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## BPA WORLDWIDE DAILY NEWSPAPER RULES

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## **DAILY NEWSPAPER RULES**

### **BPA Worldwide – December 2011**

#### **MEMBERSHIP**

##### **DN1.0 Obligations of Membership**

###### **DN1.1**

All members shall comply with the Bylaws and Rules of the Corporation.

###### **DN1.2**

Should it be necessary for the Corporation to take any action, whether internal or by litigation, to enforce any Bylaw or Rule, or to collect any monies due it, the member or former member against whom such action is taken shall be responsible for and shall pay to the Corporation all costs and expenses incurred by the Corporation in connection with such action, including, by way of illustration and not limitation, the cost of auditor's and other staff time spent in connection with the enforcement procedure, postage, printing, supplies, reasonable attorney's fees, whether incurred in an internal enforcement procedure or in litigation in the courts or before an arbitration tribunal, and legal disbursements.

###### **DN1.3**

Should it be necessary for the Corporation to participate in a legal proceeding as a witness, the member or former member for whom such action is taken shall be responsible for and shall pay to the Corporation all costs and expenses in connection with such action. This includes, by way of illustration and not limitation, the cost of auditor's and other staff time charged at a rate established by the Board of Directors, postage, reproduction, supplies, and reasonable attorney's fees. This is applicable whether incurred to respond to a subpoena, or appear for deposition, litigation in the courts, an arbitration tribunal, or any other legal proceeding.

##### **DN1.4 Employment of BPA Worldwide Personnel**

Should any member, or vendor to a member providing information for the member's audit, employ BPA personnel within three months of having conducted that member's audit, or internal audit review, the Corporation shall conduct a review of the audit at the cost of the corporation. If such review presents issues requiring a re-audit, one shall be conducted. If the re-audit results in adjustments to the previously audited circulation, the member, or associate member, involved shall pay to the Corporation all costs and expenses (travel and otherwise) in connection with conducting such re-audit.

##### **DN2.0 Eligibility**

###### **DN2.1**

A newspaper applying for membership shall qualify as stated in Section 2.0 of the Bylaws, and shall conform to the following requirements:

###### **DN2.2**

It shall be a daily newspaper.

### **DN2.3**

The newspaper shall maintain continuity of style, format, subject or theme from issue to issue.

### **DN2.4**

It shall publish for a minimum period of three months before being eligible for an initial audit, subject to the approval of the President.

### **DN2.5**

It shall be a newspaper which includes advertising.

### **DN2.6**

When a newspaper has a supplement, the President shall determine whether the newspaper is a single qualified newspaper or is, in effect, two or more separate newspapers requiring separate memberships, Circulation Audit Reports for each newspaper. In order to qualify as a single newspaper, the host newspaper and the supplement shall meet all of the following conditions:

The supplement shall serve the same field as the host newspaper.

The qualified recipients on the lists shall be in the same market. The supplement's recipients may be a subset of the host newspaper's qualified recipients.

The supplement shall be identified separately on advertising rate source material and in circulation promotion. In advertising rate source material, separate reference to each supplement's frequency, issuance and closing dates is required.

If, after consideration of the above conditions, the President determines that the newspaper is, in effect, a single newspaper, the publisher will be given the option to report the circulation at the end of the host newspaper's Circulation Audit Report.

When the President determines that the newspaper is, in effect, a single newspaper, but the publisher wishes separate Circulation Audit Reports for each supplement, separate memberships will be required.

### **DN2.7**

When a newspaper has extra editions, the President shall determine whether the newspaper is a single newspaper or is, in effect, two or more separate newspapers requiring separate memberships and separate Circulation Audit Reports for each edition on the basis of the following conditions:

The extra edition is distributed to all or a specifically designated portion of the circulation list of the regular newspaper.

The extra edition is identified on its cover as a special issue of the primary newspaper.

If, after consideration of the above conditions, the President determines that the newspaper is, in effect, a single newspaper, the President shall require the newspaper to report the extra edition in paragraph 6 of the Circulation Audit Report, but not in paragraph 1 or 2 if the extra issue is distributed to less than the identical circulation list as that of the regular newspaper.

## **DN2.8**

When a newspaper has separate editions such as Total Market Coverage (TMC), Extended Market Coverage (EMC), demographic or geographic, the President shall determine whether the newspaper is a single newspaper or is, in effect, two or more separate newspapers requiring separate memberships, Circulation Audit Reports for each edition. In order to qualify as a single newspaper, the separate editions shall meet all of the following conditions:

Shall have the same Audit Reports of Publishing and Circulation Policy.

Shall have the same editorial scope with only such variations in editorial matter required by the different demographic or geographic audience served.

The editions shall be identified separately on advertising rate source material.

If, after consideration of the above conditions, the President determines that the newspaper is, in effect, a single newspaper, the publisher will be given the option to report the circulations for each edition separately. If the publisher opts to report each edition separately, the publisher shall report such editions separately in paragraphs 1 and 2 of the Circulation Audit Report.

When the President determines that the newspaper is, in effect, a single newspaper, but the publisher wishes separate Circulation Audit Reports for each edition, separate memberships will be required.

## **DN2.9**

Industry service providers, companies or individuals, applying for associate membership shall qualify as stated in Section B2.0 of the Bylaws and shall conform to the following requirements:

### **DN2.9.1**

Provide the names and contact details of three professional references that can attest to the applicants successful completion of BPA Worldwide related projects. It is allowable to provide one reference if a minimum of three projects were completed.

### **DN2.9.2**

Associate members who maintain successful ongoing completion of BPA projects are permitted to renew their membership on an annual basis.

### **DN2.9.3**

Reviews of performance will be completed for any associate member's work that negatively impacts BPA members or the industry. Those associate members who are found to be negatively impacting BPA members or the industry will be reviewed under Section 10 of the Bylaws (offences and penalties).

## **DN3.0 Overseas or Out of Country Audits**

### **DN3.1**

Overseas or Out of Country Audits shall mean any audit that shall be performed outside of the physical boundaries of the United States, Canada, UAE, China, and United Kingdom (where BPA Worldwide has offices).

## **DN3.2**

Whenever it is necessary for an auditor to perform an Overseas or Out of Country Audit, the publisher member shall pay the following fees and charges of such an audit:

The normal auditing and additional hourly charges for the newspaper in accordance with Section 3.1.3 of the Bylaws.

An additional charge of 50% of the regular auditing charge to provide for the travel time and lost time to the auditor.

For publishing companies with multiple audits being conducted at the same time, this 50% surcharge shall be levied against only the highest audit charge.

The "economy or coach" air travel costs of the auditor computed from the auditor's departure point to the actual location where the audit is made.

## **DN3.3**

A member requesting an Overseas or Out of Country audit shall make an advance payment to BPA Worldwide of the estimated charge computed in accordance with the formula set forth in DN3.2 of this Section.

## **DN3.4**

BPA Worldwide may also require a publisher member requesting an Overseas or Out of Country audit to sign a contract for such audit, the form of which may be fixed by the Board of Directors from time to time, but in any event shall include the substantive provisions of this Section.

## **DN4.0 Procedure**

### **DN4.1**

An applicant eligible for Newspaper Audit membership in BPA Worldwide shall, in addition to filing an application, proceed as follows:

Fill out and sign a three, six, or twelve month circulation claim and file it with the Corporation. This claim shall be in conformance with Sections DN8.0, DN9.0 and DN10.0 of these rules and shall be the basis for the initial Audit Report.

Provide, maintain and make available to the auditor, all requirements and records as stated in Section DN10.0 of these Rules.

### **DN4.2**

On receipt of the applicant's first circulation claim, the corporation shall, as soon as possible, make an examination of the newspaper's records and complete an initial audit.

### **DN4.3**

For auditing single copy sales, final settlement figures shall be available for all the issues in the period.

#### **DN4.4**

Upon acceptance and release of this report by a majority of the Board of Directors, the publisher shall be notified that they have been elected to membership.

#### **DN4.5**

If it is found that the publisher's records are incomplete and the initial audit cannot be made, the publisher shall be required to install and maintain such auditable records as recommended by the Corporation. A newspaper shall not become a member until an auditable Audit Report is submitted and the records are audited in accordance with the instructions from the Corporation. (See Bylaws, Section 2.9.2.)

#### **DN4.6**

If the President finds, after a sufficient time has elapsed, that the publisher applicant's records are incomplete and an acceptable initial audit cannot be made, BPA Worldwide may release a notice to its members officially notifying them that the application has been rejected. This notice may take the form of a posting on BPA's web site and/or a mailing to the membership and BPA's press list.

### **DN5.0 - PUBLICITY**

#### **DN5.1**

The Corporation has rights in the Corporation's name, trademarks and figures appearing in the Corporation's released reports (hereinafter referred to as "The Corporation's rights").

The Corporation owns the copyright in all reports either filed with or published by the Corporation including, without restricting the generality of the foregoing, all Circulation Audit Reports and Bulletins. By executing the Application for Membership, each member thereby assigns and transfers to the Corporation any right, title or interest, whether in copyright or otherwise, that such member may have now or in the future in any data or information provided to the Corporation.

The proper and widest possible use of the Corporation's rights is highly desirable. The use by a member of the Corporation's rights implies that the Corporation has approved or authorized their use in the form as used. Members should, therefore, contact the Corporation if they wish to use the Corporation's rights in a manner other than as set out in these Rules and Regulations.

