



25 June 2018

Royal Mail Wholesale

4th Floor
185 Farringdon Road
London
EC1A 1AA

New Magazine Subscription Mail Service

Dear Customer,

We are pleased to announce the launch of our Magazine Subscription Mail service to meet the needs of publishers of consumer and business magazines in addition to membership and brand magazines. The service will be available from January 2019.

Some magazines are experiencing strong growth rates in subscriptions whilst others are struggling with reduced advertising revenue and a tougher retail environment as the market continues to respond to the realities of a digital world. Feedback from publishers suggests that print remains an important driver of revenue and profit for publishers. We discussed requirements for a new service with customers, publishers and mail producers and used the insight to develop a service which addresses the challenges and supports the growth of subscriptions.

Features of the new service

The new service includes the following features:

- **Low cost:** The new service will be set at a lower price than business mail creating a cost effective service for customers and encouraging publishers to invest in subscription growth. The service is large letter format only and VAT rated at 0%;
- **Performance measurement:** Customers must use Mailmark Access 70 to post using the new service. Customers told us that quality of service is fundamental. By using barcodes, publishers can see the performance of their mailing items and work with suppliers to identify opportunities to improve performance, whilst using our lowest priced service;
- **Lower minimum entry requirement:** Publishers told us that some of their magazines have low circulation levels and require a low minimum daily entry requirement to post. To provide for this the minimum daily entry requirement is 2000 items for existing publication titles; or 1000 items for new publication titles in the first year of circulation by post;
- **Price certainty:** Publishers told us that they typically sell 12 month term subscriptions and any unforeseen changes to the cost of postage have an impact on the profitability of that subscription. To give customers greater confidence in using mail services for subscriptions we will provide 12 months' notice of any price change affecting this new service only;
- **Editorial content:** We understand that subscribers sign up for magazine subscriptions because of the editorial content. To assist publishers with growing their subscriptions, magazines posted using the new service must contain at least 30% editorial content;

- **Publishing incentives:** The new service is eligible for use with our publishing incentives which award publishers postage discounts when posting publishing mail. Find out more about our incentives at www.royalmailwholesale.com/publishing/;
- **Higher tray fill requirement:** To reduce the number of containers (trays or bags) in circulation the new services requires a minimum of 10 items in a container. This should save customers time and resource in handling containers throughout the supply chain and should be achievable as customers shall be sorting to Access 70;
- **Environment:** We appreciate that the industry is innovating to respond to the concerns around the use of plastic. We are working with the PPA Sustainability Action Group to help shape a response and will introduce product specifications as they evolve.

Qualification Process

Customers will need to register each magazine title to use the service. So that customers can start posting immediately from January 2019, customers can go through the qualification process before the service starts. From 1 October 2018 customers can send us samples of their publications so that we can check them and approve the publication in readiness for the service launch date of 2 January 2019.

Testing our Mailmark service

We are committed to working with customers to ensure they use the Mailmark service to their full benefit. If you have publishers who are new to Mailmark, we have a test on poly-wrapped large letters running until 30 June 2019. Mailmark is the cheapest service we offer. Although customers may incur item level non-compliance charges when using the Mailmark service, customers will never pay more than they would pay on an equivalent manual service. We encourage customers to participate early in the test to make best use of the new service.

Changes to the Access Letters Contract

To effect the introduction of the Magazine Subscription Mail service from 2 January 2019, we are introducing a new Schedule 24: Magazine Subscription Mail to the Access Letters Contract. We also made changes to the Access User Guide. The appended change notice (number 044) and user guide amendment notice (number 049) details the changes to the Access Letters Contract.

If you have any queries regarding the new service please contact your Account Director.

Yours sincerely,



Luisa Fulci
Regulated Products Director
Consumer and Network Access

ACCESS LETTERS CONTRACT CHANGE NOTICE: NUMBER 044

Date: 25 June 2018

1 Definitions and interpretation

- 1.1 If a word or expression is defined in this notice, it shall have the meaning given in this notice.
- 1.2 Any words or expressions which are not defined in this notice, but have an initial capital letter, shall have the meanings given to them in the Contract.
- 1.3 All of the rules about how to interpret the Contract shall apply to this notice.

2 Changes to the Contract

- 2.1 Under Clause 13.2.1(a) of the General Access Terms and Conditions, we hereby notify you of the addition of Schedule 24: Magazine Subscription Mail to the General Access Terms and Conditions to the Contract.
- 2.2 Schedule 24: Magazine Subscription Mail is published at www.royalmailwholesale.com.
- 2.3 The changes detailed in paragraphs 2.1 and 2.2 will take effect from 2 January 2019.

