

The Costco Connection



What is it?

The monthly membership magazine mailed to Costco's best members.

Who are these premium members?

More than 12 million Costco Executive members (and growing) with a median household income of **\$97,358.***

The equation is a simple one:

Costco (a broad-line mass merchandiser) + *The Costco Connection* (a general-interest mass-market magazine) = Unprecedented results

*Source: GfK MRI Fall 2016 pocket piece

THE COSTCO CONNECTION®
Reaching America's smartest shoppers

**Corporate Advertising
Sales Manager**

Jane Shucklin
Phone: 425-313-8277
Email: jshucklin@costco.com

Reasons to advertise in *The Costco Connection*

The reach

The Costco Connection is the best way for a print advertiser to reach America's smartest shoppers: the Executive members of Costco Wholesale.

The quality

With median household incomes of \$97,358*, *Connection* readers virtually define the audience so many advertisers seek: wealthy consumers aggregated in large enough groups that mass-marketing techniques will work in reaching them and in getting them to act.

The trust

When you buy space in *The Costco Connection*, you are tapping into one of the most loyal—and captive—buying populations in the world. During the coming year, *Connection* readers will spend **more than \$13 billion—just at Costco!**

For more than 30 years, these loyal members have trusted that they will find the best value for their money at Costco. An ad in *The Costco Connection* benefits from this trust, loyalty and buying behavior in a manner simply not possible for ads appearing in other monthly publications.

*Source: Fall 2016 GfK MRI pocket piece

QUESTIONS	ANSWERS
Mailed copies?	12,000,000
Warehouse distribution?	250,000
Are both guaranteed?	Yes
Will circulation grow?	Tracks with Costco's Executive membership growth. It will grow.
4/C page rate, national?	\$206,250
Agency commissionable?	Yes
Frequency discounts?	Yes
Volume discounts?	Yes
Special positioning?	Yes
Geographic versions?	8 regional editions
Demographic editions?	Yes
International editions?	Australia, Canada (English), Canada (French), Japan, Korea, Mexico (Spanish), Taiwan, United Kingdom
Reader purchase behavior available?	Yes
Preprints accepted?	Yes
Polybagging available?	Yes, but not full run
Audited?	By Alliance for Audited Media (AAM)
Average monthly <i>Online Edition</i> unique visitors	150,000 per month
Cumulative mobile device downloads	616,930



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Reader profile at a glance

The Costco Connection audience	26,950,000*
Men	39.6%
Women	60.4%
Readers per copy	2.2
Age	
Age 25–34	8.3%
Age 35–44	14.6%
Age 45–54	24.2%
Age 55–64	26.7%
Median age	55.6
Marital status	
Married	81.7%
Any children in household	33.0%
Age 30–39 with children	79.2%
Age 40–49 with children	75.4%
Home ownership	
Own home	89.9%
Median home value	\$369,700
Employed	66.0%
Education	
Any college	88.1%
Grad college+	60.2%
Postgraduate	24.5%
Household income	
Median HHI	\$113,200
Median net worth	\$696,000
Employment	
Self-employed	41.6%
Own their own business	31.7%

*Based on 12,250 million circulation
Source: GfK MRI 2014 reader study



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2017 editorial calendar

JANUARY

Cover: Oprah

Special Section 1: For Your Health

Special Section 2: For Your Home: Furniture

Food: Whole 30 diet. 10 things you can do with lemons

Travel: Tips for first-time cruise ship traveler

Consumer Reporter: Kirkland Signature™ Laundry

Wine Connection: Best value / best buy wines

FEBRUARY

Cover: Smart Travel Tips by Peter Greenberg

Special Section: For Your Home: Hardware

Food: How to cook different cuts of chicken. Lobster

Health: Beets for health. Statins and alternatives.

