

# 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.

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