

Australian Food and Grocery Council
AUSTRALIAN QUICK SERVICE
RESTAURANT INDUSTRY
INITIATIVE FOR RESPONSIBLE
ADVERTISING AND
MARKETING TO CHILDREN
2012 COMPLIANCE REPORT



PREFACE

The Australian Food and Grocery Council (AFGC) is the leading national organisation representing Australia’s food, drink and grocery manufacturing industry.

The membership of AFGC comprises more than 150 companies, subsidiaries and associates which constitutes in the order of 80 per cent of the gross dollar value of the processed food, beverage and grocery products sectors.

With an annual turnover in the 2010-11 financial year of \$110 billion, Australia’s food and grocery manufacturing industry makes a substantial contribution to the Australian economy and is vital to the nation’s future prosperity.

Manufacturing of food, beverages and groceries in the fast moving consumer goods sector¹ is Australia’s largest manufacturing industry. Representing 28 per cent of total manufacturing turnover, the sector is the second largest industry behind the Australian mining sector and accounts for over one quarter of the total manufacturing industry in Australia.

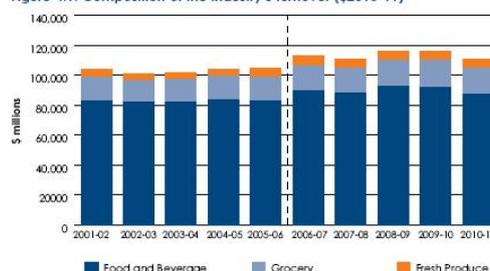
The diverse and sustainable industry is made up of over 22,600 businesses and accounts for over \$49 billion of the nation’s international trade. These businesses range from some of the largest globally significant multinational companies to small and medium enterprises. Industry spends \$466.7 million a year on research and development.

The food and grocery manufacturing sector employs more than 296,300 Australians, representing about 3 per cent of all employed people in Australia, paying around \$11.3 billion a year in salaries and wages.

Many food manufacturing plants are located outside the metropolitan regions. The industry makes a large contribution to rural and regional Australia economies, with almost half of the total persons employed being in rural and regional Australia². It is essential for the economic and social development of Australia, and particularly rural and regional Australia, that the magnitude, significance and contribution of this industry is recognised and factored into the Government’s economic, industrial and trade policies.

Australians and our political leaders overwhelmingly want a local, value-adding food and grocery manufacturing sector.

Figure 4.1: Composition of the industry’s turnover (\$2010-11)^a



Source: Based on ABS, catalogue number 8221.0 and 8159.0

¹ Fast moving consumer goods includes all products bought almost daily by Australians through retail outlets including food, beverages, toiletries, cosmetics, household cleaning items etc.

² About Australia: www.dfat.gov.au

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1. EXECUTIVE SUMMARY

This report documents signatory compliance with the Australian Quick Service Restaurant Industry Initiative for Responsible Advertising and Marketing to Children (QSRI). The review captured three monitoring components: company reported activity; an external audit; and complaint adjudications by the Advertising Standards Board (ASB).

Overall, compliance with the QSRI core principles during 2012 was high. **Six** signatory brands reported that they did not pay for, or actively undertake, marketing communication activities to children in 2012. **One** signatory undertook some marketing communication activities to children, which met the QSRI core principles and nutrition criteria. The ASB upheld one complaint during 2012.

Results of the inaugural external audit found there were some foods that did not meet the signatories' nutrition criteria advertised during children's television programs. These occurrences were subsequently found to be mainly inadvertent, resulting from the provision of bonus airtime by the television network and were not undertaken at the direction of the signatories.

The review has identified some implementation aspects that require strengthening, particularly in relation to the provision of bonus airtime and signatories have acted to eliminate these occurrences. The impact of signatories' strategies to eliminate this issue will be evident in the collection of 2013 data.

In 2012 the Australian Food and Grocery Council (AFGC) commissioned an independent review of the QSRI and its operation. The result of the review has led to a redrafting of the QSRI which will come into operation from 1 January 2014. AFGC is committed to on-going monitoring of signatory activities against the QSRI core principles and will continue to encourage quick service restaurant companies to sign on to the initiative.

2. INTRODUCTION

The Australian Quick Service Restaurant Industry developed the Australian Quick Service Restaurant Industry Initiative for Responsible Advertising and Marketing to Children (QSRI) to demonstrate its commitment to responsible advertising and marketing of food and/or beverages to children. The QSRI was developed in collaboration with the Australian Association of National Advertisers (AANA) as part of the system of advertising and marketing self-regulation in Australia and became effective on 1 August 2009.