Travel: Top tips for travel. Surprising romantic destinations

Consumer Reporter: Costco Flower Program

MARCH

Cover: Unique dwellings

Special Section: Home & Garden

Food: Pi Day Pie. Honey

Health: Fighting germs. Lactose intolerance

Travel: Seeing world history (Europe)

Consumer Reporter: Outdoor furniture

Wine Connection: BYOB restaurant etiquette

APRIL

Cover: Mary Barra, GM CEO

Special Section: Automotive

Food: Making Your Own Baby Food. Blueberries.

Health: Adults with autism. Oral cancer.

Travel: Theme park tips for maximizing your experience

Consumer Reporter: Balsamic vinegar

MAY

Cover: Outdoor occupations

Special Section: #1 Travel & Rec; #2 Sporting Goods

Food: Sliders. Cold brew.

Health: Osteoporosis. Melanoma awareness.

Travel: Secret Hawaii

Consumer Reporter: Costco Travel

Wine Connection: Rosé from around the world.

JUNE

Cover: Bethany Hamilton, champion surfer

Special Section: For Your Health

Food: Sushi. Five Fruity Infusions.

Health: Grief counseling. Summer weight loss.

Travel: Hidden Mexico

Consumer Reporter: Costco quality control

JULY

Cover: Farming's New Faces

Special Section: For Your Home: Furniture

Food: Fancy S'mores. Garlic.

Health: Lower back pain. Bone marrow donation.

Travel: Getting below the surface (snorkel, scuba trips)

Consumer Reporter: Quinoa

Wine Connection: Sangria.

For Your Pet: Pet safety in the summer

AUGUST

Cover: Favorite Teachers; A Class of Their Own

Special Section 1: Back to School

Special Section 2: For Your Home: Household necessities

Food: Cooking / Baking with Coffee. Eggplant.

Health: Eye health. Pregnancy and vitamins.

Travel: Top 10 Airline Tips

Consumer Reporter: Fall clothing lineup

SEPTEMBER

Cover: United Way

Special Section: Kirkland Signature products

Food: Pears. Fall cocktails.

Health: Urgent care or emergency room. Thrombosis.

Travel: Behind-the-scenes cruise tips

Consumer Reporter: Kirkland Signature Maple Syrup

Wine Connection: TBD

OCTOBER

Cover: TBD

Special Section: For Your Home: Kitchen, bedroom and bath

Food: 10 Tips for canned pumpkin. Baking cookie science.

Health: SIDS. Spine health.

Travel: Orlando

Consumer Reporter: Diamonds at Costco

NOVEMBER

Cover: Scott Kelly, Astronaut

Special Section: Arts & Entertainment

Food: Green bean casserole. Turkey tips.

Health: Heartburn. Bladder awareness month.

Travel: Multi-generational travel

Consumer Reporter: TBD

Wine Connection: TBD

DECEMBER

Cover: iRobot

Special Section: Home electronics

Food: Filet Mignon. Charcuterie.

Health: Medicinal foods. The mind diet.

Travel: River cruising.

Consumer Reporter: Costco honey program

For Your Pet: Pet health during the holidays

Other departments in most issues: Business feature, Arts & Entertainment, Costco Services, Debate, Inside Costco, Member Profile, Supplier Profile, Wine Connection

Subject to change; for recent updates check costcoconnection.com and click "Resources," then "Media Kit".

**THE COSTCO
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**Editorial Contact
Deputy Editor**

Tod Jones

Phone: 425-313-6748

Email: tod.jones@costco.com

**Corporate Advertising
Sales Manager**

Jane Shucklin

Phone: 425-313-8277

Email: jshucklin@costco.com

Connect with Costco shoppers

Most *Costco Connection* readers do not read other popular magazines, as listed below. That means *The Connection* is an effective way of reaching an untapped market of shoppers.