As every member has an interest in protecting the Corporation's rights, the Corporation has set out the following guidelines relating to the use of the Corporation's rights. Although they are not designed or intended to restrict legitimate and proper use, they are set down to protect the integrity and reliability of the Corporation, the Corporation's rights and the audited circulation figures published by it.

#### **DN5.2**

The provision of the Bylaws and Rules relating to publicity shall apply equally to applicants for membership.

#### **DN5.3**

Any printed or electronic document, advertisement, promotion material, or communication (including communications and documents designed for intra- or interoffice use) which is published or distributed in any manner outside of a publisher's own staff (including information disseminated via e-mail or the Internet/World Wide Web) is subject to the provisions of the Bylaws and Rules regarding publicity as of the time of its printing or electronic distribution.

#### **DN5.4**

Any document, advertisement, promotional material or written/electronic communications that is accurate at the time of printing or electronic distribution shall not be considered in violation retroactively.

#### **DN5.5**

For standard circulation data, the maximum time any printed document, advertisement, promotional material or written communication shall be considered in compliance is 15 months from the time of printing. The maximum time an electronic communication shall be considered in compliance is 6 months.

#### **DN5.6**

A member shall not make any false, fraudulent or misleading statements as to any aspect of circulation, distribution or coverage. If questions arise concerning whether a document, advertisement, promotional material or written/electronic communication is misleading, a determination shall be made by the BPA Worldwide President or designated agent, based on all available information (see Section DN5.42 regarding formal complaints and appeals).

A member shall not attribute BPA Worldwide authority, stated or implied, to ancillary products, unless such products are traceable to a BPA Worldwide Circulation Audit Report.

#### **DN5.7**

Rights in the logos or trademarks are owned only by the Corporation and the right to use the logos or trademarks is a privilege of membership. The use by a member of a logo or trademark carries the implication that the Corporation has approved the advertising or document in which the trademark appears. Unauthorized or improper use of the logos or trademarks may be harmful to the Corporation, the Corporation's rights and its members, and may result in the loss of the right of the Corporation to the use of the logos or trademarks.

A member shall make clear that the use of the logos or trademarks by the member is only as a member of the Corporation and there shall be no suggestion or implication that the member owns any rights in the logos or trademark. As it is not possible to set out the many different uses of logos or trademarks that could be proper or improper, a member who wishes to use the Corporation's logos or trademarks in a manner other than as set out in these Rules and Regulations or is in doubt as to proper use should contact the Corporation for advice.

#### **DN5.8**

Nothing contained in these rules shall relieve a member from responsibility for the accuracy of material published or electronically disseminated, and its compliance with the rules.

#### **DN5.9**

A publisher may promote projected circulation for a future issue or issues, provided such claim is clearly noted as "Publisher's Projection for [month/year] as of [month/ year]." Such projections shall also reference the appropriate figure from the most recent Circulation Audit Report. Projections may not be used as a basis for comparison with one or more audited newspapers, unless the other newspaper(s) has (have) released for the public record projections for the same time period.

#### **DN5.10**

A publisher may issue an interim "Publisher's Sworn Statement" as a promotion between Circulation Audit Reports. Such statements shall be clearly and visibly identified as "Publisher's Sworn Statement [month/year]" at the beginning and conclusion, and on all intervening pages. A newspaper may not use the BPA Worldwide logo to denote its status as a member, nor may a "Publisher's Sworn Statement" make any other reference to membership in BPA Worldwide. A "Publisher's Sworn Statement" may not be printed on a paper stock resembling a BPA Worldwide report and should not use the typeface used by

BPA Worldwide (Franklin Gothic).

A Publisher's Sworn Statement may use terminology and classifications as used in Circulation Audit Reports, but only for those terms and classifications as appear in the most recent Circulation Audit Report. A Publisher's Sworn Statement may not use the term "qualified" to refer to any group of subscribers that has not been audited.

#### **DN5.11**

Any member of the Corporation in good standing may publicize the fact that it is a member. It may use the BPA Worldwide logo on member specific letterheads, advertising material, mastheads, or in any other place where:

The phrase "member of BPA Worldwide" might also be used.

The member would be entitled to use the BPA Worldwide logo.

The use of the BPA Worldwide logo is not detrimental to the Corporation.

#### **DN5.12**

Publisher members under suspension of service may publish claims of membership only if, in connection with each such claim, the words "under suspension of service" are added. Also, any circulation data reported in the Circulation Audit Report may not be included in any promotional material while the newspaper is under suspension of service.

#### **DN5.13**

A publisher applicant may publicize the fact that they have applied for membership, provided that the type proof of such announcement has first been submitted to and approved by the President. Such promotion is at the publisher's option. If a newspaper chooses to publicize its applicant status, the only language permitted is as follows:

*"BPA Worldwide Newspaper Audit Membership Applied For (insert month and year BPA Worldwide accepted application)"*

#### **DN5.14**

If a newspaper chooses to promote its applicant status, all circulation claims shall be clearly identified as "Publisher's Own Data." No reference may be made to the pending initial audit, even if it has been scheduled or is underway at the time the promotion is released.

**DN5.15**

An applicant may compare its unaudited total circulation figures with competitors' audited data on the basis of an applicant's equivalent issue or average, versus a competitor's previous analyzed or audited issue or average. The comparison shall clearly note the difference between the two newspapers' data, e.g., "publisher's own data" versus "audited" or "subject to audit". In such a comparison an applicant shall clearly note the month/year of application to BPA Worldwide.

**DN5.16**

An applicant may also compare the unaudited future circulation of a "launch" issue with the most recent Audit Report average of a competitor. The circulation of the launch issue shall be clearly noted as a projection.

**DN5.17**

Applicants may not use the BPA Worldwide Newspaper Audit logo until they have successfully completed their initial audit and have been voted into membership by the Board of Directors. (See Sections 2.8.3 of the Bylaws and DN5.7 of these Rules).

**DN5.18**

A publisher whose membership in BPA Worldwide has been terminated for violation of Section 10.0 of the Bylaws and who reapplies for membership may not publicize the fact that they have reapplied for membership, and shall complete their initial audit within six months of the reapplication date.

**DN5.19**

A publisher applicant whose application for membership has been rejected by the Corporation in accordance with Section 2.8 of the Bylaws and who reapplies for membership within one year of date of rejection, may not publicize the fact that they have reapplied for membership and shall complete their initial audit within six months of the reapplication date. If a publisher reapplies for membership after the one-year anniversary of the rejected application, the publisher shall use the term "re-applied for membership mm/yy," and will have the full twelve-month term to complete their initial audit. If a publisher applicant reapplies for membership three years after the application rejection date, no reference to reapplication is required.

**DN5.20**

Any member may reprint, fax and/or publish (See Section DN5.40 of these Rules) verbatim any paragraph, in whole or in part, from any newspaper's latest Circulation Audit Report released by the Corporation except paragraph 6, Additional Data.

**DN5.21**

If portions of a paragraph are quoted, it shall be clearly stated that only portions are being used. If a single month's circulation is quoted and that month exceeds 10% variance from the average qualified circulation, then the average circulation for the period shall be footnoted.

**DN5.22**

The period covered by the statement or Audit Report from which the paragraph is quoted shall be stated.

**DN5.23**

Portions of Paragraph 6, Additional Data, may be quoted subject to prior written approval of the President.

**DN5.24**

A newspaper member may not "overprint" promotional material on any Circulation Audit Reports.

**DN5.25**

A newspaper member may not use the terms "reader" or "readership" in any promotion or other material in a manner that claims or implies BPA Worldwide authority in reference to any aspect of circulation, distribution or coverage. e.g., interchangeably with "subscriber," "recipient," or "circulation." However, a newspaper may make general references to its readership, e.g., the way editorial content responds to readers' interests. If a publisher wishes to promote readership data, such information shall be clearly noted as to its source, e.g., "Publisher's Own Data" or "Readership Survey," with the appropriate month and year, so as to distinguish it from audited circulation or circulation subject to audit.

**DN5.26**

When comparisons between two or among more BPA Worldwide Circulation Audit Reports are made, only the most recently released Audit Reports for the same time period and as of the same date may serve as the basis for comparison. A publisher may extend the comparison back in time, if comparable figures exist for all newspapers.

If Audit Reports from the current and same time period are not available for all newspapers in the comparison, the basis should be the preceding circulation audit cycle. The comparison shall include the current time period for those newspapers whose Circulation Audit Reports are available, with the notation "not available as of [month/year]" for appropriate newspapers.

**DN5.27**

A comparison shall be construed to include a comparative or absolute claim against unnamed competitors, e.g., "more circulation than any other newspaper," or "most circulation of any newspaper serving the market."

**DN5.28**

Circulation data from an initial audit should be compared with audited circulation or circulation subject to audit from the same time period. The average circulation reported in a three-month mid-cycle initial audit may be compared with average circulation from a competitor's existing Circulation Audit Report. All other comparisons shall be based on the next and same twelve-month Circulation Audits for both/all newspapers.

**DN5.29**

A member newspaper may compare unaudited "Publisher's Own Data" with audited circulation or data reported in a Circulation Statement and subject to audit for another newspaper, provided such "Publisher's Own Data" neither negates nor supersedes the most recent Circulation Audit Report. This includes comparisons incorporating "Publisher's Sworn Statements." Any comparisons including "Publisher's Own Data" and audited data subject to audit shall clearly distinguish between the two.

