

Rule changes are effective immediately unless noted otherwise and are the result of ABC's usual two-step approval process unless designated as approved by "unanimous consent."

## A

### ALL PUBLICATIONS – Page 13

#### Rule A 1.2 Permissions and Prohibitions [section (r) only]

##### AMENDED RULE

*ABC's Board voted unanimously to modify Rule A 1.2 Permissions and Prohibitions, to allow publishers to promote that their Reader Profile and/or Subscriber Profile study is "subject to audit", "audited by ABC" or use other types of language to aggressively promote their involvement in ABC's Research Verification Services until the Audit Report is released.*

#### A 1.2 Permissions and Prohibitions

(r) Participants in ABC's Reader Profile and Subscriber Profile services may publicize results of their studies prior to the release of the final audit document provided final researcher tabulations and/or reader information has been submitted to ABC for verification, and provided all such publicity notes that the findings are subject to final audit results.



### NEWSPAPERS – Page 26

#### Rule C 5.4 Subscription/Single Copy Sales in Combination

##### AMENDED RULE

*ABC's Board voted unanimously to modify Rule C 5.4 Subscription/Single Copy Sales in Combination, to align rule language for all publisher divisions wishing to offer a combination package within their own media division or in partnership with a different media type.*

#### C 5.4 Subscription/Single Copy Sales in Combination

(a) A "forced" combination is defined as two or more publications offered or sold together for an amount less than the total of the basic prices of all the publications and wherein all publications intend to qualify the distribution as "paid circulation," except:

When it is clearly made known to the purchaser that each of the publications may be purchased individually at the same price as if purchased as part of the group.

(b) (1) When subscriptions for two or more newspapers are ordered or sold in combination by mail or through subscription salespeople the amount paid by the subscriber must not be less than 25 percent of the total value of all the subscriptions in the combination based on a pro rata of the basic annual subscription prices as set forth in Rule C 1.1.

~~In the case of a subscription for newspapers with a term of less than one year included in an offer, the amount to be included for such subscription in the total amount paid by the subscriber must not be less than 25 percent of the basic price for the term offered. If there is no basic price for the term offered, the amount to be included for such subscription in the total amount paid by the subscriber must not be less than 25 percent of a pro rata of the basic price for the next shorter term. If there is no basic price for the term offered nor for a shorter term the amount to be included for such subscription in the total amount paid by the subscriber must not be less than 25 percent of a pro rata of the basic price for the next longer term.~~

~~The above percentages shall be figured either on subscription prices or single copy prices, according to which prices are quoted in the offer or used in making up the claimed total value of the offer.~~

~~The provisions of this section apply to carrier delivered and mail subscriptions as well as single copy sales of two or more publications offered or sold in combination.~~

(2) When subscriptions for two or more publications, one of which is a newspaper and the other a periodical (magazine, business publication or farm publication), are ordered or sold in combination by any means, the amount paid by the subscriber must not be less than 25 percent of the basic price of the newspaper for the term ordered, plus at least the qualifying amount as defined by the periodical's Paid Circulation Defined rules.

~~(c) In a combination offer, the saving effected through the acceptance thereof may be expressed in monetary terms or percentage. In case of an offer of a combination of publications at a total price, any statement indicating that the saving effected is not spread proportionately over the publications shall disqualify as paid all subscriptions resulting from the offer.~~

~~(d) Copies served to eExisting and renewing newspaper subscribers offered a combination sale of magazine may qualify as paid under one either of the two following conditions:~~

(1) The offer to "add on" the combination magazine publication requires an affirmative act on the part of the subscriber and incremental payment beyond the rate of the existing contract, or an option to reduce the rate of the existing contract if the offer is declined. The amount of incremental payment or reduction of rate from the existing contract must be clearly disclosed, and must be at least a qualifying amount as defined by the publication paid circulation defined rules.

(2) The offer to "add on" the combination publication requires notification to the subscriber and promotion materials shall not imply nor suggest that the add on magazine is "free" or "at no additional cost." The amount being paid for all publications involved in the combination must be at least a qualifying amount as defined by the publication paid circulation defined rules.

