SmartMail by Quad

Multi-Bind Postal Savings Allocation Model

Quad's Postal Savings Allocation Model fairly and equitably allocates all postal savings from a Multi-Bind Co-mail event to the participating mailers, *no matter what size.*

It's important that the Co-mail environment is favorable for all mailers, both large and small. To ensure this, our model uses a 75% modifier when allocating out savings to participants rather than a simple prorated savings approach.   Please refer the example below to see how this balances the "per/M" savings in a more fair and equitable way for the participants. In this model, **Quad does not retain any Multi-Bind Postal Savings!**

Postal Savings Allocation applies when:
- There are multiple clients participating.
- One client has multiple titles Multi-Binding with one or more other clients' title(s).

Postal Savings Allocation does not apply when:
- There is only one client, and that client has multiple titles. The client retains 100% of the savings.

Allocation Example

Three clients are participating in a Multi-Bind event with a circulation of 2,000,000 pieces generating $80,000 in total gross savings.

	Client A 300,000 Pieces 15% of the event $14,000 gross savings ($45/M)	Client B 400,000 Pieces 20% of the event $22,000 gross savings ($44/M)	Client C 1,300,000 Pieces 65% of the event $44,000 gross savings ($14/M)
True Prorated Savings Total event gross savings multiplied by clients' percentage of event.	$80,000 x 15%= **$12,000**	$80,000 x 20%= **$16,000**	$80,000 x 65%= **$52,000**
Savings Spread Client's gross savings less true prorated savings.	$14,000 - $12,000= **$2,000**	$22,000 - 16,000= **$6,000**	$44,000 - $52,000= **$(8,000)**
Allocation Amount Saving spread multiplied by the modifier of 75%. **This is what is invoiced.**	$2,000 x 75%= **$1,500**	$6,000 x 75%= **$4,500**	$(8,000) x 75%= **$(6,000)**
Calculated Net Savings Client's gross savings less the allocation amount.	$14,000 - $1,500= **$12,500** ($42/M)	$22,000 - $4,500= **$17,500** ($44/M)	$44,000 - $(6,000)= **$50,000** ($38/M)

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