**DN5.30**

A member may claim or imply BPA Worldwide Newspaper Audit authority only for the actual figures, classifications, breakouts, or statements as they appear in BPA Worldwide Audit Reports. A publisher may, for the purpose of editorial brevity or clarity, use language similar but not identical to that in a newspaper's Audit Report, provided such editorial changes do not affect the type of circulation reported. Should questions arise as to whether such changes are permissible, a determination will be made by the BPA Worldwide President.

**DN5.31**

A member may regroup BPA Worldwide figures, classifications, breakouts or statements without the literal reproduction of relevant Circulation Audit Reports, provided the methodology is clearly noted.

**DN5.32**

In any promotional piece, even when not using the BPA Worldwide logo, but reporting recognizable language and/or data traceable to a BPA Worldwide Circulation Audit Report it can be implied or inferred that such language or data is BPA Worldwide audited.

**DN5.33**

A newspaper may use and promote unaudited circulation figures if clearly noted as "Publisher's Own Data". This includes proprietary but independent market research regarding readership and circulation information gathered by a publisher but not audited by BPA Worldwide. Such data shall have a factual basis and shall be available to BPA Worldwide on request. Such data may augment, but shall not supersede or negate audited circulation data. If such data is used in the same promotion and intermingled with audited data, such differences shall be clearly distinguished and discernible.

**DN5.34**

A newspaper may use its own "Publisher's Own Data" as the basis of comparison with another newspaper's audited data or data subject to audit. (See DN5.30).

**DN5.35**

Unless otherwise noted as "Publisher's Own Data" or the equivalent thereof, all circulation data and information is presumed to be traceable to and supported by a newspaper's most recent Circulation Audit Report, irrespective of whether BPA Worldwide is mentioned by name as the source, or whether the BPA Worldwide logo is displayed.

**DN5.36**

Absent any indication as to "Publisher's Own Data," or any source other than BPA Worldwide, any circulation claim that is not supported by a Circulation Audit Report shall be considered in violation of these rules.

**DN5.37**

At all times, BPA Worldwide authority shall neither be claimed nor implied for any unaudited figures, data or statements.

**DN5.38**

A newspaper may not refer to non-qualified distribution or circulation as qualified circulation, nor may it imply so. If a newspaper wishes to promote the sum of its non-qualified distribution and qualified circulation, such a figure shall be noted as comprising the two, with individual breakouts for the two components. A newspaper may not imply or impute to non-qualified distribution or circulation the same demographic and geographic breakouts as exist in its qualified circulation, unless clearly noted as "Publisher's Own Data." Such a claim shall have a factual basis.

**DN5.39**

A member shall not reproduce entire BPA Worldwide Newspaper Audit Reports, or simulate the format and/or typeface used in BPA Worldwide Newspaper Audit Reports, without permission of the BPA Worldwide President. Electronic distribution, (including faxing, and email, posting to the Web,) of entire BPA Worldwide Circulation Audit Reports is permissible. Print-on-demand media kits incorporating an entire Circulation Audit Report are also permissible.

**DN5.40**

A member shall not reproduce correspondence with or literature of the Corporation, or excerpts therefrom, unless specific written permission to do so is obtained from the President. This includes correspondence between BPA Worldwide and the parties to a formal complaint.

**DN5.41**

All formal publicity complaints are considered confidential between the parties involved and BPA Worldwide, unless and until such complaints are resolved in a manner that calls for public notice either by BPA Worldwide or the complaine. Members are enjoined not to reproduce any correspondence pertaining to a formal complaint without prior written permission of BPA Worldwide. It is the responsibility of a publisher to ensure that the publisher's staff does not publicize a complaint beyond the scope allowed by these rules

**DN5.42**

To initiate a complaint, a complainant shall:

A complaint shall only be lodged concerning a promotion distributed within the 12 months preceding the date of the complaint.

Submit to the President a written statement of the facts upon which the complaint is based and the Section of the Bylaws and Rules claimed to have been violated.

This statement shall be limited to the actual facts and shall include copies of all documents upon which the complainant relies including copies of Circulation Audit Reports when pertinent.

The complaint shall be accompanied by a nonrefundable-filing fee of \$206.00 to help cover BPA Worldwide's processing costs. No complaint shall be considered or acted upon unless the fee is paid in advance.

An appeal from the President's decision provided for in Section 9.3 of the Bylaws shall be accompanied by a filing fee of \$750.00 to cover the additional costs of preparing the file for review by the Publicity Policies Subcommittee of the Board of Directors. No appeal shall be considered or acted upon unless the fee is paid in advance.

**DN5.43**

Upon receipt of a complaint, the President shall deliver or send to the complainee a copy of the complaint and of all the documents upon which the complaint is based.

**DN5.44**

To answer a complaint, the complainee shall submit to the President, within five business days of the receipt of the complaint, a statement of the facts upon which they rely to rebut or to mitigate the complaint. The answering statement shall be limited to the actual facts and shall include copies of all documents upon which the complainee relies, including copies of Circulation Audit Reports when pertinent.

**DN5.45**

Upon receipt of the answering statement, the President shall deliver or send to the complainee a copy of the complaint and of all the documents upon which the complaint is based.

**DN5.46**

Investigation and action on publicity violation complaints shall be accomplished expeditiously and in accordance with provisions of the Bylaws.

**DN5.47**

Violation of any provision of the Bylaws, or of the Rules pertaining to publicity may be brought to the attention of the entire membership. To cover the cost to BPA Worldwide of processing and administering the complaint and of the printing and distribution of the correction bulletin, a newspaper member found to be in violation of the publicity rules shall reimburse BPA Worldwide for its expenses.

**DN5.48**

In lieu of the correction bulletin, the President may authorize the issuance (at the publisher's expense) of a letter by the publisher containing the substantive comments which would be included in a correction bulletin issued by BPA Worldwide. The text of the letter shall be approved by the President and may not contain any statements deemed promotional. It shall be mailed by BPA Worldwide to the newspaper's entire promotion list, and/or to the recipients of the offending document, and/or to the entire BPA Worldwide membership.

**DN5.49**

Complainants have the option of having BPA reprint a complainee's letter of correction and distribute the letter to the complainant's advertiser/agency list. This shall be at the expense of the complainant. The reprint will carry an imprint informing recipients that the notice has been reprinted at the request of the complainant.

**DN5.50**

When violations of a serious nature are found within promotional materials, wide distribution will be assumed unless the publisher can provide to BPA Worldwide, evidence to the contrary. When proper evidence cannot be provided, BPA Worldwide will require distribution of a letter of correction from the publisher to the publisher's entire advertiser and advertising agency sales and promotion list.

#### **DN5.51**

If a publisher claims a promotion found to be in violation had limited distribution, but evidence later proves wider distribution in fact existed, a letter of correction shall be mailed by the publisher to the newspaper's entire advertiser/agency promotion list. BPA Worldwide may, if instructed by the President, distribute a notice of violation to the BPA Worldwide membership.

#### **DN5.52**

If an advertisement on behalf of a newspaper is found to be in violation of these rules and warranting public correction, the appropriate remedy shall be a correction in the medium as the original ad, e.g., SRDS, BRAD, CARD, or the newspaper itself. Insertion orders of the corrected advertisement shall be placed within 30 days of the staff decision.

#### **DN5.53**

If a circulation promotion by a newspaper on the Internet or a World Wide Web site is found to be in violation, the appropriate remedy shall be a correction on the Internet or same Web site for the greater of a period of thirty days or the same time period as the promotion was available.

#### **DN5.54**

BPA Worldwide shall post all violations of Section DN5.0 of these rules on its Web site, bpaww.com, for a period of one month following the deadline for appeal, or resolution by the Publicity Policies Subcommittee or Board of Directors. There shall be no further distribution of a downloaded and printed version of this notice without permission of BPA Worldwide. (See DN5.49).

#### **DN5.55**

Any bulletin regarding publicity violations released by the Corporation may be reprinted by the Corporation at the request of any member who shall be billed the charges incurred for the reprint. Reprints shall have a special imprint at the top of the notice to identify the member distributing it. The imprint shall read as follows:

*"This exact copy of an original Notice to Correct the Record which has been sent to the entire BPA Worldwide membership is now being distributed by...."*

#### **DN5.56**

Any member may distribute the reprints described in Section DN5.55 subject to the following conditions:

No covering letter or printed material may accompany the Notice to Correct the Record when distributed by a member of the Corporation.

No comment about the Notice shall be made by a member of the Corporation in any letter or literature that may be distributed separately from the Notice.

The reprint may not be distributed by any member after thirty days of the date of its issuance by BPA Worldwide.

## **DN6.0 Appeals from Administrative Decisions**

### **DN6.1**

All appeals from or requests for reconsideration of any decision by the Board of Directors, any committee, administrative officer or staff member shall be in writing. Such appeals shall be submitted to the President no later than fourteen days after such earlier decision was announced.

### **DN6.2**

Such appeals shall present new facts and include such information or circumstances which justify reconsideration by the Board of Directors.

### **DN6.3**

If the decision was the result of a complaint or request made by a member or members other than the member for or against whom the decision was made, a copy of the appeal or request for reconsideration shall be circulated to the member or members who initiated the complaint or request and to such other members as the President or the Board shall determine may be directly affected by any reversal or modification of the decision. Prior to the consideration and action by the Board of Directors, all such parties shall be given ten business days to respond.

