

Royal Mail Advertising Mail[®] Catalogue Option Rate card

January 2017

The prices in this rate card apply to mailings which meet the terms and conditions of the Royal Mail Advertising Mail[®] catalogue option



Royal Mail

Helping your business thrive and prosper

In a digital world, consumers place a high value on mail. We believe in the power of 1 to 1 communications to build customer relationships. Technology has transformed communications, but the core strengths of mail have endured and in some cases grown even stronger. Mail helps you connect with your customers and attract new customers in a way that few other channels can, especially when combined with digital.

Royal Mail is the UK's designated Universal Postal Service Provider, supporting customers, businesses and communities across the country. We are the only company that has the capability to deliver a 'one-price-goes-anywhere', six-days-a-week service on a range of letters and parcels to more than 29 million addresses across the UK.

Online Price Calculator*

Use our online price calculator to find the best options for your mailing. There's also a downloadable excel version.

royalmailtechnical.com/calculator

For other prices such as stamps, franking, parcels and international please visit:

royalmail.com/prices2017

*Catalogue Option Prices are not included in the Online Price Calculator

For further information including the User Guide for the Catalogue Option can be found at

royalmailtechnical.com/catalogues

Although correct at the time this price guide was produced (December 2016), postal prices, fees and other conditions are subject to revision from time to time and services may need to be added or withdrawn.

Up-to-date information may be obtained by visiting **royalmail.com**

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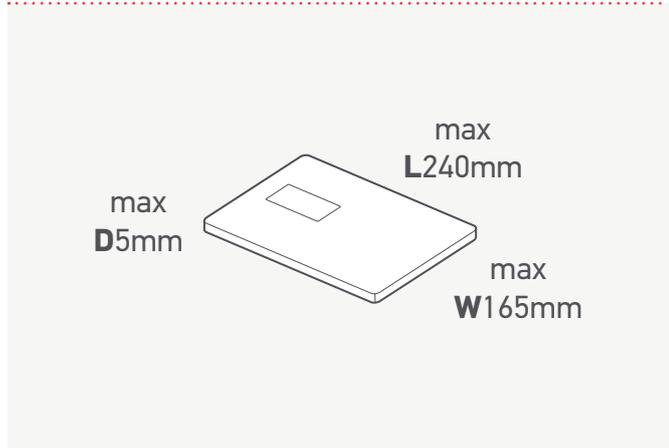
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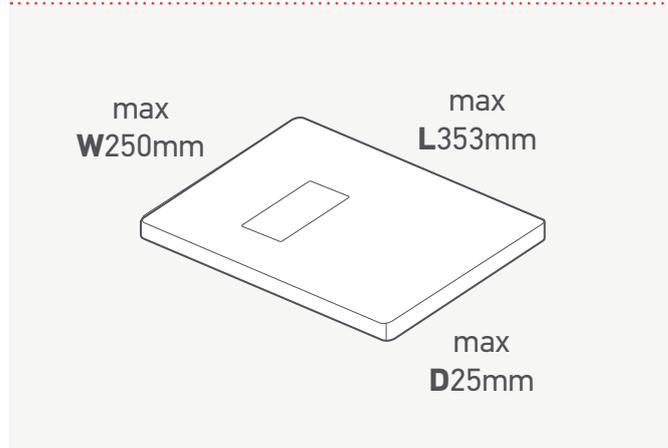
Know your formats

Here are the formats we use to work out the postage. Each format has its own size and weight limits. The illustrations below will help you work out which format your item will fall into.

Letter Up to 150g



Large Letter Up to 750g



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Standard prices apply above and below 101g to 150g. These can be found in the Advertising Mail rate card. The relevant product option is Advertising High Sort Economy (code AV4).

High Sort

Table 1 – Full prices and per gram increments

Economy			
Format	Weight	Full Price Direct Items	Full Price Residue Items
Letter	101-110g	25.0p	42.6p
	111-120g	26.2p	42.6p
	121-130g	27.4p	42.6p
	131-140g	28.6p	42.6p
	141-150g	29.9p	42.6p
Large Letter	101-110g	33.1p	42.6p
	111-120g	34.9p	42.6p
	121-130g	36.7p	42.6p
	131-140g	38.5p	42.6p
	141-150g	40.2p	42.6p

Prices in this table exclude VAT, which is charged at the standard rate.

Prices in this table exclude the Mailing Standards Levy of 0.2% which is not subject to VAT.

Further details of the Mailing Standards Levy can be found in the specific terms relating to Advertising Mail.

High Sort

Table 2 – Sortation Discounts

Economy		
Format	Direct Items	Residue Items
Letter	8.60%	2.50%
Large Letter	12.40%	2.50%

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High Sort

Aggregating volumes on Direct selections to achieve and maximise Volume Related Discounts:

In order to reach the VRD threshold on any given posting day, and to maximise the level of VRD obtainable, you can aggregate volumes on Direct selections in 2 ways:

1. You can combine a number of the same product / service level mailings onto one confirmed sales order. You will need to show in the comments field all the job reference numbers or part jobs included on that confirmed sales order. If you do this and then have multiple entries on a single confirmed sales order you must link the individual lines with the appropriate Customer Reference Number (CRN) to maximise your Volume Related Discount.
2. If you are unable to show all mailings for one day on a single confirmed sales order (usually because mailings are at different times) you must put the same Customer Reference Number (CRN) on each confirmed sales order and against each multiple entry. It is not possible to aggregate different sales orders posted on the same day for any unsorted products (Business Mail, Advertising Mail and Business Mail Advance).