At around the same time the Australian Food and Grocery Council (AFGC) implemented a similar initiative that covered food and beverage manufacturers, namely the Responsible Children's Marketing Initiative (RCMI). AFGC has managed the implementation and monitoring of the RCMI since its inception and during 2011 took over the management of the QSRI.

As now required by the initiative, signatories have submitted reports against their Company Action Plans and highlighted the specific steps they have taken to meet their commitment during 2012. This report provides an overview of compliance with the QSRI core principles during its third year of operation.

2.1. HOW THE QSRI WORKS

The QSRI provides a common framework for quick service restaurant companies to ensure that only food and beverages that represent healthier choices are promoted directly to children and to ensure parents or guardians can make informed product choices for their children.

The QSRI sets out clear expectations of the form, spirit and context of advertising to children (Appendix 1). Signatories to the QSRI publicly commit to undertake marketing communications to children only when it will further the goal of promoting healthy dietary choices and healthy lifestyles. Other core principles relate to:

- Use of popular personalities and licensed characters;
- Product placement;
- Use of products in interactive games;
- Advertising in schools;
- Use of premium offers;
- On-pack nutrition labelling;
- Availability of nutrition information.

Companies that sign up to the initiative publish individual Company Action Plans on their websites, which outline their specific commitments. Attached to the QSRI is a uniform set of nutrition criteria to define 'children's meals', with only products that meet these criteria permitted to be advertised to children. The criteria were developed by a team of Accredited Practising Dietitians in consultation with national guidelines and authorities on children's nutrition.

The Advertising Standards Bureau (ASB) administers the complaints process for the QSRI, in conjunction with a range of other industry codes, including the RCMI, AANA Code of Ethics, AANA Code for Advertising & Marketing Communications to Children and the AANA Food and Beverages Advertising & Marketing Communications Code.

Complaints are assessed according to the QSRI core principles on two levels:

1. Whether the product represents a healthy choice;
2. Whether the advertisement is directed to children.

The determination of whether the products represent a healthy choice is made by an independent arbiter. The Nutritional Physiology Research Centre at the University of South Australia is the arbiter for the QSRI. The determination of whether the advertisement is directed to children is made by the ASB.

The Board of the ASB meets twice a month to consider complaints received and can also meet between meetings if the Secretariat considers that a complaint should be considered as a matter of urgency. As such, complaints against the QSRI can be dealt with in a timely manner. If the complaint is upheld, the company must cease using the marketing communication. Case determination reports for all ASB adjudications are available on the ASB website.

2.2. 2012 SIGNATORIES

As in 2011, there were seven signatories to the QSRI in 2012 (from four companies) with these companies holding a large share of the QSR market in Australia.

QSRI signatories

Chicken Treat
Hungry Jack's Australia
KFC
McDonald's Australia
Oporto
Pizza Hut
Red Rooster



3. METHODS

This report documents compliance with the QSRI core principles during 2012 through three monitoring components: company reported activity; an external audit; and complaint adjudications by the Advertising Standards Board.

3.1. COMPANY REPORTED ACTIVITY

All 2012 signatories submitted reports against their Company Action Plan. Signatories reported on marketing communication activities to children and how these complied with the core principles of the QSRI. In some cases, signatories provided additional information, including details on other marketing activities and product redevelopment.

3.2. EXTERNAL AUDIT

AFGC undertook an audit of quick service restaurant advertisements outside of these reports. AFGC purchased television advertising data for December 2012, from Ebiquity, an international provider of media and marketing analytics. The data covers advertising of quick service restaurant products on the three main free-to-air television channels (Seven, Nine and Ten) for Adelaide, Brisbane, Melbourne and Perth; and the eight free-to-air television channels for Sydney (including the three main channels and the additional digital channels). Overall, 93 days were included in the analysis (24 hours each day).

AFGC identified all television advertisements screened by signatories and assessed whether foods that do not meet their nutrition criteria were advertised during children's programs (greater than 50% of the audience is aged less than 12 years and/or programs directed primarily to children). AFGC did not assess the creative content of the advertisements as this interpretive aspect is best suited to the expertise of the ASB as part of their adjudication on complaints received.

Placement provisions were introduced to the QSRI in November 2012. In future years, AFGC will purchase three months worth of advertising data.

3.3. COMPLAINTS

Case reports from the ASB website were assessed and those that mentioned the QSRI identified. These reports document the nature of the complaint, the advertiser's response and the ASB determination.

4. 2012 OUTCOMES

4.1. COMPANY REPORTED ACTIVITY

4.1.1. Marketing communication activities to children

Chicken Treat reported that they undertook no marketing communication activities to children under the age of 14 years during 2012.