### **DN6.4**

The Board of Directors may, on its own initiative or on request from a member, reconsider a decision made by it after giving all parties, referred to in Section DN6.3, notice and an opportunity to respond, in writing and, if the Board in its discretion so chooses, in person at a meeting at which the appeal will be considered. Upon such reconsideration the Board may affirm, modify, or reverse its prior decision.

### **DN6.5**

Any member in good standing may request the further distribution of censure, probation or expulsion notices by the Corporation subject to the following conditions:

The release of the Notice shall be under the direct control of the Corporation.

Any member who requests further distribution of the Notice shall be billed the charges incurred for the reprinting and distribution of the Notice.

The reprint of the Notices of Censure, Probation, or Expulsion shall have a special imprint at the top of the notice to identify the member distributing it. The imprint shall read as follows:

*"This exact copy of an original Notice of Censure, Probation or Expulsion which has been sent to the entire BPA Worldwide membership is now being distributed by..."*

No covering letter or printed material may accompany the Notice of Censure, Probation or Expulsion when mailed by the Corporation at the request of a member.

No comment about the Notice shall be made by a member of the Corporation in any letter or literature that may be distributed separately from the Notice, nor shall any employee of such member distribute the Notice independently.

The member newspaper to which the Notice refers shall be notified in advance by BPA Worldwide of any additional distribution of the Notice.

## **DN6.5 (continued)**

The request of any member to distribute the reprint of the Notice shall be received in writing by the Corporation within thirty days from the date of its issuance by BPA Worldwide.

## **DN7.0 – DEFINITIONS AND REPORTING REQUIREMENTS**

### **DN7.1 Advertiser and Agency Copies**

Includes checking copies and prospective advertising copies and shall be reported as non-qualified distribution.

### **DN7.2 Arrears (Post Expire Copies Included In Qualified Paid Circulation)**

Subscriptions retained on the list up to three months after expiration date and reported as paid. An average number of arrears copies for the period, expressed as a percentage, shall be reported in paragraph 4.

Bulk subscriptions cannot be reported as paid circulation after the expiration dates.

Gift subscriptions may be served copies in arrears as paid circulation for three months after the expiration.

### **DN7.3 Audit Report**

An annual or bi-annual report released by the corporation.

Newspapers with average paid circulation less than 25,000 are audited bi-annually. Newspapers with average paid circulation of 25,000 or greater are audited annually.

### **DN7.4 Back Copies**

Any issue of the newspaper dated prior to the current issue shall be considered a back copy whether served to a new or renewed recipient. The "current issue" is defined as the most recent issue mailed or placed on sale, whichever comes first.

Back copies may be counted as either qualified paid or non-paid circulation only for two issues newspapers with a frequency of weekly or greater.

When the recipient has specifically requested back copies of a newspaper such copies may be counted as qualified circulation up to three issues preceding the date of the subscription order for all newspapers.

### **DN7.5 Base Prices**

*Base Price* - The established prices for each subscription term as defined in the masthead of a newspaper. Recognized base prices:

Subscriptions: one base price for each regularly established duration in each city zone, retail trading zone, designated market, Metropolitan Statistical Area(MSA)/Census Metropolitan Area (CMA), and other.

Mail subscriptions: one base price for domestic mail subscriptions and one base price for international mail subscriptions.

Single Copy Sales: one base price for each city zone, retail trading zone, designated market, MSA/CMA, and other.

#### **DN7.5 (continued)**

Market Segment circulation: only one base price may exist for city zone, retail trading zone, and other.

National newspapers may establish three geographic based price zones. Each price zone shall have the pricing options listed above.

#### **DN7.6 Benefit of Membership Subscriptions**

*Deductible benefit of membership subscriptions* - Individual subscriptions paid for out of membership dues where the recipient has the option of deducting the subscription price from their dues if they do not wish to receive the newspaper.

*Non-deductible benefit of membership subscriptions* - Individual subscriptions paid for out of membership dues, where the recipient does not have the option of deducting the subscription price from their dues, and automatically receives the newspaper.

An annual membership communication, e.g. dues invoice, membership packet, promotional letter (deductible and non-deductible) offers shall clearly state the amount of dues allocated for payment of the subscription.

#### **DN7.7 Bulk**

Two or more copies of the print version of the newspaper sent to a single addressee. This circulation shall be reported as "non-traditional" throughout the audit report.

Bulk subscriptions cannot be reported as paid circulation after the expiration date.

If the number of subscriptions involved in any one bulk sale exceeds 5% of the total average paid subscription claim for the period in which the transaction takes place, the subscriptions involved in that sale shall be fully explained in Paragraph 6, Additional Data.

Multiple copies distributed to public places for redistribution to consumers shall be reported as bulk circulation. Such distribution includes, street racks, entranceways of apartment complexes, etc. Records must be kept on an issue-by-issue basis to show distribution.

#### **DN7.8 Carrier Delivery**

Newspapers delivered by individuals; not the national postal service.

#### **DN7.9 Combined Sales**

Subscriptions to multiple newspapers (including multiple platforms of one newspaper) or newspapers and products or services sold at a special rate. (See rule DN7.13)

Comment shall be made in paragraph 6 providing details of the number of copies of each newspaper sold in combination with another newspaper/product/service.

A publisher may disclose the price of each item of the combination sale or simply the value of the newspaper subscription. If this option is chosen, the disclosed value of the newspaper subscription shall be the price used. The disclosed value cannot be in excess of the total price to be paid for the entire package offered.

## **DN7.9** (continued)

In the absence of individual item or newspaper price disclosures, the value of the subscription will be calculated as follows:

In order to determine the value of the subscription you shall first sum the recognized retail value (base value) of all the individual elements of the combination offer. The ratio of the bundled offer price to the sum of the individual elements determines the discount rate.

### Example multiple products offer:

3 month subscription to XYZ (base rate \$20.00)  
1 widget (base value \$15.00)  
3 Months Risk Free access to a Web site (base value \$25.00)  
Combination Rate: \$25.00

Calculation:  $\$20.00 + \$15.00 + \$25.00 = \$60.00$   
Offer:  $\$25.00 / \$60.00 = 41.6\%$   
Discounted Newspaper Price:  $.416 \times \$20.00 = \$8.33$

### Example multiple platform offer:

3 month subscription to XYZ print version (base rate \$20.00)  
3 month subscription to XYZ digital tablet version (base rate \$15.00)  
3 month subscription to XYZ restricted access website (base Rate \$10.00)  
Combination rate: \$30.00

Calculation:  $\$20.00 + \$15.00 + \$10.00 = \$45.00$   
Offer:  $\$30.00 / \$45.00 = 66.6\%$   
Discount Price for each: Print \$13.33 ( $\$20.00 \times .66$ ); Tablet \$9.99 ( $\$15.00 \times .66$ );  
Website \$6.66 ( $\$10.00 \times .66$ )

## **DN7.10 Credit Subscriptions**

Four percent of the total carrier delivery office pay subscriptions and the pay-in-office subscriptions may be reported as paid for by individual recipient, for the aggregate of: new credit subscriptions cancelled for non-payment and subscriptions served short term arrears. Service of credit and arrears copies beyond 90 days from date of expire cannot be included in paid circulation.

An explanation of the average total copies served as a result of the credit allowance shall be made in paragraph 6.

The newspaper shall maintain records to prove the service start date and stop date for each subscriber. Cancellation reports and reports showing short term arrears service shall include the subscriber's name, address, start date, cancellation date and total copies served.

## **DN7.11 Drop Boxes**

Boxes used to distribute newspapers. Copies distributed via boxes that meet the definition of paid circulation (shall be reported as single-copy sales. (See DN7.31). All other circulation shall be reported as non-paid bulk circulation.

## **DN7.12 Educational**

All print educational copies, including but not limited to classroom, university and language programs shall be reported as “sponsored by third party or free, educational,” in paragraph one.

## **DN7.13 Electronic Editions (E-Editions)**

Electronic Editions – A newspaper (either with a companion print version or as a stand alone electronic product) delivered periodically in a digital format with metered (i.e. linear) navigation, that is edited, designed, and contains date-stamped content that includes advertising (but not necessarily the same advertising as might appear in a print version). Though editing, design, and issue identification (i.e. date-stamped content) are significant differences, the primary distinction between an electronic editions and a website is the metering (this can be pagination or any other method of going through the issue from beginning to end).

An electronic edition may be dynamically created, have targeted content, or may exist in parallel with pre-existing media.

Dynamic – Editorial can be created and/or selected at point of delivery. With a dynamic electronic edition, each recipient can receive a copy with different content and that content can change at any time.

Targeted – Editorial is changed for specifically defined groups and/or platforms before point of delivery. With a targeted electronic edition, each group of recipients, whether they are segmented demographically or because of the platform they use to receive the electronic product, receive a copy with different content specifically selected for that group. Apart from minor updates, the content cannot change once the issue is made available.

Enhanced – If a print brand existed first, “enhanced” is editorial that is retained from the original edition and is redesigned and/or supplemented. With an enhanced electronic product, each issue’s content is primarily taken (but not necessarily replicated in its entirety) from the original edition (whether in print or electronic). Apart from minor updates, the content cannot change once the issue is made available.

