Australian Food and Grocery Council RESPONSIBLE CHILDREN'S MARKETING INITIATIVE

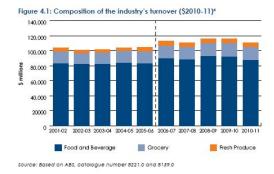
2012 COMPLIANCE REPORT



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.

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

Australian Food and Grocery Council

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1. EXECUTIVE SUMMARY

This report documents signatory compliance with the Responsible Children's Marketing Initiative (RCMI) for 2012. The review captured three monitoring components: company reported activity; an external audit; and complaint adjudications by the Advertising Standards Board.

Overall, compliance with the RCMI core principles during the fourth year of operation was high. **Eleven** signatories reported that they did not pay for, or actively undertake, marketing communication activities to children in 2012. A further **six** signatories undertook some marketing communication activities to children, which met the RCMI core principles.

Results of the external audit found there were some foods that did not meet the signatories' nutrition criteria advertised during children's television programs. These occurrences, which have reduced from 2010 and 2011, 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. In addition, there were no complaints upheld by the Advertising Standards Board during 2012.

The review has identified some implementation aspects that require strengthening. These primarily relate to Saturday evenings, where signatories are not always made aware by media outlets of the exact programming on Saturday evenings prior to the time of booking advertisements. Bonus airtime was also identified as an issue, as in previous years.

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

2. INTRODUCTION

The Responsible Children's Marketing Initiative (RCMI) was developed by the Australian food and beverage manufacturing industry in 2008 in response to community concerns about the level of advertising of foods high in energy, fat, sugar and salt to children. These concerns were highlighted by the Australian Communication and Media Authority (ACMA) in its report on the Review of the Children's Television Standards 2005³.

The Australian Food and Grocery Council (AFGC) and its members took particular note of comments made by ACMA that "industry should have regard to the strong concerns of interested parties in this area and consider how it can effectively address these concerns without additional regulation" (page 12)⁴. AFGC considered that a collective, voluntary approach by industry would provide an effective means to moderate the amount and type of advertising directed to children.

As a result, AFGC worked in partnership with its members and the Australian Association of National Advertisers (AANA) to develop the RCMI to provide a framework for collective action and address these concerns and demonstrate commitment to the responsible marketing of food and beverages to children.

The RCMI was launched in October 2008 and became effective on 1 January 2009. As 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 RCMI core principles during its fourth year of operation.

2.1. HOW THE RCMI WORKS

The goal of the RCMI is to ensure a high level of social responsibility in marketing food and beverage products in Australia. The RCMI captures advertisements in media with an appreciable audience of children (greater than 50 per cent) and/or that is directed primarily to children; and marketing techniques directed primarily to children⁵. The media captured by the initiative are television, radio, print, cinema and third-party internet sites.

The RCMI sets out clear expectations of the form, spirit and context of advertising to children (Appendix 1). Signatories to the RCMI 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.

³ ACMA (2009), *Review of the Children's Television Standards 2005: final report of the review*, Australian Communications and Media Authority.

⁴ Ibid.

⁵ Programs and marketing techniques that are directed primarily to children are measured through the theme, visuals and language used.

Companies that sign up to the initiative publish individual Company Action Plans on the AFGC website that outline their specific commitments. Each signatory is required to specify the nutrition standards that will be applied (if applicable) to meet the core principles of the initiative. While the nutrition criteria may differ between signatories, the RCMI uses an outcomes-based approach. The criteria must align with established scientific or Australian Government Standards and only products that represent healthy dietary choices may be advertised.

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

Complaints are assessed according to the RCMI 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 RCMI. 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 RCMI 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 listed on the ASB website.

2.2. 2012 SIGNATORIES

As with 2011, there were 17 signatories to the RCMI in 2012 with these companies owning some of the leading food and beverage brands in Australia (see Appendix 2).