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~~(e) Existing and renewing newspaper subscribers offered a combination sale to include a business publication, farm publication, or another newspaper, may qualify as paid under the following conditions:~~

~~(1) The offer to "add on" the combination publication must require an affirmative act on the part of the subscriber; offers requiring the subscriber to decline the combined publications if it is not desired will not qualify the sale as paid circulation.~~

~~(2) The offer to "add on" the combination publication must require either incremental payment beyond the rate of the existing contract, or an option to reduce the rate of the existing contract if the offer is declined. The amount of the incremental payment or reduction of rate from the existing contract must be clearly disclosed, and must be at least a qualifying amount as defined by the publication paid circulation defined rules.~~



## BUSINESS PUBLICATIONS – Page 40

### Rule D 2.8 Subscriptions Sold with Other Publisher Goods/Services

#### NEW RULE

*ABC's Board voted to add new Rule D 2.8 Subscriptions Sold with Other Publisher Goods/Services to allow business publications to qualify subscriptions sold as a non-deductible component of a "package" transaction as paid circulation. A "package" transaction occurs when an individual subscription is sold in conjunction with the sale of other publisher goods/services where the recipient does not have the option of deducting the subscription price from the purchase price.*

#### D 2.8 Subscriptions Sold with Other Publisher Goods/Services

Individual subscriptions sold in conjunction with sales of other publisher goods/services, where the recipient does not have the option of deducting the subscription price from the purchase price, shall qualify as paid circulation, and be reported as "Subscriptions – Individual" under the following conditions:

(a) The amount of the purchase price allocated for the subscription must be clearly communicated during the sales transaction and stated on the sales invoice.

(b) The amount allocated for the subscription must be at a qualifying price.

(c) Subscribers may be sold only one subscription in conjunction with a "package" of the Publisher's goods or services per year.

(d) Subscriptions may only be sold in conjunction with other goods or services related to the field served.

(e) Such subscriptions reported in Paragraph 1A must be footnoted to provide a complete explanation in the paragraph devoted to general explanations in Bureau reports. The explanation must identify the range of subscriptions sold with the package of publisher goods/services and a description of package offered by the publisher.

(f) Such subscriptions shall be reported separately in the paragraph devoted to premium usage as "Sold with Other Publisher Goods/Services."



## BUSINESS PUBLICATIONS – Page 44

### D 8.5 Subscription/Single Copy Sales in Combination

#### AMENDED RULE

*ABC's Board voted unanimously to modify Rule D 8.5 Subscription/Single Copy Sales in Combination, to align rule language for all publisher divisions wishing to offer a combination package within their own media division or in partnership with a different media type.*

#### D 8.5 Subscription/Single Copy Sales in Combination

(a) A "forced" combination is defined as two or more publications offered or sold together for an amount less than the total of the basic prices of all the publications (as determined by D 1.1) and wherein all publications intend to qualify the distribution as "paid circulation," except:

When it is clearly made known to the purchaser that each of the publications may be purchased individually at the same price as if purchased as part of the group.

(b) When subscriptions for two or more business publications are ordered or sold in combination by mail or through subscription salespeople the amount paid by the subscriber must not be less than one cent per business publication.

(1) When two subscriptions for two or more publications, one of which is a business publication and another a magazine, farm publication or newspaper, the amount paid by the subscriber must not be less than one cent for the business publication plus at least the qualifying amount is defined by the other publication's division.

(c) The amount of money to be allocated to each title in the combination sale offer for purposes of classification of the sales compared to basic prices (see D 1.2) shall be based on the offer presentation itself, if it includes references to the value of each subscription in the combination sale (the sum of which must total to the selling price for the combination sale), or the amount to be charged incrementally or reduced from the existing contract or renewal in the "add on" offer, or, if no such presentation is made, shall be based on the pro rata of each publication's basic price to the sales price.

(d) Existing and renewing business publication subscribers may be offered a combination sale qualify as paid under the following either of the two conditions:

~~(1) The offer to "add on" the combination publication must require an affirmative act on the part of the subscriber; offers requiring the subscriber to decline the combined publications if it is not desired will not qualify the sale as paid circulation.~~

(1) The offer to "add on" the combination publication requires an affirmative act on the part of the subscriber and incremental payment beyond the rate of the existing contract, or an option to reduce the rate of the existing contract if the offer is declined. The amount of incremental payment or reduction of rate from the existing contract must be clearly disclosed, and must be at least a qualifying amount as defined by the publication paid circulation defined rules.