Replica – If a print brand existed first, editorial and design are unchanged from the original print edition. With a replica electronic product, each issue’s content and design are identical to the original edition. Apart from minor updates, the content cannot change once the issue is made available.

Publishers shall disclose in circulation statements under a “Statement of Content Platform” the form or combination of forms of electronic edition used per the above definition/ description.

Multiple pages of content that are distributed electronically as a unit. The electronic edition shall be a replica of the print version in terms of editorial (not advertising), subject to the rules governing separate editions and the approval of the President.

Circulation for electronic editions shall be audited to ensure the systems of the media owner and their vendor(s) are in compliance with BPA Worldwide rules and policies before such data can appear on a Circulation Statement. A special audit may be undertaken to verify the electronic distribution.

Electronic editions shall be reported as “electronic editions” distribution throughout the audit report.

Non-qualified electronic edition copies shall not be reported on BPA Worldwide circulation audit reports.

### **DN7.13 (continued)**

Electronic Edition Site License: A contract or agreement between a publisher member and company/organization/ association/education establishment to provide multiple individuals access to an electronic edition of the newspaper hosted on the subscribing organization's intranet. The contract/agreement shall require the subscriber/administrator of the site license notify all the individual seats (individuals) of the availability of each issue. Licenses may be reported for definitive amount of seats only, "global" or "companywide" license agreements may not be reported.

Paid site licenses shall adhere to rule DN7.34, qualified paid circulation.

Non-paid site licenses shall adhere to qualified non-paid circulation rule DN7.33.

The publisher shall disclose in the explanatory paragraph the number of authorized Electronic Edition Site Licenses and Seats (individuals) served as part of the license, including paid and non-paid data. Reporting the name of the company to which the content has been licensed shall be optional. Licenses may be reported for definitive amounts only, "global" or "companywide" license agreements may not be reported.

### **DN7.14 Employee Copies**

A newspaper may include in paid circulation copies served to employees, retired employees, correspondents and agents. Adequate records must be maintained by the newspaper, including: employee payrolls records of compensation paid to correspondents and agent billings.

Employee copies shall be reported as "non-traditional, sponsored by third party or free," circulation throughout the report.

### **DN7.15 Expiration Date**

Terminating date of subscription.

### **DN7.16 Extension**

Advancing the expiration date of a subscription because of a reduction in the frequency of issues or a reduction in the subscription price. (See DN10.20).

### **DN7.17 Extra Editions**

Any issue in addition to the regular editions shall be considered an extra edition. The sales of extra editions shall be included in the circulation of the day for which they are dated. Details of the extra edition shall be reported in paragraph 6.

### **DN7.18 Final Settlement Date**

The date by which single copy sales accounts for an issue shall be closed after which copies may no longer be counted as paid.

The "*final settlement*" date may be no longer than 45 days from the on-sale date of the sub-subsequent issue for domestic sales. If returns are received following the final settlement date, they shall be reported as unsold copies.

### **DN7.19 Gift Subscriptions**

Purchased for persons other than the purchaser's employees.

Gift subscriptions may be served copies in arrears as paid circulation for three months after the expiration.

Money collected by an agent need not be remitted to the publisher, provided necessary records are in place to document the purchase and price paid by the original subscriber.

### **DN7.20 Group Subscriptions**

Purchased in lots of two or more, paid for by an employer for their employees and mailed by the publisher to individual addresses furnished by the employer.

Copies purchased in lots of two or more, paid for by an employer for their employees and mailed by the publisher to the same addressee shall be reported as "other."

Copies purchased in lots of two or more paid for by the employer for their employees and mailed to the individual employees shall be reported as "home delivery."

Money collected by an agent need not be remitted to the publisher, provided necessary records are in place to document the purchase and price paid by the original subscriber.

### **DN7.21 Home Delivery**

Newspapers delivered to individual homes or individuals at their place of employment.

### **DN7.22 Hotels**

Copies served qualify for inclusion in paid for by individual recipient circulation if, adequate notification is made to the guest regarding the amount to be charged for the publication and provided reasonable opportunity exists for the guest to decline delivery. If the subscriber or recipient chooses not to accept the offer, the amount to be charged for the publication must be deducted from the invoice.

All copies purchased by hotels for free distribution to their guests shall be reported as sponsored by third party or free.

### **DN7.23 Hybrid Subscriptions**

A combination of print and digital editions with the intent to count only one copy as circulation per day. For example, a subscriber receives a print copy Monday-Friday and digital copies Saturday and Sunday. The Monday-Friday copies shall be reported as print editions, the Saturday and Sunday copies shall be reported as digital editions. Only one copy is reported per day.

### **DN7.24 Initial Audit Report**

May be released for any consecutive three, six, or twelve month period. A newspaper shall transfer to the standard six twelve-month reporting periods ended December following the initial audit.

### **DN7.25 Mail Delivery**

Newspapers delivered by the national postal service.

### **DN7.26 Non-Deductible Subscriptions**

Individual subscription paid for as part of a reservation fee for conferences, meetings, seminars, etc., where the recipient does not have the option of deducting the subscription price and automatically receives the newspaper. The offer shall clearly state the amount of money allocated for payment of the subscription.

Paragraph 7 shall include a comment describing the offer and the number of copies so reported.

### **DN7.27 Non-Qualified Circulation**

That circulation which fails to conform to the terms of the Publishers Stated Publishing and Circulation Policy Statement” as stated on the front page of the Circulation Statement and the Audit Report.

### **DN7.28 Occasional Subscriptions**

Occasional service is the delivery of issues not specifically identified as part of a new or renewed subscription. Occasional service is not permitted for consecutive days.

Occasional service must be offered to all eligible subscribing households within a market. All households scheduled to receive occasional subscription service must be notified at least fourteen days prior to the distribution date. Notification may be placed in the newspaper. If the publisher chooses to notify through the newspaper the notification must appear on a day that the subscriber receives the newspaper.

When occasional service equals or exceeds sixteen days in an annual twelve-month audit report, (eight days on a six-month audit report, and four days on a three-month audit report) “average occasional service” will be reported as a separate line item in Paragraphs 1 of the Audit Report, as “Home Delivery, Occasional Service.”

When average occasional service is reported, information as to the specific dates the occasional service occurred, and the increase in paid circulation resulting for each of the dates must be disclosed in paragraph 6. service” will be reported as a separate line item in Paragraphs 1 of the Audit Report, as “Home Delivery, Occasional Service.”

When average occasional service is reported, information as to the specific dates the occasional service occurred, and the increase in paid circulation resulting for each of the dates must be disclosed in paragraph 6.

### **DN7.29 Other**

Other distribution includes:

- Bulk distribution (two or more copies to the same address)
- Employee distribution

### **DN7.30 Partner Distribution Agreements**

A partner distribution agreement is an agreement between two newspaper publishers to distribute newspapers on days not published by one newspaper.

If a newspaper wishes to enter into a partner distribution agreement with another newspaper, the service of the partner days must be effective for all subscribers in a market.

A basic price must be established for the partner distribution frequency.

### **DN7.30** (continued)

All offer and promotion materials must:

- State the two newspapers involved in the partner distribution agreement;
- State the term and frequency of the partner distribution service;
- State the purchase price;
- There may be no reference to the partner distributed newspaper being "free" or use of language that implies or infers free.

Paragraph 6 shall provide a description of the partner agreement. For each agreement, the details disclosed shall include the name of the newspapers involved, and the basic price(s) for the partner distribution service.

**DN7.31 Post Expiration Copies Included in Paid Circulation Up To Three Months - See: Arrears, Section DN7.2.**

### **DN7.32 Promotional Incentive**

Any inducement offered to a subscriber for free with their own subscription.

When subscriptions are sold with a promotional incentive, the publisher must collect payment greater than the full value of the promotional incentive.

The value of the promotional incentive is considered to be the actual cost to the publisher, or the recognized retail value, or the represented value, whichever is highest.

When a publisher awards incentives to contractors to purchase and promote merchandise that will best promote subscription sales, however; the actual incentive to the consumer cannot be determined by the publisher, the following disclosure will be made in Paragraph 3, "X-week Y-day (Day of week to Day of week) subscriptions were sold for \$X (inclusive of GST/HST) through agents furnished with a \$Y incentive for each subscription sale. The intent of the incentive was to purchase merchandise to serve as a premium offering to be given to subscribers. The publisher is unable to determine the final incentive provided to the end consumer," where as if the actual incentive can be determined by the publisher, it shall be disclosed.

If a back copy is included in a subscription offer, it will be considered a promotional incentive unless the subscription is put on a retroactive basis.

Details regarding offers with promotional incentives shall be reported in paragraph 3 of the Audit Report.

For Single Copy Sales, a promotional incentive (cover mount) is any inducement offered by the last agent in the chain of distribution (point-of-purchase).

Any inducement attached to, or polybagged with, a single copy at the point-of-purchase is considered a promotional incentive (cover mount).

The promotion on the cover of a newspaper of an advertiser's coupon within the newspaper is not considered a promotional incentive.

When single copies are sold with a promotional incentive, the publisher must collect payment greater than the full value of the promotional incentive. The value of the promotional incentive is considered to be the actual cost to the publisher, or the recognized retail value or represented value, whichever is highest.

### **DN7.32 (continued)**

Details regarding promotional incentive offers and the number of Single Copy Sales sold with a promotional incentive, shall be reported in paragraph 3 of the Audit Report.

