EXAMPLES

1	Loot London (LL) sells a semi-display ad to a local advertiser who also wishes to advertise in Bargain Pages Birmingham (BPB).	
2	The rep sells twenty insertions in LL at ratecard price and a further ten insertions in BPB at £15 (a small premium on the agreed minimum rate of £ 12 for a semi-display ad).	10 insertions in BPB x price per insertion £15 = £ 150
3	The ad is sent to BPB and ten insertions are scheduled. There is only one destination therefore there are ten repeat units (RUs). As BPB publishes two issues a week, the insertions run consecutively over a period of five weeks.	1 destination (BPB) x 10 insertions = 10 RUs
4	For every RU, BPB will receive £ 1.50 and FAPIA/ICMA will receive £ 0.08 as a system usage fee, therefore LL retains £ 13.42 per RU (total £ 134.2) as pure profit.	Sold ad rate of £ 15 x 10 RUs = **£ 150** gross revenue
	The total pay-to-print calculation looks like this:	10 RUs per destination x £ 1.50 pay-to-print = £ 15 per destination _____ x 1 destination = **£ 15** total for this transaction
	The total system usage fee calculation looks like this:	10 RUs in total x £ 0.08 system usage fee = **£ 0.80** total for this transaction
	The yield calculation for LL looks like this:	Sold ad rate £ 15 - pay-to-print £ 1.50 - system usage £ 0.08 = £ 13.42 per RU _____ x 10 RUs = **£ 134.20** (net revenue retained by LL)

5	During the same quarter, BPB sells a commercial lineage ad to a local advertiser who also wishes to advertise in the entire UK-Ireland network, which comprises 11 destinations.	
6	The rep sells ten insertions in BPB and in Bargain Pages Wolverhampton at ratecard price and a further five insertions in the entire network (excluding BPB and Bargain Pages Wolverhampton) which is 9 destinations.	9 destinations x 5 insertions each = 45 RUs
7	So he charges the minimum agreed rate for a commercial lineage ad of £ 7 multiplied by 45 (total number of RUs).	Minimum rate £ 7 x 45 RUs = **£ 315** gross revenue
8	(NB: example - Buy & Sell Cork's repeat units will run for five weeks as there is only one issue a week whereas LL's will only run for one week as there are five issues a week.)	
9	For every repeat unit, each destination receives £ 1.50 and FAPIA/ICMA receives a system usage fee of £ 0.08. The total pay-to-print calculation looks like this: The total system usage fee calculation looks like this: The yield calculation for BPB looks like this:	Minimum ad rate £ 7 x 45 RUs = **£ 315** gross revenue 5 RUs per destination x £ 1.50 pay-to-print = £ 7.50 per destination _____ x 9 destinations = **£ 67.50** total for this transaction 45 RUs in total x £ 0.08 system usage fee = **£ 3.60** total for this transaction Minimum ad rate £ 7 - pay-to-print £ 1.50 - system usage £ 0.08 = £ 5.42 per RU _____ x 45 RUs = **£ 243.90** (net revenue retained by BPB)

10	If LL and BPB do not exchange any further ads in this quarter, the reconciliation of the pay-to print between these two destinations would be calculated as follows.	
	LL has sent 10 RUs to BPB and BPB had sent 5 RUs to LL.	
	Therefore LL owes BPB:	10 RUs x £ 1.50 = £ 15
	And BPB owes LL:	5 RUs x £.50 = £ 7.50
	ICMA will send a notification to BPB that they should invoice LL for £ 7.50 and to LL that they should expect to receive an invoice from BPB for this amount.	

Notes

3 Sending papers can specify the edition of the receiving paper that the ad should appear in Therefore, if BPB's Friday edition is best for property, LL can specify that the ad should appear on 10 consecutive Fridays and omit the Tuesday editions altogether. It is up to the sending paper whether they choose to charge a premium for this.

4 Pay-to-print is calculated and statements of account regarding invoices to be sent or received are sent out on a quarterly basis. The calculation on the system usage fees is based on historical estimates of usage and any adjustments are invoiced and rolled over at the beginning of each year.

6 Participants have the choice of whether they want to include their own publications in the network package. For example, BPB can choose whether the rep sells directly into BPB and BPW, and then the network, or whether the ad placed in BPW is included in the network and is therefore sent through the system. This choice is dependent on the organizational set-up of each participant, i.e. is there cross-selling by the same sales force over several products? If the decision is made to include one's own other products in the network, pay-to-print will have to be reconciled internally as Head Office will advise of the pay-to-print balance between each publication even if they are part of the same company.

Definitions

insertion – number of times an ad appears in a single publication

repeat unit (RU) – number of insertions in a total transaction, e.g. 5 insertions in 2 publications equals 10 RUs.

destination – a participating publication which can send and receive ads

installation – the physical software which enables a destination to send and receive ads. N.B. there is often one installation serving several destinations, e.g. Loot Liverpool and Loot Manchester are both handled through the Loot London installation.

system usage fee – this is the royalty that FAPIA/ICMA charges sending publications for the use of the system. This is currently set at approx. £ 0.08 (euro 0.12) per RU sent.

pay-to-print – the fee that the sending publication pays the receiving publication to print an RU. This is currently set at £ 1.50 per RU.

minimum ad rate – this is the minimum fee that sending papers can charge for ads in other participating publications. This is currently set at £ 7 for lineage ads and £ 12 for semi-display ads.

semi-display – this is an ad which clearly consists of a header, body and contact information and is distinguished from lineage ads by means of a border or top and bottom lines.

Proof of Publication (PoP) – an paper or preferably an emailed tearsheet proving that the ad was published in the receiving publication

What happens to the ad?