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~~(2) The offer to "add on" the combination publication must require either incremental payment beyond the rate of the existing contract, or an option to reduce the rate of the existing contract if the offer is declined. The amount of incremental payment or reduction of rate from the existing contract must be clearly disclosed, and must be at least a qualifying amount as defined by the publication's paid circulation defined rules.~~

(2) The offer to "add on" the combination publication requires notification to the subscriber and promotion materials shall not imply nor suggest that the add on business publication is "free" or "at no additional cost." The amount being paid for all publications involved in the combination must be at least a qualifying amount as defined by the publication paid circulation defined rules.



## MAGAZINES – Page 64

### Rule F 1.4 Average Price [section (e) only]

#### AMENDED RULE

*A housekeeping amendment was approved as follows – in crafting the rules related to the optional "gross average price", the inclusion of credit cancelled dollars was inadvertently omitted in section (e) of subject rule.*

#### F 1.4 Average Price

(e) Publishers may include a recalculation of Average Annualized Subscription Value (average subscription price) to include premium values and credit cancel production copies. This optional reporting will be identified as "gross (optional) average subscription price" if included in Publisher's Statements and shall include both per-copy and annualized values.



## MAGAZINES – Page 64

### Rule F 2.1 Sponsored Sales

#### AMENDED RULE

*ABC's Board voted unanimously to modify Rule F 2.1 Sponsored Sales, to align rule language for the consumer magazine, business publication and newspaper divisions.*

#### F 2.1 Sponsored Sales

(a) All copies or subscriptions purchased in quantities of 11 or more, which in the opinion of the managing director promote the professional or business interests of the purchaser, shall be considered "Sponsored" subscriptions or single copy sales and shall be reported in Publisher's Statements and Audit Reports either ~~"Public Place/Sponsored"~~ or ~~"Individually Addressed/Sponsored"~~ per the provisions of paragraphs ~~(f)(e)~~ and ~~(g)(f)~~ below, except as otherwise permitted or prohibited by the following provisions:

~~(b) "Public Place/Sponsored" sales are copies intended for distribution to waiting rooms, reception areas or otherwise distributed in bulk quantities to the purchaser for redistribution by the purchaser.~~

~~"Individually Addressed/Sponsored" sales are copies distributed to individual addresses per the instructions of the sponsored purchaser.~~

~~(c)(b)~~ Quantity sales shall be set up as Sponsored Sales ~~(either Public Place/Sponsored or Individually Addressed/Sponsored, as applicable)~~ only if the purchaser pays the publisher or publisher's agent amounts required by F 1.1. Promotional and/or distribution credits given to the purchaser by the publisher's agent shall not be considered in the qualification as paid in accord with F 1.1. Promotional and/or distribution credits are intended to cover services such as creation of targeted lists, actual cost incurred for distribution to hotel rooms, etc.

~~(d)(c)~~ Copies served in post expire status shall be excluded from paid circulation and included in non-paid distribution.

~~(e)(d)~~ All copies or subscriptions purchased in quantities of 10 or less shall be designated in Bureau reports as "Single Copy Sales" or "Subscriptions: Individual" except as otherwise permitted or prohibited by the provisions hereafter stated.

~~(f)(e)~~ For reporting purposes on Publisher's Statements and Audit Reports, all Sponsored Subscription Sales will be identified in one of four types as follows ~~(note Public Place/Sponsored Sales and Individually Addressed/Sponsored Sales shall be summed to determine if any of the reporting thresholds identified below are met or surpassed. If a reporting threshold is met or surpassed, the applicable paragraph shall separate these two categories of sponsored sales for reporting purposes):~~

Type (1) - Sponsored subscriptions which on average exceed 10% of Total Average Paid Subscription circulation for the Publisher's Statement reporting period - the average is to be reported in Paragraph 4B, with a footnote in the explanatory paragraph.

