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 5 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 General Manager who will investigate and provide a decision within 7 working days. If the objection is to a decision by the General Manager 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 Check Audits on our website.

#### **GUIDANCE**

None.