RCMI signatories

Campbell Arnott's Cereal Partners Worldwide (Australia) Coca-Cola South Pacific Fonterra Brands Australia Ltd Ferrero Australia General Mills Australia George Weston Foods Limited and AB Food and Beverages Australia Pty Ltd Kellogg (Aust) Pty Ltd

Lion Dairy and Drinks Mars Australia & The Wrigley Company Mondelēz International (formerly Kraft Foods) Nestlé Australia Limited Patties Foods PepsiCo Australia Sanitarium Health Food Company Simplot Australia Unilever Australasia



3. METHODS

This report documents compliance with the RCMI 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 RCMI. 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 food and beverage advertisements outside of these reports. AFGC purchased three months of food and beverage television advertising data, March, July and December 2012, from Ebiquity, an international provider of media and marketing analytics. The data covers advertising of food and beverage 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. 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 per cent 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.

3.3. COMPLAINTS

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

4. FOURTH YEAR OUTCOMES

4.1. COMPANY REPORTED ACTIVITY

4.1.1. Marketing communication activities to children

Campbell Arnott's undertook a marketing communication campaign for Arnott's Tiny Teddy 'Big Tedz' biscuits that was directed to children through cinema advertisements. The 19.4g single-serve Tiny Teddy 'Big Tedz' meets the healthy choices criteria used by Campbell Arnott's (Fresh Tastes @ School NSW Healthy School Canteen Criteria; Tiny Teddy 'Big Tedz' are classified as 'amber' foods).

The cinema campaign was an extension of the 2010 campaign that encouraged good dietary habits and physical activity. The advertisement featured a 19.4g, single serve 'Big Tedz', which was presented as only one part of a healthy, balanced lunchbox; alongside a sandwich, a piece of fruit and raw vegetable sticks. The advertisement also encouraged children to take part in physical activity through the continuation of the Tiny Teddy 'Get Dancing' theme, first launched in 2010. The advertisement opens with Big Tedz dancing on a stage. Behind him, four children are seen in silhouette form actively copying his moves. In the voice-over, children are encouraged to 'Get down with Arnott's Big Tedz'.

Use of the Tiny Teddy animated character is permissible under the RCMI given the product meets the nutritional criteria specified by Campbell Arnott's.

Coca-Cola South Pacific reported that, in keeping with their global policy the business did not aim or direct any media marketing activity from any source to children under the age of 12.

Fonterra reported that they did not undertake any marketing communication activities to children under the age of 12 years during 2012.

Ferrero reported that they did not aim or direct any marketing communication activities to children under the age of 12 years during 2012, including for brands such as Nutella and Kinder Surprise. In accordance with their commitment to not advertise to children, the media target for these products are Total Grocery Buyers, that is, the targeted audience profile are those responsible for household shopping. In regards to the Tic Tac brand, the television buying audience is people aged 25-54 years.

AFGC has viewed Ferrero's television media buying schedule and confirms that no advertisements were scheduled in children's programs.

General Mills reported that they did not aim or direct any media marketing activity to children under the age of 12 years. While children under 12 years consume their products, they are not the primary target market for any of their brands. In 2012, there were a few occasions in July and August on which advertisements were screened during children's television programming following allocation of last minute bonus airtime by the TV network. These screenings were made without General Mills consent

or knowledge. On discovering the error, General Mills re-confirmed its protocols with the networks to ensure it wasn't repeated.

George Weston Foods and AB Food and Beverages Australia reported that they did not engage in any marketing communications activity to children under the age of 12 years during 2012. While children under 12 years consume their products, they are not the primary target market for any of their brands.

Kellogg reported that they undertook no television advertising campaigns that directly targeted children under 12 years. On-pack promotions were only advertised to parents or teens aged 14 years and over and included a focus on encouraging healthy habits (e.g. promotion of physical activity or learning and development).

Lion reported communication activities for YoGo that were directed to children. The YoGo Valley website includes information on YoGo products, some interactive games and healthy eating and physical activity tips. To encourage healthy lifestyle practices, when a child reaches 30 minutes of play a screen pops up suggesting they take a break/stop playing and go outside.