Type (2) - Sponsored subscriptions derived from a sale to a single purchaser, the total volume of which exceeds 5% of the Total Average Paid Subscription circulation excluding Sponsored Subscription Sales, for the period in which the transaction takes place - the average resulting from these subscriptions is to be reported in Paragraph 4B, with a footnote to the explanatory paragraph.

Type (3) - Sponsored subscriptions, which on average exceed 5% but not greater than 10% of Total Average Paid Subscription circulation for the Publisher's Statement reporting period - the average is to be reported in Paragraph 9, with a footnote to the explanatory paragraph.

Type (4) - Sponsored subscriptions which do not exceed the thresholds noted above - shall be included in Total Average Paid Subscription circulation in Paragraph 1 without further explanation.

In addition, publishers shall have the option of reporting these sales by distribution points (i.e. airlines, hotels, waiting rooms, individually addressed, etc.)

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~~(g)(f)~~ For reporting purposes on Publisher's Statements and Audit Reports, Sponsored Single Copy Sales will be identified in one of two types as follows ~~(note Public Place/Sponsored Sales and Individually Addressed/Sponsored Sales shall be summed to determine if any of the reporting thresholds identified below are met or surpassed. If a reporting threshold is met or surpassed, the applicable paragraph shall separate these two categories of sponsored sales for reporting purposes).~~

Type (1) - Sponsored single copy sales, which on average exceed 10% of the Average Total Single Copy Sales circulation for the Publisher's Statement period - the average is to be reported in Paragraph 4B, with a footnote reference to the explanatory paragraph.

Type (2) - Sponsored single copy sales, derived from a sale to a single purchaser, the total volume of which exceeds 1% of the Total Average Paid Circulation, excluding total Sponsored sales, for the period in which the transaction takes place - the average resulting from these sales are to be reported in Paragraph 4B, with a footnote reference to the explanatory paragraph.

(g) On an optional basis, publishers may elect to further analyze Sponsored Sales (subscription and/or single copy) as either "Public Place/Sponsored" or "Individually Addressed/Sponsored" as per the following definitions:

"Public Place/Sponsored" sales are copies delivered to waiting rooms, reception areas or other public settings to be shared by multiple consumers, or to be picked up by unknown users of the venue.

"Individually Addressed/Sponsored" sales are copies delivered to private residences or business offices and intended for the personal consumption of the addressee.

Only those publications that have adequate records to verify classification as defined above should consider making this optional reporting analysis.

(h) Sponsored sales, if included in paid and are either type (1), type (2) or type (3) as noted in paragraphs ~~(f)(e)~~ and ~~(g)(f)~~, shall be identified as either ~~Public Place/Sponsored~~ or ~~Individually Addressed/Sponsored~~, as applicable and fully explained in the explanatory paragraph giving details of their nature, showing price received, how distributed including whether copies were individually addressed or purchased for redistribution and any other amplification necessary to make possible a clear analysis of their value including the range of sales as follows; "sold in quantities of \_\_\_\_\_ to \_\_\_\_\_."

(i) If a magazine is the official journal of an association and the majority of the subscriptions are Association, ~~Public Place/Sponsored Sales~~ subscriptions may be included with Association Subscriptions in Paragraph 1 if the average for the period does not exceed 10 percent of the total average subscription circulation.

(j) The subscriptions involved in a quantity sale made to an individual, group of individuals or corporation, which have a financial interest in the publication, shall not be included in Sponsored Sales but shall be included in non-analyzed non-paid circulation, unless it can be proved to the satisfaction of the managing director that the sale was made for the benefit of the purchaser and not for the benefit of the publication.

(k) Subscriptions purchased in quantities by corporations, institutions or individuals for their own employees, subsidiary companies or branches are not subject to the provisions of Paragraph (a) but shall instead be judged by the rule governing Group (Mail Subscriptions Special). (See F 2.5)

(l) Copies of magazines that are distributed through redemption programs utilizing advertiser coupons are eligible to be included in paid circulation when the price paid by the purchaser (advertiser) is in accord with F 1.1. In addition, the total number to be included in paid circulation is limited to 1 percent of total circulation in the geographic area in which the coupons are distributed. Copies in excess of 1 percent of total circulation for the period in which the transaction takes place shall be included in total non-analyzed non-paid circulation. Any program involving advertiser coupons for the redemption of single copy sales must be reviewed and approved in advance by ABC and all copies so distributed must be fully explained in the appropriate paragraph of ABC Publisher's Statements and Audit Reports.