Hungry Jack's Australia reported that they undertook no marketing communication activities to children under the age of 14 years during 2012.

McDonald's Australia reported that all marketing communication targeting children less than 14 years in 2012 promoted a Happy Meal comprised of healthier options that met the QSRI's defined set of nutrition criteria. These options were the Seared Chicken Snack Wrap, Apple Slices and CalciYum low

fat flavoured milk. Advertising promoting the Happy Meal appeared on television (channels 7, 9, 10 and Pay TV), in children's magazines (such as K-Zone), online (on children's websites such as nickelodeon.com.au) and in cinema (preceding movies such as Madagascar). Sports Encouragement Awards with vouchers for healthier choices including the Seared Chicken Snack Wrap, Apple Slices, CalciYum low fat flavoured milk, fruit juice or water were distributed at various children's sporting events with the consent of organisers around the country.

Oporto reported that they undertook no marketing communication activities to children under the age of 14 years during 2012.

Red Rooster reported that they undertook no marketing communication activities to children under the age of 14 years during 2012.

Yum! Restaurants International (KFC and Pizza Hut) reported that they undertook no marketing communication activities to children under the age of 14 years during 2012.

4.1.2. Steps to meet requirements of RCMI

While not a requirement of the reporting activities, some signatories reported on the internal processes put in place to ensure compliance with their commitments to the QSRI:

Chicken Treat reported that during 2012 they reiterated existing instructions to all major television stations in Western Australia that their advertising must not appear in children's programming.

McDonald's applies a rigorous approach to compliance with the Initiative from briefing their agency partners to reviewing the final creative and placement plans by marketing, legal and corporate communications departments.

Yum! Restaurants International (KFC and Pizza Hut) requires their external advertising agencies to comply with the Company Action Plans and the Initiative when formulating marketing communications. Proposed marketing communications to which the Initiative applies are reviewed by the company's in-house legal team who are required to take into account the Company Action Plan and Initiative as part of their review.

4.1.3. Other reported activity

Some signatories reported on other marketing communications and general activity related to the application of the QSRI and to encourage healthy eating and lifestyle practices:

Hungry Jack's website provides complete menu nutrition, ingredient and allergen information. They also provided an in store nutrition pamphlet with basic nutrition and allergen information. Hungry Jack's has continued its reformulation activities which have included:

- Frying Oil – 76% reduction in saturated fat
- Buns – 63.6% reduction in sugar and 35% reduction in sodium
- Chicken nuggets – 34.3% reduction in sodium
- Tendercrisp chicken – 54% reduction in saturated fat and 40% reduction in sodium
- Grilled chicken – 58% reduction in sodium

McDonald's continued its sodium reduction program, a key highlight of which included a 20% sodium reduction in cheese, impacting 14 menu items.

Oporto packaging has been updated and contains a nutrition information panel, including percentage of recommended daily intake values. Nutrition and allergen information is available in all Oporto stores and on the Oporto website.

Red Rooster no longer includes toys as a part of their kid's meal offerings, in line with their commitment to the QSRI.

Yum! Restaurants International (KFC and Pizza Hut) report that during 2012 the following actions were taken within their KFC stores:

- Replaced the cooking oil used in all Australian outlets with high-oleic canola oil;
- Updated its in-store allergen and nutrition brochures;
- Introduced a salad onto their KFC menu;
- Continued to work on reducing sodium in various core chicken products; and
- Undertook preparations for the 2013 launch of a grilled chicken range and healthy children's meal.

In Pizza Hut, the following changes were made:

- Reduced sodium in its pizzas by approximately 10 per cent;
- Designed a three year sodium reduction program targeting pizza ingredients including meat toppings, dough bases, cheese, bread and side items; and
- Launched a *Light & Delicious* range of three pizzas each containing less than one third of the recommended daily kilojoule intake.

4.2. EXTERNAL AUDIT

Results of the external audit (December 2012) identified few instances in which foods that did not meet the nutrition criteria were shown in children's television programs (Table 1). In each instance, the placement of advertisements in children programs was unintentional; evident through the figure that reports the proportion of screenings in children's programs as a proportion of the total number of time the advertisement screened.

Each of the signatories responded to AFGC regarding these occurrences and reaffirmed that these screenings were unintentional as their company takes their commitment to the QSRI seriously.

Chicken Treat: All of Chicken Treat's incidents of non-compliance occurred during Friday and Saturday evening movies, screening after 7.30pm. The movie to be broadcast was not known at the time booking the advertising slot. Chicken Treat has written to their media buying agency, clearly detailing their commitments under the QSRI.