Free promotional incentives, the contents of which have been published either in print or electronic medium, are reported as "sold with editorial promotional incentive (including reprints)."

Editorial promotional incentives include:

reprints of newspaper sections,

books,

other printed reference matter (paid annual periodicals excluded),

pamphlets,

disks containing items such as compilations of newspaper editorials, software demonstrations, clip art, fonts, etc.

For additional rules regarding services or products sold in combination with a newspaper, see rules regarding Combined Sales, Section N7.10.

### **DN7.33 Qualified Circulation**

That circulation that conforms to the terms of the Statement of Publishing and Circulation Policy and is verified by auditable documentary evidence.

Individuals receiving copies of a digital version, may only be considered as qualified circulation if such copies are elicited through either personal, company request, or benefit of membership.

### **DN7.34 Qualified Non-Paid Circulation**

That circulation which meets the requirements of the above definition and which is distributed free of charge to the recipient.

### **DN7.35 Qualified Paid Subscription Circulation**

That circulation which is not for resale, meets the above definition for qualification and the requirements listed below.

Subscription payment orders shall conform to the following conditions:

It may be paid for at any price, and shall not be free of charge.

Payment shall not be delinquent for more than three months after the beginning of the subscription service, see "credit subscriptions."

A subscription sold on a "renew until forbid" basis may be reported as paid circulation until the subscriber cancels

Subscriptions sold with a promotional incentive must collect payment greater than the full value of the promotional incentive. The value of the promotional incentive must be subtracted from the offer to determine if the subscription is considered "paid at, or above, 50% of basic" or "paid below 50% of basic".

### **DN7.35 (continued)**

Subscriptions sold with an advertising contract shall be paid in addition to the regular advertising contract; and shall give the advertiser the option of deducting the subscription price from the contract if they do not wish to receive the newspaper.

Subscriptions sold via the redemption of affinity program points, e.g. frequent flyer miles, loyalty program points, etc., shall adhere to the following:

- Participants shall elect to participate in the program;

The earning of miles, points, etc., shall be transaction based. For example, points earned for credit card purchase/borrowing activity and purchase of air travel, hotel stays, or car rentals, etc. qualify. Points earned without transaction activity (no financial transaction occurs) do not qualify for redemption as paid circulation;

- Points shall be accruable towards future redemption's;
- Points awarded upon enrollment shall be less than 50% of the lowest valued product/service offered in the program;
- All affinity point programs shall offer non-newspaper products/services. Newspapers may not represent more than 75% of each program.
- The value of all products and services shall be disclosed, in both monetary values and points.
- The value of non-newspaper products/ services shall be equal to or greater than the lowest valued newspaper.
- The redeemable units of measure, e.g. miles, shall have a recognizable and accepted monetary value.
- Adequate documentation of the transfer or redemption of the units of measure, e.g. frequent flyer miles, shall be made available to the audit staff.
- The President shall have final approval of all affinity programs prior to acceptance for use in obtaining qualified paid circulation.

### **DN7.36 Qualified Recipients**

Recipients who meet the circulation terms of recipient qualification in the Statement of Publishing and Circulation Policy Statement (See DN9.7).

### **DN7.37 Single Copy Sales**

Those copies of a newspaper sold through newsstands and other retail outlets and reported as qualified circulation throughout a BPA Worldwide Newspaper Audit Circulation Statement or Audit Report. These sales shall be reported separately throughout the report.

For auditing single copy sales, final settlement figures shall be available for all the issues in the period. Single Copy Sales shall conform to the following conditions:

Copies shall be paid for by the last agent in the chain of distribution (point-of-purchase) at any price and payment shall be remitted to the publisher by the final settlement date (See DN7.17).

#### **DN7.37 (continued)**

*Single Copy Sales - Non-returnable:* The publisher shall provide signed affidavits from the last agent of sale, supporting the number of copies sold to consumers.

If a publisher does not wish to collect non-returnable single copy sale affidavits they may use the following formula:

The total possible sale (draw) shall be reduced by a prorated amount calculated on the basis of whatever discounted price is actually remitted by the agent at point-of-purchase. The total amount paid to the publisher from the vendor shall be divided by the cover price to yield copies "*sold*". For example, a publisher allows a 50% discount off cover price for vendors on a non-returnable system. If the vendor draws 100 copies at 50% of the \$.50 cover price, \$25.00 would be paid to the publisher. Dividing this by the \$.50 cover price yields 50 copies that may be claimed as "*single copy sales*".

When single copies are sold with promotional incentives the publisher must collect payment greater than the full value of the promotional incentive.

#### **DN7.38 Single Copy Sales (Bulk)**

Copies of an issue purchased in quantities of two or more, and conform to the definition of qualified paid circulation shall be reported as Single Copy Sales in paragraph 1, identified separately in paragraph 5, and shown on an issue-by-issue basis in paragraph 6.

Money collected by an agent need not be remitted to the publisher provided necessary records are in place to document the purchase and price paid by the original subscriber.

#### **DN7.39 Single Copy Sales (Non-Returnable)**

Copies provided to wholesalers/retailers for resale for which returns will not be accepted, shall be reported as Single Copy Sales in paragraph 1, identified separately in paragraph 5. Particulars of individual sales representing 5% or more of the average single copy sales for the period reported shall be shown in paragraph 6.

#### **DN7.40 Sponsored/Third-Party Circulation**

Circulation purchased by a sponsor/donor and which conforms to the definition of qualified circulation shall be reported as sponsored by third party or free, throughout the report.

Individually Addressed Subscriptions purchased in lots of 6 or more that promote the interests of the sponsor/donor and that otherwise conform to the definition of Qualified Circulation shall be reported as "Sponsored by Third Party or Free" circulation.

Individually addressed subscriptions purchased in lots of 5 or fewer that promote the interests of the sponsor/donor and that otherwise conform to the definition of qualified paid circulation shall be reported as "paid for by individual recipient" circulation. When a corporate franchisor purchases copies on behalf of franchisees, individual franchisee locations receiving 5 or fewer copies will be claimed as "paid for by individual recipient." These copies are intended to be made available to patrons of a franchisee's location for on premise reading, and not intended to be combined with store purchases.

#### **DN7.41 Subscription Conversions**

Subscriptions based upon the premise that an offer has been accepted unless declined, qualify as paid circulation if money has been received to qualify the original subscription.

The subscriber must be notified of the conversion and must be given the opportunity to opt out of the conversion. The conversion is limited to the length and term offered/disclosed to the subscriber in the notification. Conversion copies may be served print editions or electronic editions.

Converted copies shall be disclosed in paragraph 6 as follows:

The number of subscribers converted to the new frequency; the effective date of the change; and the geographic market area in which the change took place.

#### **DN7.42 Subscriptions**

Contractual agreement by an individual or a firm to purchase one or more copies of a newspaper for a given period at a price.

#### **DN7.43 Suspension of Service**

A subscriber may suspend service due to vacation or other reason. The subscriber may request a refund for the suspended copies, they may extend the subscription term for the same term as the suspension of service, or they may donate the value of the suspended copies to the publisher's newspapers in education program.

#### **DN7.44 Sweepstakes, Prize Draws or Contests**

Any subscription offer in which a prize is offered by lottery shall be considered as sold using a sweepstakes, prize draw or contest.

Details regarding these offers shall be reported in paragraph 3 of the Circulation Audit Report.

#### **DN7.45 Term of Subscription**

Length of time a publisher contracts with a subscriber to send issues of the newspaper.

#### **DN7.46 Third Party Agents**

Subscriptions sold through agencies. The agency shall be a recognized business concern. It shall be the publisher's responsibility to provide proof of qualification for such recipients.

Money collected by an agency need not be remitted to the publisher provided necessary records are in place to document the purchase and price paid by the original subscriber.

### **DN8.0 - CIRCULATION AUDIT REPORTS - GENERAL**

#### **DN8.1**

Publisher members shall report their circulation on forms supplied by the Corporation.

The filing of the publisher's circulation data shall operate as an automatic grant to the Corporation of a perpetual and irrevocable right and license to use, publish, distribute and market, solely or in conjunction with others, circulation data and other data, in any form and manner authorized by the Board of Directors.

## **DN8.2**

In the interests of uniformity in the appearance and typographical setup of the BPA Worldwide Newspaper Circulation Audit Reports, BPA Worldwide will process all paragraphs which require special typesetting, ruling and extra pages. Where additional costs are incurred in setting up special paragraphs the newspaper member shall be billed those costs.

## **DN8.3**

Time required to process a Circulation Audit Report shall be charged for at a uniform flat rate to be set from time to time by the Board of Directors.

## **DN8.4**

*Publisher Applicant* - An applicant shall file a three, six or twelve month circulation claim as the basis for the initial audit. Upon completion of the audit and approval by a majority of the Board of Directors, the publisher will be admitted to membership and the claim shall be released as an initial Audit Report to Standard Rate and Data Service (SRDS) or Canadian Advertising Rates and Data (CARD), and/ or British Rates and Data (BRAD) or other similar services and BPA Worldwide members.

## **DN8.5**

*Publisher Members* - BPA Worldwide Daily Newspaper Audit Members will release one annual audit report year for the twelve months ended December.

The audit will be made in the publisher's office and/or wherever the records can be properly checked.