Any applicable VRDs are calculated at the time you confirm your sales order and will be reflected on the invoice for that date of posting.

High Sort

Table 3 – Volume Related Discounts

	Economy				
Letters	4,000- 19,999	20,000- 39,999	40,000- 79,999	80,000- 119,999	120,000 +
Discounts for Directs*	0.0%	1.5%	3.5%	4.5%	5.3%
Discounts for Residues**	0.0%	1.0%	1.5%	2.0%	2.0%
Large Letters	1,000-9,999	10,000- 19,999	20,000- 39,999	40,000- 59,999	60,000+
Discounts for Directs*	0.0%	1.5%	3.5%	4.5%	5.3%
Discounts for Residues**	0.0%	0.5%	1.0%	1.0%	1.0%

*Volume Related Discounts for Direct items are based on total daily volumes over multiple sales order lines providing all items are posted on the same day; posted from the same posting location (site); posted via the same product and format, and only apply to Direct items (Residue items are not counted towards the calculation).

**Direct selection volumes or multiple posting volumes against any other sales order lines cannot be counted towards the Volume Related Discount calculation for Residue items.

High Sort

Table 4 – Trayed Mail Savings

	Saving per item
High Sort Letters	0.25p
High Sort Large Letters (up to 10mm thick)	0.60p

For further information on using trays please visit royalmail.com/traysavings

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Calculating the price of your mailing

Step 1: Find the full price for the items you are mailing from Table 1. If the item weighs more than 250g, then an incremental price should be added to the full price based on the exact weight of the item. The incremental price is calculated as the incremental weight in grams above 250g multiplied by the gram price increment. The result is rounded to the nearest 1/10th of a penny.

Step 2: Identify the appropriate sortation discount from Table 2.

Step 3: Add to the sortation discount the applicable Volume Related Discount for Direct and Residue items (from Table 3).

Step 4: Apply the aggregate discount to the full price to calculate the item price for Direct and Residue items.

Step 5: Multiply the Direct and Residue prices by the number of items in each category.

Step 6: Add the Direct and Residue values together to calculate the total transaction price excluding VAT and Mailing Standards Levy.

Worked example

A High Sort Economy Class option posting of 30,000 Large Letters weighing 125g each. 20,000 of these are Directs and 10,000 are Residues.

Step 1: The full price for Directs = 36.7p and the full price of Residues = 42.6p. (Table 1)

Step 2: Sortation Discount = 12.40% for Directs and 2.50% for Residues from Table 2.

Step 3: The Direct VRD from Table 3 of 3.50% added to the Direct discount of 12.40% gives total discount for Direct items of 15.90%. The Residue VRD, also from Table 3, is 0.5%, and this is added to the Residue discount of 2.50% to arrive at a total for residues of 3.00%.

Step 4: The price per item for Directs = $36.7p \times (100\% - 15.9\%) = 30.8647$.
The price per item for Residues = $42.6p \times (100\% - 3.00\%) = 41.3220p$.

Step 5: The price for the Directs = $(30.8647 \times 20000)/100 = \text{£}6,172.94$ and the price for the Residues = $(41.3220 \times 10000)/100 = \text{£}4,132.20$. So the total price for the mailing is $\text{£}10,305.14$ (excluding VAT and Mailing Standards Levy).

Trayed Mail Savings:

High Sort Large Letter mailings presented in trays will save 0.60p per item from Table 4 = $(0.60p \times 30,000)/100 = \text{£}180.00$ (excluding VAT and Mailing Standards Levy).

So the total price if the mailing is trays will be $\text{£}10,305.14 - \text{£}180 = \text{£}10,125.14$ (excluding VAT and Mailing Standards Levy).

Adjustment Charges

There are some occasions when mail does not meet our specifications, but we are still able to handle it for an additional charge. We will normally contact the poster and explain the problem before making a charge. (This is not possible for the Mailmark option.)

Fault	Applies to	Flat Fee	Per item fee	Note
Presentation errors	Sorted	£25.40	N/A	per posting
Incorrect labels/bag ties	Sorted	£25.40	20p	per label or tie
Incorrect cage cards	Sorted	£25.40	25p	per card used
Storage costs	Sorted	£25.40	25p	per cage per day
Overweight bags/bundles/trays	Sorted	£25.40	65p	per bag/tray generated
Overweight cages/Yorks	Sorted	£25.40	65p	per Cage/York generated
Minimum average per selection	Sorted	£25.40	adjustment	100% of mailing
Bulk surcharges	Unsorted	N/A	30p*	per item
Response specification	Response	N/A	30p	per item
Response specification	Response	£25.00	N/A	per licence per month
No sales order or posting cheque	Sorted and unsorted	£25.40	N/A	per posting
Incorrect Sales Order	Sorted and unsorted	£25.40	N/A	per cheque

Prices in this table exclude VAT, which is charged at the standard rate, except for Bulk surcharges.

*Bulk surcharges are exempt from VAT.



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