Hungry Jack's: The majority of Hungry Jack's incidents of non-compliance were due to the provision of bonus airtime by one network. The other incidents occurred during evening movies where the booking was made but the scheduled program was not finalised until a few days prior to screening.

McDonald's Australia: McDonald's expressed deep concern for the results of the analysis and take their responsibilities under the QSRI very seriously. The advertisements were not meant for children nor were they intended to be shown in any medium covered by the QSRI. Upon investigation it appears as though they were mistakenly placed in the time slots covered by the QSRI as 'bonus spots' without McDonald's direction, despite a strict brief in place with their media buying agencies to only place Happy Meal advertising that complies with the QSRI in time slots where the majority of viewers are children.

Since the misplaced advertisements appeared, McDonald's has conducted further training with all their agencies to strengthen existing procedures. Similarly, their expectations relating to the placing of 'bonus' advertisements have been reiterated to television networks.

McDonald's will continue to work closely with all relevant industry organisations to ensure future compliance with the QSRI.

Oporto: All of Oporto's incidence of non-compliance were inadvertent and due to either the provision of bonus airtime or changes to program scheduling. Oporto has written to their media buying agency, clearly detailing their commitments under the QSRI.

Red Rooster: All of Red Rooster's incidents of non-compliance occurred during Friday, Saturday and Sunday evening movies. The movie to be broadcast was not known at the time booking the advertising slot. Red Rooster has written to their media buying agency, clearly detailing their commitments under the QSRI.

Yum! Restaurants International (KFC and Pizza Hut): Yum! takes its obligations under the QSRI very seriously and was both surprised and concerned when advised of instances of non-compliance. The incidence were all inadvertent, with the majority occurring during weekend movies and screened after 8.00pm, being movies that were not regarded by the television networks as children's programs (with effect they were not flagged to Yum! or its media buyer in advance). Yum! has since communicated with its media buyer to ensure both the buyer and the networks have a clear understanding of the programs captured under the QSRI. Yum!'s media buyer has also undertaken to amend its processes to ensure a review of placements in movies occurs once the scheduled movie is made available.

As placement provisions for the QSRI were only introduced in November 2012, it is not unexpected that there are some initial incidents of non-compliance as signatories, media buying agencies and networks adjust to the altered provisions.

The external audit has highlighted that Saturday evening movies have proven to be a problem for a number of signatories. Generally, when media bookings are made, the scheduled movie is not yet known. This can result in inadvertent breaches when the movie broadcast falls within the definition of directed primarily to children. AFGC will work with signatories during 2013 to address this issue.

Table 1: Compliance assessment through AFGC auditing, December 2012 (TV advertising placement only)

RCMI Signatory	Compliance details
Chicken Treat	<p>An advertisement for Chicken Treat's Summer Value Dinner screened three times in a children's program during the audit period, representing 1.5% of all screenings for the advertisement.</p> <p>An advertisement for Chicken Treat Go Troppo screened once in a children's program during the audit period, representing 0.4% of all screenings for the advertisement.</p>
Hungry Jack's	<p>An advertisement for Hungry Jack's \$1 Frozen Coke screened eleven times in a children's program during the audit period, representing 1.4% of all screenings for the advertisement.</p> <p>An advertisement for Hungry Jack's Big Brekky Wrap screened twenty-five times in a children's program during the audit period, representing 2.2% of all screenings for this advertisement.</p> <p>An advertisement for Hungry Jack's Penny Pincher Snacks screened eight times in a children's program during the audit period, representing 0.9% of all screenings of the advertisement.</p> <p>An advertisement for Hungry Jack's Unbeatable Whopper screened twenty times in a children's program during the audit period, representing 1.3% of all screenings for the advertisement.</p>