Only the YoGo Choc Rock and Triple Trek 100g serve size products are displayed on the website. Both products are classified as green in every state, based on Government School Canteen Criteria, except Victoria. While the RCMI does not cover products displayed on company-own websites, Lion has taken additional steps in this area to ensure a responsible approach to marketing to children.

In 2012 Lion developed a phone app that could be downloaded free from iTunes as part of a four week in-store and digital campaign targeting grocery buyers with kids. The app contained reminders to the player to "be active and eat YOGO as part of a balanced diet". The app contained a game that allowed users to control a gorilla running to find his cape and collect bananas along the way. The app is no longer available for download.

Mars Australia & The Wrigley Company reported that they undertook no marketing communication activities to children under the age of 12 years during 2012.

Mondelēz International (formerly Kraft Foods) reported that they undertook no marketing or advertising activity principally targeting children under the age of 12 years. Marketing activity for 2012 was directed to the primary grocery buyer (ages 25-54 years) and family audiences.

Mondelez took a number of measures to ensure that advertising was not directed to children:

Oreo Double Stuff – the campaign clearly showed child interactions from the perspective of a parent watching their children taking part in an afternoon ritual. The advertising avoids messaging direct to children and avoids behaviour that encourages over-consumption by showing three biscuits on a plate. A child psychologist reviewed the advertisement prior to airing to provide independent confirmation that the advertisement would not appeal to children.

The National Confectionary Company – the advertising for this product was based on a complex story line with limited verbal explanation. The voice-over was directed at adults and featured the voice of a mother to another mother. There was limited inclusion of the product, with just one snake hanging out the mouth.

Chips Ahoy! – This advertising campaign used an adult, accented voice-over, and includes a complex, fast paced narrative to point out packaging designs that would appeal only to the primary grocery buyer.

Kraft Foods used the popular personalities of Dale Thomas and Adam Goodes in their Cadbury Superteam Campaign. This campaign was aimed at grocery buyers aged 25-54 years and the terms

and conditions for the competition stipulated that entrants had to be aged over 16 years, with entrants aged between 16 and 18 years requiring parent or guardian permission to enter.

The Cadbury Smash for Cash promotion featured Lleyton Hewitt as part of the 2013 Australian Open. The campaign was aimed at grocery and petrol buyers aged 25-54 years. The final winner won the chance to return five serves from Lleyton with the chance to win a cash prize. Participants under 18 years needed parental consent to enter the competition, which required considerable skills to return a serve in order to win the cash prize.

Nestlé Australia and Cereal Partners Worldwide (CPW) reported that they did not undertake any advertising to children.

Nestlé sponsorships include:

- MILO, in partnership with Cricket Australia, is involved in schools through the sponsorship of Cricket Junior Development Programs (including MILO in2Cricket program). These programs are run by Cricket Australia staff and volunteers, are conducted in a safe learning environment and teach children the importance of an active lifestyle as well as the fundamentals of the game. For a school to participate in a Cricket Junior Development program the school needs to make a request to Cricket Australia, including a letter of consent signed by the school authorities. At the end of the program, children receive a bag with MILO and Cricket Australia branded items. This is clearly stipulated in the school consent letter signed by school authorities. MILO, consumed according to the label instructions, meets Nestlé's Nutrition Foundation nutrition criteria.
- Nestlé has a program in schools, 'Healthy Active Classroom' which aims to teach the benefits of a healthy lifestyle to school aged children, encouraging them to develop positive attitudes toward food and exercise. This program, which forms part of the Nestlé partnership with the Australian Institute of Sport, does not involve any product branding or branded items.

Patties Foods reported that they undertook no marketing communication activities to children under the age of 12 years during 2012.

PepsiCo reported that they did not aim or direct any marketing communication activities to children under the age of 12 years during 2012.

Sanitarium undertook a range of marketing activities for the Weet-Bix brand that targeted children. These were:

- Weet-Bix television commercial featuring Tim Cahill, Brett Lee, Steph Gilmore, Jarryd Hayne, Gary Ablett and Torah Bright;
- Weet-Bix nutrition television commercial;
- Weet-Bix Tryathlon event with television commercial, events, PR, promotional material and school visitation programs;
- Weet-Bix Kids Wiggles product endorsement on pack and marketing activity
- Weet-Bix Kids sponsorship of Weet-Bix My Cricket,
- Weet-Bix AFL card promotion on pack marketing activity.