A newspaper applicant, which has chosen a period ended with a month other than December for its initial Audit Report, shall transfer to the standard December schedule with its first Circulation Audit following the initial Audit Report.

An annual circulation claim as outlined in the preceding sections shall be filed with the Corporation within thirty days after the period, which they cover.

No member shall be granted an extension of time to file except with the consent of the President of the Corporation, who shall not grant an extension greater than thirty days, without a showing that the filing delay is a result of extenuating circumstances clearly beyond the newspaper member's control. Failure to file a claim on or before the due date or the end date of an authorized extension, shall result in a suspension of services to the newspaper member and will subject the newspaper member to disciplinary action as outlined in Section 10.0 of the Bylaws.

At any time after the end date of an authorized extension, if the required circulation claim has not been filed, BPA Worldwide shall post an advisory to the BPA Worldwide website notifying the membership of the newspaper's failure to file. All costs incurred in creating and posting an advisory, if any, shall be paid for by the subject newspaper member.

No later than sixty days after the close of the reporting period, the previous period's report would be moved to "history" on the website.

Once the claim has been audited by BPA Worldwide and a proof copy created, the publisher shall advise BPA of the acceptance of the proof copy within ten business days after the proof copy has been issued. Final approval shall be received within twenty business days of receipt of the first proof. The President of the Corporation shall not grant an extension without a showing that the delay in approving the proof copy is a result of extenuating circumstances clearly beyond the newspaper member's control.

**DN8.5 (continued)**

Failure to advise BPA of the acceptance of the proof copy by this date shall result in suspension of services to the newspaper member and will subject the newspaper member to disciplinary action as outlined in Section 10.0 of the Bylaws. BPA Worldwide shall post an advisory on its website, notifying the membership of the newspaper's failure to approve the proof copy. All costs incurred in creating and posting an advisory to the website, if any, shall be paid for by the subject newspaper member.

All signatures on circulation claims submitted to the Corporation shall be over the individual's typewritten name and title.

**DN8.6**

The publisher has the option of submitting the special SRDS or CARD or BRAD or similar form supplied by BPA Worldwide and an additional copy of their twelve-month circulation claim. When the claim has been audited, processed, typeset and approved for printing by the publisher, the SRDS or CARD and/or BRAD or similar form will be forwarded by BPA Worldwide to Standard Rate and Data Service or Canadian Rates and Data and/or British Rates and Data or similar company for inclusion in its next issue. The additional Audit Report which has been approved by BPA Worldwide will be returned to the publisher in advance of their printed copies for their use in preparing promotional material.

**DN8.7**

Printed copies of Audit Reports may be purchased by a member of the Corporation at a price established by the Board of Directors.

**DN8.8**

All language and terminology shall be factual and auditable.

**DN8.9**

No facts, figures or statements shall appear in the Audit Report other than those expressly authorized in these Rules.

**DN8.10**

In the event of a disagreement with a decision of the President, a publisher member may request a hearing before an appropriate committee of the Board of Directors.

**DN9.0 - AUDIT REPORTS CONTENTS**

**DN9.1**

All language and terminology shall be factual and auditable. A member may not claim or imply that BPA Worldwide audits:

readership or intent to read;

recipient's buying authority or influence.

No facts, figures or statements shall appear in the Audit Report other than those expressly authorized in these Rules. In the event of a disagreement with a decision of the President, a publisher member may request a hearing before an appropriate committee of the Board of Directors.

## **DN9.2**

All newspaper members are required to report their average “paid for by the individual recipient” and “sponsored by third party or free” circulation separately throughout the Audit Report.

## **DN9.3**

All newspaper members shall report their total circulation in paragraphs 1a, 1b, 1c, 2a, 2b, 2c, 2d, 2e, 2f, 2g of the Audit Report.

## **DN9.4**

The first page of the statement shall contain the name of the newspaper; publishing company; principal telephone number; fax number; email address; Web site URL; address of publishing company; whether or not an official benefit of membership newspaper; and the year of newspaper's establishment.

## **DN9.5**

A publisher member shall notify BPA Worldwide of any change in the name of their newspaper. At this time the publisher shall declare whether or not they wish to change the date the newspaper was established. Any change in the date of establishment should be consistent with the volume number appearing in the masthead of the newspaper. If the date of establishment and volume numbers are changed, the newspaper will be considered a new newspaper and subject to the rules requiring application for membership.

## **DN9.6**

Whenever two or more newspapers are merged, the following comment shall appear in the upper left hand corner of one Audit Report: *Merged Newspaper -See Paragraph 6.* Paragraph 6 shall report the date of merger and other applicable information (see rule DN10.20).

## **DN9.7**

Statement of Publishing and Circulation Policy shall contain a statement concerning the means of distribution of the newspaper and the terms of qualification. A regional newspaper shall include a description of the geographical area(s) served. Auditable documentary evidence shall be available to support the conformance to the terms of qualification. The description in this paragraph shall include all editions and the geographic areas covered by each edition.

If digital version circulation exists, the method of distribution shall be fully disclosed within the “Statement of Publishing and Circulation Policy.

## **DN9.8**

Statement of Publishing and Circulation Policy may NOT contain any reference to:

Requests to receive the newspaper.

Recipient's reading or intent to read the newspaper.

Any claim that all people of a certain category receive the newspaper.

## **DN9.9**

A member may not claim or imply that BPA Worldwide audits readership or intent to read. (See DN5.25 and DN9.1).

## **DN9.10 Paragraph 1: Average Circulation for Period**

All copies listed in this Section are directed to subscribers or recipients as stated in the Statement of Publishing and Circulation Policy.

Daily Newspapers serving markets of 100,000 or more population shall report circulation by day, along with a weekday average, by Census Metropolitan Area (CMA) and Non Census Metropolitan Area. Daily newspapers serving markets less than 100,000 population may report circulation by day, along with a weekday average, City Trading Zone (CTZ), Retail Trading Zone (RTZ), and Other Trading Zone (OTZ). Circulation shall be reported as follows:

### **I. Paid for by Individual Recipient**

- 1) Home Delivery
- 2) Single Copy
- 3) Hotel
- 4) Electronic Edition
- 5) Other
- Total

### **II. Sponsored By Third Party or Free**

- 1) Home Delivery
- 2) Single Copy
- 3) Educational
- 4) Electronic Edition
- 5) Other
- Total

## **DN9.11**

If, over a period of three months, the average circulation of a daily newspaper is, on a certain day of the week, 15 percent above or below the average for the other days of the week, the circulation for such day on which the overage or deficiency occurs shall be shown separately and the average for the other five days shall be shown as the "daily average".

If, over a period of three months, the average circulation of a daily newspaper is, on a certain day of the week, less than 15 percent but more than 5 percent in excess of or below the average for the other days of the week, the circulation for such day on which the excess or deficiency occurs may, at the option of the publisher, be shown separately and the average for the other five days shown as the "daily average".

The above options must receive approval from the president of the corporation.

## **DN9.12**

If the circulations for any days are omitted from the averages reported in the Circulation Statement, the circulation and the reasons for omission shall be reported separately for each day in paragraph 6, and the number of omitted days shall also be reported on the front page of Circulation Audit Report.

A publisher shall omit no more than 20 days during any 12-month audit period.

### **DN9.13 Paragraph 2: Average Monthly Circulation**

#### Daily Newspapers:

Report the average monthly figures for the circulation by day as follows:

Individual Paid  
Sponsored by third party or free  
Total

### **DN9.14 Census Metropolitan Area (CMA)**

Areas established by US Office of Management and Budget and Canada Post

#### **DN9.14.1 Non Census Metropolitan Area**

All circulation not within the designated census metropolitan area.

### **DN9.15 Paragraph 4: Arrears under three months**

Shall report the average number of paid subscribers in arrears over the audit period.

### **DN9.16 Paragraph 6 Additional Data**

Shall contain any additional explanatory information necessary to supplement facts reported elsewhere in the statement. Only data approved by the President shall be shown in this paragraph.

### **DN9.17**

Newspapers reporting Single Copy Sales in paragraph 1 and include Single Copy Sales that are bulk sales and/or Non-Returnable Sales in that figure, shall report each individual sale that represents 5% or more of the average single copy sales for the period reported in paragraph 10 by Single Copy Sales, Bulk Sales and Non-Returnable Sales as an average for the period (see DN7.32 and DN7.34).

### **DN9.18**

Newspapers reporting Single Copy Sales in paragraph 1 and including Non-Returnable in that figure, shall note in paragraph 6 the methodology used to determine net sales. (See DN7.36).

### **DN9.19**

Newspapers reporting any Single Copy Sales sold with a promotional incentive (cover mount) shall show in paragraph 6 a monthly analysis of the number of single copies sold with a promotional incentive. The nature of the promotional incentive (cover mount) and provisions of the offer shall also be described.

### **DN9.20 Publisher's Affidavit**

A circulation claim shall include the publisher's affidavit containing two signatures. At least one of the two signatures shall be that of an officer of the publishing company or its authorized representative. The names and titles of the persons signing the circulation statement shall be printed below their signatures. If you file electronically, the signed affidavit must be faxed or mailed to BPA Worldwide.

## **DN9.21 Date Received**

All circulation claims will contain the date received by BPA Worldwide.