<p>McDonald's Australia</p>	<p>An advertisement for McDonald's Blazing Omelette McMuffin screened once in a children's program during the audit period, representing 0.2% of all screenings for the advertisement.</p> <p>An advertisement for McDonald's Caramel Crush Frappe screened four times in a children's program during the audit period, representing 0.4% of all screenings for the advertisement.</p> <p>An advertisement for McDonald's Smokin' BBQ Bandit screened once in a children's program during the audit period, representing 0.2% of all screenings for the advertisement.</p> <p>An advertisement for McDonald's Fish & Fries screened once in a children's program during the audit period, representing 0.5% of all screenings for the advertisement.</p> <p>An advertisement for McDonald's Soft Serve screened three times in a children's program during the audit period, representing 0.07% of all screenings for the advertisement.</p>
<p>Oporto</p>	<p>An advertisement for Oporto Fresh Grilled Stripper screened four times in a children's program during the audit period, representing 2.3% of all screenings for the advertisement.</p>
<p>Red Rooster</p>	<p>An advertisement for Red Rooster's Double Value Festive Feast screened seven times in a children's program during the audit period, representing 0.6% of all screenings for the advertisement</p> <p>An advertisement for Red Rooster's Feast for One screened four times in a children's program during the audit period, representing 0.3% of all screenings for the advertisement.</p>
<p>KFC</p>	<p>An advertisement for KFC Big Bash with the Bucket Heads screened once in a children's program during the audit period, representing 1.7% of all screenings for the advertisement.</p> <p>An advertisement for KFC featuring Joel & Benji Madden screened eight times in a children's program during the audit period, representing 1% of all screenings for the advertisement.</p> <p>An advertisement for KFC's The Double screened nine times in a children's program during the audit period, representing 0.7% of all screenings for the advertisement.</p> <p>An advertisement for KFC's Canola Farmers screened once in a children's program during the audit period, representing 1.6% of all screenings for the advertisement.</p> <p>An advertisement for KFC's Zingin Double screened three times in a children's program during the audit period, representing 0.8% of all screenings for the advertisement.</p>
<p>Pizza Hut</p>	<p>An advertisement for Pizza Hut's Hot Dog Stuffed Crust Pizza screened thirty-seven times in a children's program during the audit period, representing 2.7% of all screenings for the advertisement.</p>

4.3. COMPLAINTS

The ASB assessed 11 complaints in 2012 in relation to the QSRI. This is up from ten complaints in 2011.

4.3.1. Upheld

One complaint against the QSRI was upheld in 2012:

1. 0221/12 Happy Meal website (McDonald's)

The nature of the complaint focused on the content of the Happy Meal website constituting advertising and marketing communications to children and subsequently not meeting the requirements under the initiative. ASB determined that the website did meet the definition of advertising and marketing communications to children and thus required changes to bring it into line with McDonald's commitment under the QSRI.

In 2011, ASB had previously decided that the website did not fall within the definition and was therefore not captured by the QSRI (0103/11). The Board noted that this instance, the website 'draws the attention of visitors to that site to the McDonald's product 'HappyMeal' and...the attention drawing nature of the website is intended either directly or indirectly to promote HappyMeals...therefore...the micro site is an advertising or marketing communication for a product HappyMeals.'

McDonald's has now updated the Happy Meal website to bring it into alignment with the QSRI.

4.3.2. Dismissed

Ten complaints against the QSRI were dismissed in 2012:

1. 0023/13 Happy Meal: Alvin & the Chipmunks (television) (McDonald's)
2. 0137/12 Family Dinner Your Way (television) (Red Rooster)
3. 0160/12 Ripper Deal (television) (Oporto)
4. 0161/12 Hungry Jack's Minis (television) (Hungry Jack's)
5. 0163/12 Pizza Hut's Signature Range (television) (Pizza Hut)
6. 0178/12 KFC Family Dinners (television) (KFC)
7. 0261/12 KFC Goodification (television) (KFC)
8. 0324/12 McDonald's Mighty Footy Trip (television) (McDonald's)
9. 0382/12 Mary had a little lamb (billboard) (McDonald's)
10. 0378/12 The Serious Lamb Taster (television) (McDonald's)

Complaint number 1 concerned the nutrition content of the product being advertised and the use of popular personalities. ASB, referencing a former determination regarding the same case, noted that the independent arbiter had stated that the product being advertised met the nutrition criteria, and therefore the use of popular personalities was permitted.

Complaints 2 through to 6 concerned the placement of the advertisements. In all these cases ASB noted that placement was not a consideration under the QSRI. Placement provisions were introduced from 1 November 2012.

Complaints 7 through to 10 concerned whether the creative content of the advertisement was directed primarily to children. In all these cases the ASB determined that the advertisement was not directed primarily to children.

All case reports can be viewed at the ASB website: www.adstandards.com.au.

5. GOVERNMENT ACTION ON THE ISSUE

In May 2012, South Australian Minister for Health and Ageing, John Hill, led SA Health, in conjunction with the Australian National Preventative Health Agency (ANPHA), in convening the National Seminar on Food Advertising and Marketing to Children. Following presentations from international experts, monitoring firms and industry, the conclusion of the seminar was that while the adoption of voluntary initiatives on marketing by the food manufacturing and quick service restaurant sectors had limited children's exposure in defined television viewing periods and a number of other channels, governments and public health advocates retained significant concerns about the extent of children's exposure in areas outside the scope of the industry initiatives.