These Weet-Bix products meet the healthy choices criteria used by Sanitarium's Corporate Nutrition Policy, which includes key nutrient benchmarks for each product category. The benchmarks are based on the Australian Dietary Guidelines and recommendations from the National Heart Foundation and the Federation of Canteens in Schools.

Marketing communication activity for the Weet-Bix brand primarily intends to inspire young Australians to make healthy eating and lifestyle choices. Promotions and events aim to encourage physical activity, through team and individual sports.

Sanitarium use Tim Cahill, Brett Lee, Steph Gilmore, Jarryd Hayne, Gary Ablett and Torah Bright as inspirational 'Weet-Bix Kids' to encourage young Australians to be their best and start the day with a healthy breakfast. Numerous other 'heroes' are used in their Tryathlon program as ambassadors to encourage healthy lifestyles including regular exercise and activity. For the younger audience and to assist Australian mums to make healthy food fun, the Wiggles have endorsed Weet-Bix Kids product on pack during 2012 and in limited promotional messaging.

The school visitation program promoted the Weet-Bix Kids Tryathlon and encouraged participating in a healthy active lifestyle. School visits were supervised and run in conjunction with the school programs.

Simplot reported that a Birds Eye *Captain Birdseye* Fish Finger commercial was shown in cinemas during certain G-rated moves in 2012. Birds Eye also published an E-Book on its website <u>www.birdseye.com.au</u> which, once downloaded, is a story book containing commercial messaging which is directed to children. The E-Book is also advertised on certain Birds Eye Fish Fingers packs. Birds Eye Fish Fingers carry the Heart Foundation's Tick of Approval, signifying that the product is a healthier choice which satisfies the Heart Foundation's nutritional requirements. The Birds Eye Fish Fingers are shown served with vegetables. This imagery reinforces the association between Birds Eye Fish Fingers and health dietary choices, and clearly illustrates good dietary habits. The young boy featured in the commercial is dressed in sports clothes and is carrying a soccer ball, creating an association between Birds Eye Fish Fingers and physical activity. Both forms of Birds Eye advertising feature the Birds Eye birds and Captain Birdseye.

Unilever reported the only communication activity targeting children was under the Streets Paddle Pop brand for products that met the *Fresh Tastes* @ *School NSW Health School Canteen Criteria* and Unilever's global internal nutrient criteria. Unilever reported that the following marketing activities took place for Paddle Pops during 2012:

- Television advertising on subscription television channels only, with one 15 second advertisement featuring the new Gooey Toffee Apple product and one 30 second advertisement featuring the annual consumer promotion *Lick-a-Prize*. Physical activity and adventure were intrinsic to the story of both advertisements, which featured the statement "True heroes balance energy intake with activity. Enjoy Paddle Pop as a treat within a balanced diet" on screen to further support healthy dietary choices and physical activity. The *Lick-a-Prize* advertisement emphasised the active prizes such as a Springfree Trampoline.
- Sponsorship of Nickelodeon event *Slime Fest*. Physical activity was encouraged throughout this event.
- Print advertising in K-Zone and Total Girl magazines featuring the Paddle Pop Lick-a-Prize consumer promotion. These advertisements featured the statement "True heroes balance energy intake with activity. Enjoy Paddle Pop as a treat within a balanced diet".
- PaddlePop.com.au predominantly serves as the entry mechanic for the consumer promotion *Lick-a-Prize*, however, also has product information, information for parents, branded interactive games, a film (shown as episodes) and a new film series called *Active Adventures* which encourages real life adventure and activity. The film features no visuals of or reference to the Paddle Pop produce. All copies of the DVD included the statement "True heroes balance energy intake with activity. Enjoy Paddle Pop as a treat within a balanced diet" to further support healthy dietary choices and physical activity.

Unilever's 2012 campaign did not feature product placement, however, where product was available to sample at the Nickelodeon *Slimefest* event, only products that met the nutrition criteria were available.

