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# Policy Update

June 29, 2009

The board of directors of the Canadian Community Newspapers Association approved the amendments below on May 20, 2009. These amendments apply to all publications.

#### 1) Third Party Bulk Sales & Municipal Contracts

#### REVISED

Copies bought by a third party, such as an advertiser, sponsor/donor, or municipality, in quantities of 11 or more n quantities of 2 or more for distribution to individuals or organizations, and to promote the interests of the third party. A letter stating bulk sales, dated and signed by the publisher and addressed to a Canadian Media Circulation Audit Auditor must be submitted as backup documentation. Third party sales are copies mailed on behalf of advertisers to areas not usually serviced by the publication. To be considered part of a publication's circulation, these sales would have to be consistent (i.e. weekly). These copies would be considered Controlled Circulation unless the advertiser paid an annual subscription fee of not less than \$12.00, or 50% off the single copy price, and the copies have been individually addressed.

The copies must have been paid for at any net positive price, after taking the value of any premiums or incentives into consideration.

A summary of bulk sales, dated and signed by the publisher, shall be submitted as backup documentation.

### 2) Municipal Contracts

Agreements between Paid Circulation newspapers and their municipalities whereby the municipality buys bulk subscriptions at a reduced rate. These can only be considered paid if the minimum subscription fee of \$12.00 is paid and the newspapers are individually addressed and mailed at least once a month.

Note: The policy for Municipal Contracts has been eliminated. Refer to Third Party Bulk Sales policy.

# **REVISED**

#### 3) Returns and Special Campaigns

Any <u>premiums</u>, incentives, <u>or</u> reduced rates <del>or premiums</del> offered (e.g. seniors rate). When premiums or incentives are offered with a subscription, <u>the value of the premium or incentive must be deducted from the price of the subscription</u>. If the net price is a positive amount, then the subscription is considered paid circulation. If the net price is zero or a negative amount, then the copies must be reported as controlled circulation. Example: Subscription price is \$20.00. Mugs given away as premiums cost \$5.00 each, which means the net subscription price is \$15.00. If the mugs were \$20.00 each, the cost of the subscription must be at least 25 per cent of the annual price. The premium or incentive must not cost more than the annual subscription price. Example: Subscription costs \$20.00. Mugs given away as premiums cost \$5.00 each, or 25 percent of the subscription cost. If the mugs were \$8.00 each, or more than 25 per cent, then the copy distributed to that individual/company would be considered controlled.

Premiums may be pens, magnets, bags, caps, mugs, etc.

Incentives may be prizes or draws for cinema tickets, sporting events, dinner at a local restaurant, etc.

New policies and policy updates are effective immediately unless otherwise stated in the above update. <u>Underlined</u> text indicates the amendment to an existing policy. <del>Strikethrough</del> text indicates what has been amended. New policies are marked.

# NFW 4) Newspapers in Education

Copies ordered for delivery to students or schools and for the purposes of teaching students. These copies can be requested or purchased by instructors or sponsors or through school funds. (Copies that are purchased shall be subject to rules governing third-party bulk sales).

Newspapers In Education and educational copies shall be reported under Third-Party Bulk Sales if they were purchased, or Other Controlled if distributed free of charge. Members shall indicate if Newspapers In Education and educational copies were distributed as part of Third-Party Bulk Sales or Other Controlled on Section 5. Returns and Special Campaigns on Form X: Publisher's Circulation Report.

#### 5) Documentation from members

## a) Supporting documents

**NEW** 

For <u>interim and annual reports</u>, members shall be required to send:

- Supporting documents for the month of the analyzed issue
- Supporting documents for the last month of each reporting period (note: analyzed issue cannot be from the last month of the reporting period)
- Form X: Publisher's Circulation Report
- Form X.3: Distribution Summary
- Form Z: Single Issue Circulation Report or Weekly Circulation Report (Dailies) for all issues
- Form Y: Press Run Certificate for all issues
- Form G: Publisher's Deliver to Carriers, Dealers, Distributors, Street Boxes and Apartments for the month of the analyzed issue
- Subscriber list for the most recent issue

For <u>initial reports</u>, members shall be required to send:

- Supporting documents for all 6 months of the reporting period
- Form X: Publisher's Circulation Report
- Form X.3: Distribution Summary
- Form Z: Single Issue Circulation Report or Weekly Circulation Report (Dailies) for all issues
- Form Y: Press Run Certificate for all issues
- Form G: Publisher's Deliver to Carriers, Dealers, Distributors, Street Boxes and Apartments for all issues
- Subscriber list for the most recent issue

Initial reports would require more documentation than annual or interim reports so that auditors can perform more checks to ensure that new members are able to comply with the existing rules of the program.

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# b) Subscriber List

**NEW** 

Subscriber lists are a required supporting document for paid-circulation publications for the purpose of verifying that payment has been received for the publication. The subscriber list submitted by CMCA member publications as supporting documentation must include the following information:

- Subscriber first name, Subscriber last name
- Subscriber address
- Batch date for payment
- Batch number
- Price
- Amount paid or payment status