Following the seminar, AFGC co chaired the National Working Group on Food Marketing to Children, which met three times during 2012. As part of this process AFGC has agreed to continue to work closely with ANPHA on the development and implementation of a monitoring framework to further assess children's exposure to discretionary food marketing.

6. INDEPENDENT REVIEW

AFGC commissioned an independent review of the RCMI, and associated quick service restaurant industry initiative, in 2012. The purpose of the review was to assess the operation of industry's advertising to children self-regulatory initiatives and provide recommendations to enhance the programs, if required. The review was not about signatory compliance or the effectiveness of the initiatives in reducing children's exposure to discretionary food advertisements; however, the process for how these were being measured was captured in the review.

The review found that:

- Self regulatory initiatives had made significant changes to the way food and beverage companies market to children.
- The majority of signatory companies are going beyond the requirements of the initiatives.
- The AFGC ensured access to a best practice model for complaint resolution, including independent review of determinations, in contracting the ASB to handle and arbitrate complaints.
- The structure of the AFGC Annual Compliance Report is sound and the value of purchasing the television data is clear.

The review concluded:

With the right incentives in place for ongoing achievement of the highest level of compliance, including commensurate sanctions for breaches, these initiatives will provide a sound basis for shifting the emphasis of marketing away from high energy, low nutrient food and beverages towards promotion of healthier dietary choices, making these instruments one of a suite of effective tools responding to the complex policy problem of childhood overweight and obesity.

Signatories to the initiatives have committed to adopting many of the recommendations contained within the review, including lowering the audience threshold under the definition of "directed primarily to children" to 35 per cent and including company owned and brand websites. AFGC has commenced a

redraft of the initiatives, in line with the recommendation for a clear, plain English, legal document, with the updated initiative coming into operation from 1 January 2014.

7. CONCLUSION

Overall, compliance with the QSRI in 2012 was high. Signatory reports indicated that company processes are in place to ensure adherence to their commitment to the QSRI. As placement provisions for the QSRI were only introduced in November 2012, it is not unexpected that there are some initial incidents of non-compliance as signatories, media buying agencies and networks adjust to the altered provisions. There was one complaint upheld by the ASB in 2012.

8. NEXT STAGES

AFGC has entered into a partnership with Ebiquity to ensure continued access to up to date, accurate advertising monitoring data. This data will enable AFGC to continue to monitor signatories compliance with the QSRI and to measure the frequency of advertising during children's viewing periods; a key area of concern for some. On-going monitoring of marketing communication activities against the QSRI core principles and during children's viewing periods is important to determine the extent of the current situation, changes over time, and identify any improvements required to the RCMI. AFGC will continue to encourage other quick service restaurant companies to sign up to the initiative.

APPENDIX 1: THE QSRI

AFGC QSR Initiative for Responsible Advertising and Marketing to Children

1. STATEMENT OF INTENT

The Australian Food and Grocery Council (AFGC) Quick Service Restaurant (QSR) Forum has developed this Initiative to demonstrate its commitment to responsible advertising and marketing of food and/or beverages to Children.

The Initiative provides a common framework for QSR companies to ensure that only food and beverages that represent healthier choices are promoted directly to Children and to ensure parents and guardians can make informed product choices for their Children. This Initiative will provide confidence in the responsible marketing practices via clear expectations of the form, spirit and context, and a transparent process for monitoring and review of practices.

This Initiative has been developed in collaboration with the AANA as part of the system of advertising and marketing self-regulation in Australia. Signatories to this Initiative must also abide by:

- The AANA Code for Advertising and Marketing Communications to Children
- The AANA Food and Beverages Advertising and Marketing Communications Code
- The AANA Code of Ethics

This document outlines the minimum commitments required by Signatories. Signatories may choose to adopt additional commitments.

2. SCOPE

This Initiative captures Advertising and Marketing Communications to Children where:

- The communication is directed primarily to Children (regardless of its placement); and/or
- The Medium is directed primarily to Children (in relation to television this includes all C and P programs and G rated programs that are directed primarily to Children); and/or
- The Medium attracts an audience share of greater than 50% of Children.

This Initiative is underpinned by the definitions of Advertising and Marketing Communications to Children and Medium set out in Article 6.

3. CORE PRINCIPLES

Advertising and Marketing Messaging

3.1. Advertising and Marketing Communications to Children for food and/or beverages must:

- a. Represent healthier choices, as determined by a defined set of Nutrition Criteria for assessing Children's meals (see Appendix 1); and
- b. Represent a healthy lifestyle, designed to appeal to the intended audience through messaging that encourages:
 - i. Good dietary habits, consistent with established scientific or government criteria; and
 - ii. Physical activity.