Any advertising in schools was directed towards the canteen staff and only occured with the permission of the school administration and only for products that met the nutrition criteria.

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 RCMI:

Campbell Arnott's has continued to ensure compliance with its RCMI action plan through:

- face-to-face briefings with new and existing internal stakeholders (e.g. marketers) and external creative partners (e.g. advertising agencies, media buyers);
- posting Campbell Arnott's action plan on the Company's intranet;
- having a component on the RCMI on internal advertising approval forms and requiring approval
 of all advertisements to children by the Campbell Soup Company's World Headquarters;
- in depth reviews of all relevant media placement schedules and ensuring media buying partners check bonus spot placements for adherence to their RCMI commitment.

Coca-Cola South Pacific has committed to not undertake marketing communication activities to children less than 12 years. To ensure compliance with this policy, their media buying agency sends letters to the networks and their traffic departments, detailing their commitment and outlining their responsible marketing policy, to ensure they are aware any activity (paid or bonus) is subject to strict guidelines.

Ferrero has committed to not undertake marketing communication activities to children less than 12 years. This commitment has been communicated to Ferrero management and media partners to ensure planned activities align with this commitment. Planned marketing activities are subject to review at a corporate level to ensure compliance with the requirements of the RCMI. For television advertising, Ferrero audits the spot schedule prior to the campaign to identify children's programs and make changes as required. Post-campaign, Ferrero reviews audience share reports for programs in which their advertisements screened.

Fonterra has committed to only undertake marketing communication activities to children less than 12 years for products when they comply with Fonterra's *Good Choice Guidelines*. To meet this commitment, the approval process for marketing communications involves staff from nutrition, brand governance, regulatory compliance and legal affairs. All communication activities are signed off by the senior management team.

General Mills is committed to their mission of Nourishing Lives and to following the RCMI. In doing so, they brief new starters on their commitments, reinforce the RCMI with external advertising agencies, and ensure marketing activities are reviewed for compliance. All networks carrying General Mills advertisements have been asked to confirm in writing that they understand RCMI commitments and a reminder is sent twice per year. Instructions provided by their media agencies to networks carry a reminder of the policy, and the media agency ensures all General Mills advertisements are rated "W" which prevents placement in "C" or "P" rated programming.

George Weston Foods and AB Food and Beverages Australia have committed to only undertake marketing communication activities to children less than 12 years for products that represent healthy dietary choices and advertisements that are presented in the context of a healthy lifestyle. They have a marketing and communications approval process in place to ensure all materials comply with relevant regulations, Codes of Practice and Guidelines. The approval process involves regulatory affairs, legal, marketing and technical and quality departments. All George Weston Food divisions receive RCMI

training on a yearly basis. This training is conducted for all marketing personnel as well as regulatory affairs representatives.

Kellogg has committed to not advertising any products or programs to children under the age of 6 years and only advertise products that represent a healthier choice to children less than 12. To achieve this Kellogg has instructed their agencies to obtain a W rating for all advertisements and not accept bonus spots outside a W rating.

Lion has committed to only undertake marketing communication activities to children less than 12 years for products that represent healthy dietary choices and advertisements that are presented in the context of a healthy lifestyle. To ensure their commitment outlined in their Company Action Plan is continually applied, Lion has an internal review process that incorporates formal approval from the nutrition, research and development, external relations, legal and marketing teams. This process ensures their marketing activity is compliant with all relevant industry codes, laws and regulations.

Mars Australia & The Wrigley Company has committed to not undertake marketing communication activities to children less than 12 years. To ensure all marketing communications are compliant with their commitment, Mars Associates and their external agencies receive interactive training to ensure they fully understand and are equipped to apply the standards set in the Mars Marketing Code. The training is mandatory for Mars Marketing Associates and all participants receive, after successful completion of the training test, a 'Mars Code driving license'.