Yours sincerely,



Luisa Fulci
Regulated Products Director
Consumer and Network Access

ACCESS USER GUIDE AMENDMENT NOTICE NUMBER 049: MAGAZINE SUBSCRIPTION MAIL

Date: 25 June 2018

Dear Customer,

We notify you under clause 13.3.1 of the Access Letters Contract that we are changing the Access Letters User Guide to introduce the specification for the Magazine Subscription Mail service with effect from 2 January 2019. We are making the following changes per the red text:

1. Insert the following wording at Section 1:

Royal Mail Magazine Subscription Mail

Provided you have signed up to and meet the specifications and requirements of the Magazine Subscription Mail Schedule, Large Letters qualifying as Magazine Subscription Mail may be sent via the Magazine Subscription Mail service.

2. Amend Figure 1 in Section 2.2: Access Services:

Format	Letters		Large Letters		Mail Sortation Required	Minimum Address and Postcode Accuracy Required
	0-100g	0-100g	101-250g	251-750g		
Weight Band						
Service						
Access 1400	♦		♦		c.1529	90%
Access 70	♦		♦		c.86	90%
Access 70 OCR	♦		♦		c.86	90%
Access 70 Mailmark	♦		♦		c.86	90%
Responsible Mail (Entry)	♦		♦		sortation to any of the above services	90%
Responsible Mail (Intermediate)	♦		♦			95%
Advertising Mail*	♦		♦			90%
Business Mail			♦			90%
Magazine Subscription Mail			♦		c.86	90%
Poll Sort	♦				c.70,000	100%
General Large Letters**			♦		c.1529 or c.86	90%

* Mailing Items posted as Catalogues under the Advertising Mail Service must follow the service specification at Section 2.8, Appendix N and Schedule 6: Royal Mail Advertising Mail® of the Access Letters Contract.

** General Large Letters is the default Large Letter service used when none of the other Large Letter services have been chosen.

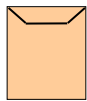
3. Amend Section 5.1: Step 1: Format Segregation

What is a Letter or Large Letter?



Letter format is no larger than C5+

- Maximum size 240mm x 165mm
- Minimum size is 100mm x 70mm
- Maximum thickness 5mm
- Maximum weight 100g



Large Letter format is not a Letter and which is

- Maximum size 353mm x 250mm
- Maximum thickness 25mm
- Maximum weight 750g

Please note: For Letter services and Large Letter format Mailing Items posted as Advertising Mail, Responsible Mail, Business Mail Large Letters or Magazine Subscription Mail, the size definition for length and width for Mailing Items excludes plastic outer covers, provided that they are flimsy and easily folded, in which case the outer covers will not count towards the length and width dimensions of the Mailing Item for pricing purposes. We also have specific dimensions for poll cards. See Appendix P: Poll card services.

4. Amend Section 6.1: Minimum Container Fills (Tray, Bags, ALPS):

Minimum Container Fills - Each Container shall only contain all Letters or all Large Letters.

In the case of Letters, each tray or bag shall contain at least:

- 25 Letters each weighing no more than 100g; and

In the case of Large Letters (excluding Large Letters declared as Magazine Subscription Mail), each tray, bag or ALPS shall contain at least:

- 5 Large Letters each weighing no more than 100g; or
- 5 Large Letters each weighing more than 100g up to 250g; or
- 5 Large Letters each weighing more than 250g up to 750g.

In the case of Large Letters declared as Magazine Subscription Mail, each tray, bag or ALPS shall contain at least:

- 10 Large Letters each weighing no more than 100g; or
- 10 Large Letters each weighing more than 100g up to 250g; or
- 10 Large Letters each weighing more than 250g up to 750g.

5. Amend Section 6.4.2: Bagging Mail:

Once the Mailing Items are bundled, they must be bagged. The maximum bag weight we will accept is 11kg, including the weight of the bag, bag tie and label. Depending on the volume of the Posting, more than one bag for a Selection may be needed. To make sure the bag weight will not exceed 11kg, it is usual practice to mark the bag breaks on the Mailing Items.

You must make sure that all Mailing Items for a single Selection are included in one bag unless the maximum weight is exceeded. Where possible all Mailing Items within each bag should be of a similar weight, shape or size. You must make sure that more than one bag is used if the weight of a bag, bag tie and label exceeds 11kg. The bag neck should be securely tied/strapped with a bag tie provided by us. Bags must not be tied through the 'D' rings.

The minimum number of Mailing Items accepted in a bag is:

- 25 Letters;
- 5 Large Letters (as set out in [Section 6.1](#)); or
- 10 Large Letters declared as Magazine Subscription Mail (as set out in [Section 6.1](#)).

6. Insert a new Section 6.11: Presentation of Magazine Subscription Mail Mailing Items:

Magazine Subscription Mail service is for Large Letters only. You may use this service if you have signed the Magazine Subscription Mail Schedule and you have registered the Title with us. In addition to the requirements detailed in the Magazine Subscription Mail Schedule, the presentational requirements set out in this section 6.11 also apply.