## **DN10.0 - REQUIREMENTS AND RECORDS NECESSARY FOR AN AUDIT**

### **DN10.1 General**

The BPA Worldwide Newspaper Audit methodology is based upon a perpetual inventory record by issue of the names on a circulation list. It is a publisher member's responsibility to insure the accurate maintenance of their circulation list and records in accordance with these Rules. The BPA Worldwide Newspaper Audit is designed to verify and authenticate the publisher's circulation claims.

### **DN10.2 Special Three or Six Month Audit**

A newspaper may request the President to provide a special three or six month audit ending with a month other than December, if in the President's judgment, circumstances warrant the audit and the newspaper meets the following conditions:

The newspaper's request for the special three or six month audit shall be in writing explaining the reason for the audit.

The newspaper shall pay a regular auditing charge for the special audit.

A newspaper, which has chosen a period ending with a month other than December for its special three or six month Audit Report, shall transfer back to the standard June or December schedule with its first Circulation Audit following the special three or six month Audit Report.

### **DN10.3 Circulation List**

A printout proof or electronic file of all names on the qualified subscriber list for the issue analyzed shall be provided for the auditor. A physical count of the circulation list shall be made by geographical distribution.

### **DN10.4 Records**

Publisher members shall provide for the auditor's examination proof of distribution of every issue of the newspaper for the period being audited. This proof shall be in the form of receipts from carrier delivery, post office delivery, other courier delivery, and single copy sale draw/sale/return reports.

In addition, proof of payment for distribution must be retained for the auditor's examination.

### **DN10.5**

A copy of each issue, press run reports, and paper consumption reports shall be available. The auditor may request access to any ledger accounts relative to circulation and such inspection shall be made with a representative of the newspaper present.

### **DN10.6**

Original orders, dues invoices, membership application forms and proof of payment for all qualified paid subscriptions shall be available to the auditor as to price, term, expiration date, and use of promotional incentive, if any.

**DN10.7**

Publishers shall maintain on file for use of the auditor, copies of all subscription offers, and copies of all contracts made with solicitors, subscription agencies or any other parties through whom subscriptions are obtained for their newspapers as well as for handlers (national distributors and/or wholesalers and/or retailers) of single copy sales. The auditor may request access to any ledger accounts relative to circulation, and such inspection shall be made with a representative of the newspaper present.

**DN10.8**

Newspapers shall code to denote on computer records and display on a resulting printout, price paid, demographic classification (if any), source and date of qualification, length for each subscription, use of promotional incentive and subscription expiration date.

**DN10.9**

Circulation statement the publisher shall run tabulations separating counts of the "paid for by individual" and "sponsored by third party or free" distribution.

**DN10.10**

Newspapers reporting Single Copy Sales in paragraph 1 shall maintain records to substantiate the claim.

A shipping manifest indicating destinations for breakout shipments and bulk shipping receipts for distribution of copies from the printer to the first point(s) of redistribution, either the distributor, wholesaler/breakup agent, or outlet dealing directly with the publisher shall be maintained.

Publishers shall maintain accounts specific to each newspaper title for any national distributor, wholesale vendor with whom they conduct single copy sales transactions.

All account entries shall be documented including invoices for the draw, covers or affidavits for returns, and adequate evidence of payments received and credits issued.

**DN10.11**

All documents used in verifying the qualified circulation mailing list as the issue analyzed shall be available to the auditor.

**DN10.12**

Qualification evidence submitted by the publisher shall support all the mailing data. However, evidence supporting the street address or box number may be omitted whenever the Post Office notifies the publisher of an address change.

**DN10.13**

The following types of records shall NOT be acceptable as evidence of recipient qualification:

Any reports originating within the newspaper's own organization or from the publisher's staff with the exception of telephone interviews which have been approved by BPA Worldwide.

#### **DN10.14 Worksheets Maintained by the Publisher**

BPA Worldwide can supply all the necessary worksheets to the publisher for the completion of the data reported in the Circulation Statements.

#### **DN10.15**

*Form DAILY1-2 (daily newspaper) (Circulation Breakout by Issue)* - Is a perpetual inventory of circulation which will record the qualified circulation by paid for by individual and sponsored third party free categories by issue. The reporting of information on this form is mandatory for all newspapers.

#### **DN10.16**

The preparation, maintenance and availability of all requirements and records necessary for an audit as stated in these Rules shall be the responsibility of the publisher. The employment of outside agents or firms for any and all circulation work does not relieve the publisher member of their responsibility.

#### **DN10.17**

All records necessary for an audit shall be retained by the publisher until the next audit has been completed.

#### **DN10.18**

Services shall be suspended by the President for any newspaper whose audit takes over 75 days to complete or such further time as granted by the President. The Publisher may appeal the President's decision in writing to the Executive Committee of the Board of Directors within seven days from receipt of the President's decision. The decision of the Executive Committee shall be final. In the event of suspension, a notice shall be posted on BPA's web site and/or released to the membership and the publisher may not publicize any circulation data until the successful completion of that audit.

#### **DN10.19 Purchase or Transfer of Subscriptions from List of Suspended Newspapers**

When a publisher purchases a newspaper and/or the subscription list of a newspaper that has ceased publishing and transfers the subscriptions to the publisher's own newspaper, the following shall apply:

The newspaper shall be homogeneous.

A record shall be available indicating the subscriber's election to receive the newspaper which has assumed the responsibility to fill the unexpired term of this suspended subscription. This election may be done through a negative option questionnaire. If such documents are returned to the publisher, they shall be considered a request to receive the surviving newspaper.

This service shall be started within six months after the last issue of this suspended newspaper, or within such further time as may be granted by the President.

The original order and proof of payment of the suspended newspaper shall be available.

The unexpired portion of the subscription is ascertained by either of the following methods, decided by the President:

By dividing the sum of money due the subscriber at the base annual price of the discontinued newspaper by the price per copy of the surviving newspaper, said per copy price to be a pro rata price of the base annual subscription price of that newspaper.

**DN10.19** (continued)

By counting the number of copies of the discontinued newspaper still due the subscriber and crediting the subscriber with this number of copies of the surviving newspaper.

A separate analysis of transferred subscriptions shall be made in paragraph 2 for one Audit Report and all details concerning such subscriptions shall be reported in paragraph 6 as determined by the President.

The subscriptions cannot be reported as paid circulation beyond the expiration date.

**DN10.20 Subscription Extensions**

Number of subscriptions extended because of subscription price reductions or a reduction in the frequency of issue will be reported in paragraph 6.

**DN10.21**

When a publisher reduces the base annual price of a newspaper, subscriptions are extended as follows:

The unexpired portion of the subscription shall be extended in the ratio that the value of such unexpired portion at the old base rate bears to the new base rate.

All calculations shall be made effective from the date of the issue with which the price change has occurred.

**DN10.22**

When a publisher has reduced the base annual price and has extended the expiration date as specified above, and then, at a later date, has raised the basic annual price the new expiration dates for subscriptions originally extended shall be cut back in the ratio that the newest base price bears to the last base price. All calculations shall be made effective from the date of issue with which the price change has occurred.

**DN10.23**

When a publisher increases the frequency without a change in subscription rates, the publisher may extend the subscription period ordered by the subscriber. Details regarding subscription extensions shall appear in paragraph 10.

**DN10.24 Requirements and Records for Computerized Audits**

Publisher members using a computer for circulation fulfillment and preparation of audit data, shall:

**DN10.25**

Provide electronic files of all subscribers on the qualified mailing list for the issue analyzed, including all of the coding information for each recipient.

**DN10.26**

Provide separate computer tabulations for:

Newspaper audit classifications for paragraph 1 and 2.

Post expiration copies (arrears) for paragraph 4.

**DN10.27**

Retain a "frozen" file (in any form of memory) of the issue analyzed until the annual audit has been completed. The auditor may conduct any tests to verify the accuracy of the above reports.

**DN10.28**

Allow the auditor to examine the computer procedure manuals, including the coding instructions and system flow charts.

**DN10.29 Requirements for Storing Documents on Electronic Media**

Publishers electing to store documents on electronic media shall support all the data reported on the Circulation Audit Report.

**DN10.30**

Completely legible hard copy shall be provided for the stored qualification documents selected on the auditor's test.

**DN10.31**

At BPA Worldwide's discretion, periodic confirmations shall be made to verify the origin of the document.

**DN11.0 - Audit Procedure****DN11.1**

The auditor shall examine all available records pertaining to circulation as required in Sections DN9.0 and DN10.0 of these Rules.

**DN11.2**

Subscriber lists, circulation qualification records and other sources shall be counted and tested to verify analysis of circulation.

**DN11.3**

Officers and employees concerned with circulation may be questioned with regard to work on the records in their charge.

**DN11.4**

The auditor may compare and crosscheck data from these various sources, conduct confirmations and make any other tests considered essential to the complete and accurate authentication of the Audit Report.

The publisher shall be billed for the costs incurred for special tests considered to be essential to complete the audit.

**DN11.5**

The auditor may visit the printer's plant and bindery and secure records pertaining to the newspaper and may also visit the mailing room or any other department or plant that is concerned with the production or distribution of the newspaper. For these purposes the cooperation of the publisher shall be expected.

**DN11.6**

If it becomes necessary for an auditor to remove from the publisher's premises any receipts, documents, etc., the auditor shall be required to have two identical receipts signed by the auditor and the publisher or a publisher's representative listing the material taken. One receipt is to be kept by the auditor and the other by the publisher, both receipts to be destroyed upon the auditor's return of the material.