Popular Magazines	% of <i>Costco Connection</i> readers who do not read these publications*
<i>AARP The Magazine</i> (50s edition)	74.2
<i>Better Homes & Gardens</i>	85.0
<i>Family Circle</i>	90.4
<i>Good Housekeeping</i>	88.0
<i>People</i>	85.1
<i>Prevention</i>	92.9
<i>Redbook</i>	97.5
<i>Sunset</i>	91.2

*Source: GfK MRI 2014 reader study



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Jane Shucklin

Phone: 425-313-8277

Email: jshucklin@costco.com

Publishing Schedule National Advertising Rates, USA

National Rate Card No. 13 • Rates guaranteed through June 2017

Advertising rates as of January 2017

	1X 4C		1X 4C
Full page	\$206,250	Inside front/back cover	\$237,180
Half page	\$123,750	Back cover	\$247,500
Third page	\$90,650	Spread	\$330,000

Discounts available. * Black-and-white rates are charged at 10% less than color.

SPECIAL POSITIONS

Guaranteed placement can be accommodated at an additional 15%.

Circulation and readership

Rate base (mailed circulation only)	12,000,000 [†]
Bonus warehouse (store) distribution	250,000 [†]
Circulation	12,250,000[†]
Readers per copy	2.2 ^{††}
Audience	26,950,000[†]

[†]Circulation is audited annually by AAM ^{††}GfK MRI 2014 reader study (2.2 readers per copy).

Regional four-color

	Full Page	Half Page
Northwest (Rate base 1,623,000) Alaska, Idaho, Montana, Oregon, northern Utah, Washington (68 locations)	\$40,000	\$24,000
Bay Area (Rate base 1,593,000) Northern California area, northern Nevada (55 locations)	\$38,500	\$23,100
Los Angeles Area (Rate base 1,667,000) Plus Hawaii (61 locations)	\$40,500	\$24,300
San Diego (Rate base 1,250,000) San Diego area, Arizona, Colorado, southern Nevada, southern Utah, New Mexico (56 locations)	\$30,000	\$18,000
Midwest (Rate base 2,085,000) Illinois, Indiana, Iowa, Kansas, Kentucky, Michigan, Minnesota, Missouri, Nebraska, North Dakota, Ohio, South Dakota, Wisconsin (84 locations)	\$46,000	\$27,600
Texas (Rate base 760,000) Kansas, Louisiana and Texas (32 locations)	\$18,000	\$10,800
Northeast (Rate base 1,880,000) Connecticut, Delaware, Maryland, Massachusetts, New Hampshire, New Jersey, New York, Pennsylvania, Vermont, Virginia, Washington, D.C. (91 locations)	\$44,000	\$26,400
Southeast (Rate base 1,256,000) Alabama, Florida, Georgia, North Carolina, South Carolina, Tennessee (58 locations)	\$31,000	\$18,600

Publication schedule 2017

Issue	Close	Materials Due	Publication
January 2017	November 16	November 23	January 1
February 2017	December 16	December 23	February 1
March 2017	January 18	January 25	March 1
April 2017	February 17	February 23	April 1
May 2017	March 17	March 24	May 1
June 2017	April 19	April 26	June 1
July 2017	May 17	May 24	July 1
August 2017	June 19	June 26	August 1
September 2017	July 19	July 26	September 1
October 2017	August 18	August 25	October 1
November 2017	September 18	September 25	November 1
December 2017	October 18	October 25	December 1

Ad specifications

MAGAZINE TRIM SIZE: 7.75" x 10.5"

BLEED: Only full pages and spreads may bleed. When bleeding an ad, please allow 1/8" beyond the magazine's trim on all sides.

LIVE AREA: All live matter must be a minimum of 3/8" inside trim and gutter. For ads smaller than a full page, the actual ad dimension is the live area.

PRINTING PROCESS: Web offset **BINDING METHOD:** Saddle stitched

Ad size	Non-bleed dimensions	Dimensions including bleed
Spread	N/A	15.75" x 10.75"
Full page	7" x 9.6875"	8" x 10.75"
Half page	7" x 4.75"	N/A

PRODUCTION REQUIREMENTS AND PHOTO STANDARDS

The Costco Connection prints in 150-line screen with a final trim size of 7.75" x 10.5".