To qualify as Magazine Subscription Mail you must ensure that:

- Mailing Items:
 - comprise at least thirty per cent of editorial content. Editorial content does not include advertising material or data; or any information relating to a product or service, such

as pricing information or product descriptions, which relate to either the publisher of the Title, the owner of the Title or a third party;

- show the Title, the date of issue, and issue number on the front cover; and
- have dimensions that qualify as a Large Letter as set out in this User Guide; and
- you sort each Magazine Subscription Mail Posting using Access 70 and, meet the specifications and requirements of Royal Mail Mailmark;
- you reference the Title name in the “Campaign Name” field of the Mailmark eManifest each time you submit a Magazine Subscription Mail Posting to us;
- each Container you use to hand over Magazine Subscription Mail to us under the Contract must contain only Magazine Subscription Mail of the same Title; and
- each Container you use to hand over Magazine Subscription Mail must be labelled as Magazine Subscription Mail using the label identifier we specify in Section 7 of this User Guide.

6.11.1 Sample Magazine Subscription Mailing Items

Before you handover Magazine Subscription Mail to us you must:

- register each Title with us by completing the application form on the Website (<https://www.royalmailwholesale.com/download-the-latest-user-guides/>) including, the name of the Title which is to be sent as Magazine Subscription Mail, the name of the Title's publisher and the Supply Chain ID you will use for each Mailmark Mailing; and
- provide us with a sample of the Title in accordance with this section below. The sample must be an exact reproduction of the Title to be posted in terms of both outers used, front covers and contents enclosed.

The registration form and sample must be sent to the following address:

RM Sample (Magazine Subscription Mail)
Royal Mail Wholesale *[immediately followed by the relevant Mailmark SCID number]*
2nd Floor
206 Whitechapel Rd
London
E1 1AA

We will confirm in writing to you whether the Title is eligible for the Magazine Subscription Service and you may commence your Magazine Subscription Mail Postings of that Title from the date of our notification.

7. Amend Section 7.3: Royal Mail defined information field at paragraph 5:

Service	Abbreviation
Advertising Mail	ADVM
Responsible Mail Entry level; or,	Resp E
Responsible Mail Intermediate level; or,	Resp I
Business Mail Large Letter.	BMLL
Magazine Subscription Mail	Mag Sub

8. Amend Section 15.6.20 to read as follows:

<p>Advertising Mail / Business Mail / Magazine Subscription Mail Mailing Items do not meet the declared specification (including provision of samples and seeds)</p>	<p>If a Posting(s) or relevant segment of the Posting(s) fails to meet the Advertising Mail / Business Mail / Magazine Subscription Mail specification we may reject the Posting(s) or relevant segment of the Posting(s). Either:</p> <p>you must collect the Posting(s) or relevant segment of the Posting(s) and we may levy a Surcharge to cover the reasonable costs of handling;</p> <p>Or</p> <p>if we agree that it is reasonably practicable for us to do so, we will process the Posting(s) or relevant segment of the Posting(s). In this case we will amend the Posting Docket and the Posting(s) or relevant segment of the Posting(s) will be charged at the Postage for the Access Service that the Mailing Items do meet. Where we have statistically significant evidence that the error declared on the Manifest represents an error across all relevant segments, then we may revert the Mailing Items to the correct Postage by amending the Posting(s) based upon the statistically significant evidence.</p> <p>In either case we may levy a Surcharge to cover the reasonable costs of amending such Posting(s)</p> <p>In the case of failing to provide samples or seeds as specified in the relevant Advertising Mail Schedule, Paragraph 3.3 of that Schedule shall apply.</p>
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9. Insert a new Section 15.6.28:

<p>You have failed to post a Title of Magazine</p>	<p>If you fail to post a Title of Magazine Subscription Mail at least twice during a calendar year, then for that Title, we will be entitled to:</p> <ul style="list-style-type: none"> • treat your posting as a Business Large Letter posting, rather than a
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Subscription Mail at least twice a year

- Magazine Subscription Mail Posting; and
- at the end of the calendar year, charge you the difference in Access Charges for that posting accordingly.

10. Amend Appendix M: Royal Mail Mailmark at paragraph 2:

2. Services and formats available with the Mailmark option

The Mailmark option can be used with the following sortation, formats and service options provided that the mailing items meet the machine-readable requirements set out in this appendix:

Sortation level: Access 70

Format: Letter;
Large Letter.

Additional options: Advertising Mail;
Responsible Mail Entry;
Responsible Mail Intermediate;
Business Mail Large Letter.
Magazine Subscription Mail.

Yours sincerely,



Luisa Fulci
Regulated Products Director
Consumer and Network Access