MAGAZINES – Page 66

### Rule F 2.7 Club/Membership Subscriptions [section (c) only]

#### AMENDED RULE

*ABC's Board voted unanimously to modify Rule F 2.7 Club/Membership Subscriptions, to allow for the offer of the "deduction" to be made either through notification on the invoice and reduction of monies paid at the time membership dues are paid or through a rebate/refund being offered in external communication to the member subsequent to the invoice transaction.*

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## F 2.7 Club/Membership Subscriptions

(c) The amount to be allocated to the subscription shall be identified in a clear and reasonable manner ~~as either deductible or nondeductible from the total membership fee.~~ If the amount is deductible from dues it may be presented to the club member either through notification on the invoice with an option for reduction of dues of the allocated amount at time membership dues are paid, or through a rebate/refund offered to the member in external communication subsequent to the membership dues being paid.



## MAGAZINES – Page 70

### Rule F 8.4 Subscription/Single Copy Sales in Combination

#### AMENDED RULE

*ABC's Board voted unanimously to modify Rule F 8.4 Subscription/Single Copy Sales in Combination, to align rule language for all publisher divisions wishing to offer a combination package within their own media division or in partnership with a different media type.*

### F 8.4 Subscription/Single Copy Sales in Combination

(a) A "forced" combination is defined as two or more publications offered or sold together for an amount less than the total of the publisher's suggested prices of all the publications and wherein all publications intend to qualify the distribution as "paid circulation," except:

When it is clearly made known to the purchaser that each of the publications may be purchased individually at the same price as if purchased as part of the group.

(b) When subscriptions for two or more magazines are ordered or sold in combination by any means the amount paid by the subscriber must not be less than one cent per publication in the combination magazine.

(1) When subscriptions for two or more publications, one of which is a magazine and the other a business publication, farm publication or newspaper, the amount paid by the subscriber must not be less than one cent for the magazine plus at least the qualifying amount as defined by the other publication's division.

(c) ~~The average of copies served~~ The total number of subscriptions sold in the period as a result of a "forced combination" sale shall be shown in Publisher's Statements and Audit Reports in the paragraph devoted to general explanations. In addition, details of the combination offer, to include titles of other publications involved, Publisher Suggested Prices of all publications included, term of offer and total selling price shall be included in Publisher's Statements and Audit Reports in the paragraph devoted to general explanations.

(d) The amount of money to be allocated to each title in the combination sale offer for purposes of calculating average per-copy prices shall be based on the offer presentation itself, if it includes reference to the value of each subscription in the combination sale (the sum of which must total to the selling price for the combination sale), or the amount to be charged incrementally or reduced from the existing contract or renewal in an "add on" offer (see (f) and (g) below), or if no such presentation is made, shall be based on the pro rata of each publication's publisher's suggested price to the sales price.

(e) Regardless of its frequency of issue, a publication, the content of which consists chiefly of data for reference rather than for general reading, shall if sold in combination with other publications, be considered a premium in the reports of the publication or publications in the sale of which it is combined. Regardless of the character of its contents a publication whose frequency of issue is less than once in three months shall, if sold in combination with other publications, be considered as a premium in the reports of the publication or publications in the sale of which is combined.

(f) ~~Copies served to existing and renewing magazine subscribers offered a combination sale of another magazine may qualify as paid under one of the two following conditions:~~ Existing and renewing magazine subscribers offered a combination sale may qualify as paid under either of the two following conditions:

(1) The offer to "add on" the combination ~~magazine publication~~ requires an affirmative act on the part of the subscriber and incremental payment beyond the rate of the existing contract, or an option to reduce the rate of the existing contract if the offer is declined. The amount of incremental payment or reduction of rate from the existing contract must be clearly disclosed, and must be at least a qualifying amount as defined by the publication paid circulation defined rules.

