



December 2008

Leading the World in Auditing Media

Dear BPA Worldwide Member:

Below, we have summarized new rule amendments passed by BPA's Board of Directors at their December 2008 meeting.

Unless otherwise specified, all changes are effective January 2009.

The Rule Amendments/New Rules may be accessed through the "Rules" link on the bpaww.com home page, or here: <http://www.bpaww.com/rules/index>.

We have also posted this summary to the [BPA blog](#) for your comments and questions.

Or, if you prefer, please contact your BPA Member Relations Manager, or any of our audit staff, if you have questions. MRM contacts can be found on the BPA website.

Board Actions Applying to Business Publications and Consumer Magazines:

BUSINESS
CONSUMER
DATABASE
EMAIL
EVENTS
INTEGRATED
INTERACTIVE
NEWSPAPER

- **Consolidation of request sources:** After one year, it is clear the telecommunication recording rule has its benefits. Credibility of the source has risen, as has the effectiveness and efficiency of the audit. As a result, the BPA Worldwide Board of Directors voted to collapse the reporting of written, telecommunication and electronic channels on Business (B) paragraph 3b and Consumer (C) paragraph 5 in circulation statements and audit reports to simply "request" and "communication" sources.

Publishers may continue to report each sub-category separately as an option.

- **Paid reporting updates:** Paragraphs B5-8/C3a-3d on the BPA statement report total new and renewed qualified paid subscription orders/sold for the period. Current BPA rules require publishers to report these paragraphs if their average paid circulation exceeds 50%.

At its meeting, the BPA Board voted to simplify paid reporting requirements by eliminating paragraph B6/C3b, "length of subscriptions", and paragraph B8/C3d, "how ordered", noting that this information can be found elsewhere in the report. Paragraph B5/C3a, "prices" (which includes term), and paragraph B7/C3c, "use of free promotional incentive" are required to be reported for all publications with more than 50% average paid circulation, including membership benefit subscriptions.

- **Reporting electronic edition site license distribution:** Electronic edition site license distribution is one electronic copy of a publication sent to an administrator at a subscribing company and posted on the company's intranet for multiple-user access. BPA can verify terms of payment and delivery of one copy; however, there is no effective means to confirm viewing information by company employees. As a result, site license distribution is not considered qualified circulation. However, the Board did approve reporting electronic edition site license distribution so that it may appear in a separate paragraph on page one and separately throughout the balance of the BPA statements.

Board Actions Applying to Business Publications and Consumer Magazines (continued)

- **Consolidation of Membership Benefit sources:** The Board continued its consolidation of paragraph B3b/C5 with the removal of the “individual” and “organizational” reporting channels within the Membership Benefit source. Board members noted little perceived value of separating the two categories with very few members reporting “membership benefit-organizational” circulation.
- **Discontinuance of separate reporting for two passive sources:** The BPA Board also voted to further streamline paragraph B3b/C5 with the consolidation of “Independent Field Reports” and “Licensees” into the “Other” category within section V - “Sources other than above”; however, both remain bonafide sources that can be used.
- **Late mailing rules aligned:** Current BPA rules allow publications and magazines with monthly frequencies to distribute up to the day before the next issue and not be considered “late distribution”. However, bi-monthly, semi-monthly and weekly frequencies were required to be distributed at least two days before the next issue. The Board, in an effort to create a late distribution rule consistent across all frequencies, amended the rule so all publications and magazines—regardless of frequency—may distribute up to the last day before the next issue.

Board Actions Applying to Consumer Magazines Only:

- **Multi-copy same addressee street rack distribution:** The Board amended the rule addressing street rack distribution of multi-copy same addressee copies, whereby publishers may claim such circulation as qualified when a municipality does not govern rack placement.

However, in those cases where street racks are controlled by cities or municipalities, publishers must obtain prior approval in order to claim that circulation as qualified MCSA copies.

Again, please refer to the link for the Executive Summaries of Rules, or use the link provided at the top of this document, to access full rules amendment language and specifics.

Sincerely,



Richard Murphy
Senior Vice President, Auditing