Please provide Macintosh-compatible files only. Ads should be created in Adobe InDesign, Photoshop or Illustrator (CC 2015 or earlier). Native, editable files are required. We DO NOT accept QuarkXPress, PageMaker, FreeHand or proof-quality PDF files.

Materials must include all fonts and supporting artwork. Images MUST be high-resolution, 300 dpi at final usage size. Black-and-white bitmapped images (logos, etc.) MUST be 1200 dpi at final usage size. All color work must be CMYK

Ad materials may be supplied on CD or via advertiser FTP site (Publisher does not have an FTP site). Compressed files 25 MB and smaller can be sent via email. All ads should be accompanied by a pdf for proofing. All ad materials will become Publisher's property. Advertiser is prohibited from including URLs for websites that host any type of sales activity. Advertiser is prohibited from using any Costco Wholesale logotype without securing written permission in advance.

Note: Perfect alignment of type or design across the gutter of two facing pages cannot be guaranteed.

ONLINE CONNECTION REPLICATE ISSUE CHARGE

A \$250 charge will automatically be added to all advertising costs unless otherwise agreed upon for ads running in the Northwest region. Contact an advertising representative for details.

ADDITIONAL CHARGES

No production charges will be incurred for completed ads received in digital form. A \$650 production fee will be incurred for providing film, for image scanning, for reformatting of any ad materials or for creative design. Regional plate changes are charged at an additional \$800 per region.

*DISCOUNTS

Three to five contracted ads will receive a 5% discount; six or more contracted ads will receive a 10% discount. All ads must be booked for a 12-month period and all contracts must be submitted together. A 5% volume discount is offered on multiple ads in the same issue except when advertising regionally. Discount will be calculated when a second ad is booked, and will be applied only to the lesser of the advertising rates scheduled.

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General information

RATE POLICY

All contracts, insertion orders and copy are subject to approval of Publisher. Publisher reserves the right to accept, classify, cancel, edit, disclaim or reject any advertisement at any time and for any reason. Advertising will be billed at the open rate unless a contract has been submitted for a specific frequency rate and time period. Contracts canceled before completion will be short-rated at the earned rate.

INSERTS/GATE FOLDS/OTHER SPECIAL REQUESTS

Bound-in reply cards or tip-in inserts are accepted. Minimum 1 million pieces or lowest regional circulation as in the Texas region. Please call for a quote. An accurate copy of any furnished insert must be submitted to Publisher for review prior to the printing of the insert. Publisher's review and/or approval of such copy does not release or relinquish Advertiser/Agency from its responsibilities hereunder. Publisher is not responsible for errors or omissions in, or the production quality of, furnished inserts. Advertiser and/or Agency shall be responsible for any additional charges incurred by Publisher arising out of Advertiser and/or Agency's failure to deliver furnished inserts pursuant to Publisher's specifications. In the event that Publisher is unable to publish the furnished insert as a result of Advertiser's failure to comply, Advertiser and/or Agency shall nevertheless remain liable for the space cost of such insert. Orders or Publisher-produced inserts for magazines cannot be canceled less than two months prior to publication date. Advertiser will be responsible for the cost of any work performed or materials Publisher purchased on behalf of Advertiser, including the cost of services, paper and/or printing.

PAYMENT AND COMMISSIONS

Amounts due from Publisher's suppliers will be deducted from Advertiser's invoice or account. For Advertisers not Publisher's suppliers, payment is due net 30 days upon receipt of invoice. Recognized advertising agencies will be given a 15% commission for client space reservations. A 1.5% monthly finance charge is added to unpaid balance after 60 days. Advertiser agrees to all provisions of this contract. Advertiser agrees to pay any costs of collection, including but not limited to reasonable attorneys' fees and court costs, in addition to the monthly finance charge.