(2) The offer to "add on" the combination publication requires notification to the subscriber and promotion materials shall not imply nor suggest that the add on magazine publication is "free" or "at no additional cost." The amount being paid for all publications involved in the combination must be at least a qualifying amount as defined by the publication paid circulation defined rules.

~~(g) Existing and renewing magazine subscribers offered a combination sale to include a business publication, farm publication, or a newspaper, may qualify as paid under the following conditions:~~

~~(1) The offer to "add on" the combination publication must require an affirmative act on the part of the subscriber; offers requiring the subscriber to decline the combined publications if it is not desired will not qualify the sale as paid circulation.~~

~~(2) The offer to "add on" the combination publication must require either incremental payment beyond the rate of the existing contract, or an option to reduce the rate of the existing contract if the offer is declined. The amount of the incremental payment or reduction of rate from the existing contract must be clearly disclosed, and must be at least a qualifying amount as defined by the publication paid circulation defined rules.~~

Rule changes are effective immediately unless noted otherwise and are the result of ABC's usual two-step approval process unless designated as approved by "unanimous consent."



## MAGAZINES – Page 71

### F 8.9 Subscriptions Purchased with Award Points

#### AMENDED RULE

*ABC's Board voted unanimously to modify Rule F 8.9 Subscriptions Purchased with Award Points, to reflect updated reporting requirements, wherein effective with the June 30, 2004 reporting period, publishers are required to provide, in the Publisher's Statement and Audit Report, the average number of copies served, as reported in Paragraph 1, Average Paid Subscriptions, during the period which were obtained through the redemption of award points; as well as full disclosure of the program description, value assigned to the points redeemed and the term and price of subscriptions served, in the Explanatory Paragraph.*

### F 8.9 Subscriptions Purchased with Award Points

Subscriptions to a publication purchased through the redemption of trading stamps or award points (to include frequent flyer miles) shall qualify as paid only upon satisfactory evidence that the cash value of the trading stamps or award points is equivalent to one cent or more. ~~The transactions must be fully explained in Publisher's Statements.~~ Adequate records must be available to verify that the proper payment has been received.

The average number of copies served in the period from subscriptions purchased through the redemption of trading stamps or award points (to include frequent flyer miles) and a full explanation of the program details, value assigned to the points redeemed and the term and price of subscriptions served will be made in the Explanatory Paragraph of Publisher's Statements and Audit Reports.

## POLICIES AND PRACTICES – Page 84

### Policy Relating to NIE Copies Served to College Students

*ABC's Board voted unanimously to modify subject policy to allow for qualifying copies under this category that are paid for by a sponsor.*

### Policy Relating to NIE Copies Served to College Students

Copies provided to registered college students in a campus-setting in lieu of a classroom-setting may be included in paid circulation as NIE-Registered College Student Copies under the following conditions:

(a) Only copies provided to registered students will be eligible under this policy.

(b) All copies claimed as paid circulation must be paid for in accord with Rule C 1.1. ~~Payment may be made by the college or university, out of general college funds. Sponsorship funding generally applicable for other NIE sales are not applicable for this distribution or through sponsorship funds.~~

(c) All copies made available to registered college students must be placed in limited access areas where only registered students are permitted, such as dormitories or resident halls, cafeterias restricted for use by registered students, etc. or by 'smart vending machines' operated by student identification. Copies are to be available for individual pickup, and should not be delivered to individual rooms/mailboxes.

(d) Only copies actually picked up by registered students may be claimed as paid circulation.

(e) The publisher must maintain daily records to show the number of copies placed at each individual pickup location, the copies actually picked up, and the number of copies remaining at the end of the day. Such records are subject to field auditor verification.

(f) Whenever Registered College Student copies are claimed as paid circulation in ABC reports, the explanatory paragraph shall include a complete description of the program to include the name of the college/university involved, the semester dates and the total number of registered students.



Audit Bureau  
of Circulations

# BYLAWS & RULES

# BULLETIN

Vol. 82 • No. 1  
Edition BH

Amendments to Bylaws & Rules  
adopted at March 2004 Board Meeting.  
Underlined and strikethrough text  
indicates the amendment to Bylaw or Rule.

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