Popular Personalities and Characters

3.2. Popular Personalities, Program Characters or Licensed Characters must not be used in Advertising or Marketing Communications to Children for food and/or beverages products, unless such Advertising or Marketing Communications complies with the messaging options set out in Article 3.1.

3.3. Material broadcast on free to air television in C and P periods must also comply with the Children's Television Standards section 35.

Product Placement

3.4. Signatories must not pay for the placement of, or actively seek to place, food and/or beverages products in the program or editorial content of any Medium directed primarily to Children unless such food and/or beverage products are consistent with Article 3.1.

Use of Products in Interactive Games

3.5. Signatories must ensure that any interactive game directed primarily to Children which incorporates the Signatory's food and/or beverage products is consistent with Article 3.1.

Advertising in Schools

3.6. Signatories must not engage in any product-related communications in Australian schools, except where specifically requested by, or agreed with, the school administration for educational or informational purposes, or related to healthy lifestyle activities under the supervision of the school administration or appropriate adults.

Use of Premium Offers

3.7. Signatories must not advertise Premium offers in any Medium directed primarily to Children unless the reference to the Premium is merely incidental to the food and/or beverage product being advertised.

On-Pack Nutrition Labelling

3.8. Nutrition profile information must be provided on packaging wherever possible in respect of those food products usually contained in such packaging to assist parents and guardians to make informed food choices for their Children.

Availability of Nutrition Information

3.9. Nutrition profile information must be available on company websites and upon request in respect of all food and beverage products to assist parents and guardians to make informed food choices for their Children.

Children's Sporting Events

3.10. Signatories must not give away food and/or beverage products or vouchers to Children as awards or prizes at Children's sporting events unless those products meet the nutrition criteria.

4. INDIVIDUAL COMPANY ACTION PLANS

4.1. Signatories must develop and publish individual Company Action Plans for the purposes of communicating how they will each meet the core principles of this Initiative.

4.2. All commitments must be consistent with the core principles outlined in this initiative.

5. COMPLAINTS AND COMPLIANCE

Complaints

5.1. AFGC QSR Forum has agreed that it is appropriate to have an independent body determine complaints under this Initiative. The Advertising Standards Bureau will consider any complaints made under the QSR Initiative.

5.2. Signatories must comply with decisions of the Advertising Standards Board.

5.3. Sanctions may be imposed on Signatories who fail to meet their obligations under the terms of this Initiative.

Compliance

5.4. Signatories must report on their Advertising or Marketing Communications to Children on an annual basis against key criteria.

5.5. AFGC is responsible for coordinating the monitoring of company activities on an annual basis to confirm compliance, with resultant reports being made publically available.

6. DEFINITIONS

In this Initiative the following terms mean:

Advertising or Marketing Communications

Any material generated by a Signatory which is published or broadcast using any Medium or any activity which is undertaken by, or on behalf of a Signatory, and

- Over which the Signatory has a reasonable degree of control, and
- That draws the attention of the public in a manner calculated to promote or oppose directly or indirectly a product, service, person, organization or line of conduct,

But does not include labels or packaging for products, public relations communications (corporate or consumer) or in-store point of sale material.

Advertising or Marketing Communications to Children

Content

Advertising or Marketing Communications which, having regard to the theme, visuals and language used, are directed primarily to Children and are for food and/or beverage products.

Placement

Advertising or Marketing Communications that are placed in Medium that is directed primarily to Children (in relation to television this includes all C and P rated programs and G rated programs that are directed primarily to Children); and/or where the Medium attracts an audience share of greater than 50% of Children.

Child

A person under 14 years of age.

Children

Persons under 14 years of age.

Children's Television Standards 2009

The Australian Communications and Media Authority *Children's Television Standards 2009*.

Medium

Television, radio, newspaper, magazines, outdoor billboards and posters, emails, interactive games, cinema and internet sites.

Popular Personalities and Characters

- A personality or character from C or P programs; or
- A popular program or movie character; or
- A popular cartoon, animated or computer generated character; or
- A popular personality; or
- A licensed character; or
- A proprietary character.

Premium

Anything offered free or at a reduced price and which is conditional upon the purchase of regular Children's food and/or beverage products.

Signatory

Any company who has agreed to be bound by this Initiative and has submitted their Company Action Plan to AFGC.

Appendix 1 – Nutrition Criteria for Assessing Children's Meals

The nutrition criteria for assessing children's meals, according to the Australian Quick Service Restaurant Industry Initiative for Responsible Advertising and Marketing to Children, are as follows:

1. Meal composition

- a. The meal must be comprised of at least a main and a beverage.
- b. The meal should reflect general principles of healthy eating as defined by credible nutrition authorities.