CANCELLATIONS

Any ad can be canceled at the discretion of Advertiser or Publisher on 45 days' written notice (prior to proposed publication date). Advertiser and Agency are liable for any advertisement that is not canceled in a timely fashion. Publisher, at its absolute discretion, may terminate its relationship with Advertiser and/or Agency for breach of this agreement, including without limitation failure on the part of either Advertiser or Agency to pay each bill by its due date.

INDEMNIFICATION/REPRESENTATIONS AND WARRANTIES

Advertiser assumes full and complete liability for content of all advertising authorized for publication and for any claims that may arise therefrom. Advertiser represents and warrants that Advertiser has all necessary licenses, releases and clearances to use the content contained in its advertisement (including, without limitation, names or pictures of any persons, any copyrighted material, trademarks, service marks or logos) and to authorize Publisher to use, transmit, display and publish such content in *The Connection* and any other media now or hereafter created and that such publication will not violate the rights of any third parties. Advertiser's performance under this agreement will comply with all applicable laws, rules and regulations. Advertiser shall defend, indemnify and hold harmless Publisher, its parent, agents, subsidiaries, affiliates and their respective directors, officers and employees from and against any and all claims, demands, damages, judgments, losses, fines, penalties, liabilities, costs and expenses, including attorneys' fees, for suits in law or equity relating to or arising from Advertiser's breach of these terms and conditions, the publication of the advertising content delivered accurately, including but not limited to any materials that violate any applicable law or regulations, or the rights of any third party.

Publisher reserves the right to add the words "Paid advertisement" to any ad that might not be distinguishable from editorial content.

INTERNATIONAL EDITIONS

Australian, Canadian, Japanese, Korean, Taiwanese, United Kingdom and Mexican editions are sold through each respective country. Please call for country contract.

Limited liability

Publisher's liability with respect to any advertising shall be limited to the fees paid for such advertising. Publisher shall not be liable for any special, indirect, incidental, consequential or exemplary damages including lost profits, arising out of or related to this contract. Publisher is not liable for ads not published, errors, misprints or omissions in connection with any advertisement. This Contract incorporates and is subject to the Costco Wholesale Standard Terms (2004) and any signed Vendor agreement between Publisher and Advertiser. Please call if you do not have the Standard Terms.

Independent National Representation

Frank Colunno
Media Partners Group, LLC
Phone: 201-962-2759
Email: fcmediapartners@optonline.net

Corporate Advertising Sales Manager

Jane Shucklin
Costco Wholesale
Phone: 425-313-8277
Email: jshucklin@costco.com

CPM/rate base comparison

National non-vendor full-page 4-color 1x insertion	Cost	Rate base	Cost per thousand
<i>The Costco Connection</i>	\$206,250	12,000,000	\$17.19
<i>Reader's Digest</i>	\$70,434	3,000,000	\$23.48
<i>AARP The Magazine</i> (50s edition)	\$204,920	5,000,000	\$40.98
<i>Prevention</i>	\$92,500	1,500,000	\$61.67
<i>O, The Oprah Magazine</i>	\$173,945	2,350,000	\$74.02
<i>Better Homes and Gardens</i>	\$601,000	7,600,000	\$79.08
<i>Family Circle</i>	\$358,700	4,000,000	\$89.68
<i>Redbook</i>	\$206,500	2,200,000	\$93.86
<i>Woman's Day</i>	\$309,815	3,250,000	\$95.33
<i>Martha Stewart Living</i>	\$215,200	2,050,000	\$104.98
<i>People</i>	\$357,200	3,400,000	\$105.06
<i>Good Housekeeping</i>	\$485,585	4,300,000	\$112.93
<i>Sunset</i>	\$146,500	1,250,000	\$117.02

Prices and circulation as of January 2017
Source: Alliance for Media Audit/Publisher's rate card



For more information, contact:

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