2. Energy

- a. The meal must satisfy an energy criteria based on the Nutrient Reference Values¹ for children of different age groups. The maximum energy limits for each target age group are as follows:
 - i. 4-8 years - 2080 kJ per meal
 - ii. 9-13 years - 2770 kJ per meal

3. Nutrients of public health concern

- a. The meal must not exceed maximum limits as follows:
 - i. Saturated fat - 0.4g per 100kJ;
 - ii. Sugar - 1.8g per 100kJ; and
 - iii. Sodium - 650mg per serve.
- b. Overall, the average level of saturated fat, sugar and sodium in the meal will be less than what children are currently eating (based on the Children's Survey²).

The nutrition criteria for assessing children's meals have been developed by a team of Accredited Practising Dietitians in consultation with national guidelines and authorities on children's nutrition. These criteria will be piloted over the next 12 months and updated as required to reflect changes in nutrition science and NHMRC recommendations. Specific details on the nutrition criteria are outlined in a compliance tool provided to signatories of this Initiative.

¹ National Health and Medical Research Council. Nutrient Reference Values for Australia and New Zealand. Canberra: Commonwealth of Australia; 2006.

² Australian Government: Department of Health and Ageing. 2007 Australian National Children's Nutrition and Physical Activity Survey. Canberra: Commonwealth of Australia; 2008.

Appendix 2 – Indicative Television Program List

Under the Initiative, Signatories will not advertise food and/or beverage products to Children unless it meets the core principles in relation to advertising messaging.

The list in Table 1 has been provided to illustrate the types of television programs covered by the initiative. This list includes P and C programs; programs where more than 50% of the audience is children under 14 years; plus those G rated programs that meet the criteria as being directed primarily for children (through the themes, visuals and language used). The list in Table 2 outlines programs that are not covered by the initiative.

Note: these are indicative lists and will be updated from time to time to reflect current programming. The Advertising Standards Board makes the final determination of programs covered by the Initiative.

Table 1: Programs covered by the Initiative

Aladdin	Handy Manny	Scooby-Doo programs
All for Kids	Hi-5	Scope
Alvin and the Chipmunks	Holly's Heroes	Sea Princesses
Animalia	H2O - Just Add Water	Snake Tales
Animaniacs	Ice Age	Spit it Out
Bakugan	It's Academic	SpongeBob SquarePants
Ben 10	Jumping Jellybeans	Stormworld
Blinky Bill	Kamen Rider Dragon Knight	Sumo Mouse
Bratz	Kid Detectives	Tamagotchi!
Bubble Town Club	Kid's WB	The Batman
Camp Lazlo	Kitchen Whiz	The DaVincibles
Castaway	K9	The Elephant Princess
Chaotic	Legend of Enyo	The Fairies
Class of 3000	Maddigan's Quest	The Flintstones
Combo Ninos	Master Raindrop	The Marvellous Misadventures of Flapjack
Dangermouse	Magical Tales	The Perils of Penelope Pitstop
Deadly	Me and My Monsters	The Replacements
Dennis & Gnasher	Mickey Mouse Clubhouse	The Saddle Club
Dennis the Menace	Mortified	The Shak
Dex Hamilton	Oggy and the Cockroaches	The Smurfs
Digimon Data Squad	Out of Jimmy's Head	Thunderbirds
Dive Olly Dive	Parallax	Toasted TV
Dora The Explorer	Penguins of Madagascar	Totally Wild
Erky Perky	Phineas and Ferb	Trapped
Foster's Home for Imaginary Friends	Pinky and the Brain	Wurraywhy
Flipper	Pokemon	Yin Yang Yo!
GASP	Power Rangers	Yu Gi Oh! 5D's
Go, Diego Go	Pyramid	Zeke's Pad
G2G: Got to Go	Raggs	
	Saturday Disney	

Table 2: Programs not covered by the Initiative

Australian Idol	Ready Steady Cook
Australia's Funniest Home Videos	Seinfeld
Australia's Got Talent	So You Think You Can Dance
Bewitched	Sunrise
Deal or No Deal	That '70s Show
Friends	The A-Team
Futurama	The Big Bang Theory
Get Smart	The Biggest Loser
Here's Lucy	The Morning Show
Home and Away	The Nanny
How I Met Your Mother	The Simpsons
I Dream of Jeannie	The Virginian
Knight Rider	The X Factor
Malcolm in the Middle	The Zoo
Masterchef	Today
Minute to Win It	Top Gear
Modern Family	Two and a Half Men
Monster Garage	Wagon Train
My Kitchen Rules	Wipeout
Neighbours	

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