In addition to its compliance reporting for the RCMI, Mars Inc undertakes extensive compliance reporting in the USA, Europe, Canada, China (Shanghai region), Mexico, Ukraine, Indonesia, Russia, Thailand, South Africa, Argentina, India and New Zealand. Furthermore, each year Mars prepares an internal report to measure compliance with the Mars Marketing Code and screens all company websites.

Mondelēz International has committed to only undertake marketing communication activities to children less than 12 years for products that represent healthy dietary choices and advertisements that are presented in the context of a healthy lifestyle. In 2012, Mondelēz held seven training courses including case study reviews with their employees, support agencies and for the first time, for television network employees to ensure that the policies are well known and understood. Mondelēz corporate affairs and legal teams review and approve all advertising material, product packaging, promotions, gifts with purchase, online posts, sponsorships and partnerships prior to their release to ensure all concepts abide by their Company Action Plan and the RCMI.

Nestlé and CPW Australia has a global commitment to not advertise to children where the audience composition is 35% or more of children under 12 years. This is part of its Marketing Communications to Children Policy. This policy provides a monitoring process checklist which is distributed internally to all stakeholders, to all communication partners such as creative, media, PR and digital agencies.

In particular Nestlé and CPW Australia have instructed their media planning and buying agencies to keep updated records to ensure compliance, with a focus on enforcing appropriate placement of any paid or bonus advertising.

Marketing plans of brands which are more likely to be consumed by children are reviewed with additional rigour, even if the advertisement is targeted to adults. The company only engages with schools where there is a written request from school authorities to participate in educational activities

PepsiCo has committed to not undertake marketing communication activities to children less than 12 years. This commitment has been communicated to their external advertising, media and promotional agencies and is part of their internal policies. Compliance to this process is also integrated into their internal audit process.

Sanitarium has committed to only undertake marketing communication activities to children less than 12 years for products that represent healthy dietary choices and advertisements that are presented in the context of a healthy lifestyle. Sanitarium has engaged in a process of educating both internal marketing teams and external agency vendors on their commitment to compliance. The Sanitarium Action Plan is used to assess proposed advertising material in all instances where children have been targeted or may be exposed to the material.

Simplot has committed to only undertake marketing communication activities to children less than 12 years for products that represent healthy dietary choices and advertisements that are presented in the context of a healthy lifestyle. To meet this commitment, their Company Action Plan has been disseminated to all employees involved in marketing, and training programs have been implemented. It is also a requirement that all advertising campaigns targeting children are reviewed against their Company Action Plan as part of Simplot's internal marketing and advertising approval process.

Unilever has committed to only undertake marketing communication activities to children less than 12 years for products that represent healthy dietary choices and advertisements that are presented in the context of a healthy lifestyle. They have committed to targeting no advertising at children under the age of 6 years. To meet this commitment, Unilever engages numerous internal review processes including local and regional brand teams, accredited nutritionists, consumer relations, corporate affairs and legal departments. Unilever also ensures that all new team members (and those of their agencies) understand the RCMI requirements.

4.1.3. Other reported activity

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

Campbell Arnott's provides a statement on the outer packs of all Tiny Teddy 'Big Tedz' products reminding consumers that: 'Amber' foods can be enjoyed as part of a balanced diet but should be selected carefully. They should not dominate the menu at the expense of healthier choices. One serving a day, within the context of a healthy lifestyle and diet, is acceptable. Multiple servings should be avoided.

Since September 2010, **Coca-Cola South Pacific** has operated under a new self regulated audience threshold of greater than 35 per cent children.

Fonterra reported a back-to-school promotion that ran in February 2012 to educate parents about the nutritional value of three serves of dairy per day in line with the Australian dietary guidelines for healthy eating. All products included in the promotion met the Fonterra Good Choice Guidelines, namely Bega Cheese snacks and CalciYum kids yoghurts. The promotion encompassed advertising messages to guide parents in choosing three dairy serves daily and to include one or two serves into children's lunchboxes. Other components included an advertorial in women's magazines and point of sale material. The promotion's messages and context were directed at adults, primarily mums, and advertisements were targeted accordingly in terms of media buy.

Fonterra reported that Bega ran a promotional offer of a sandwich shaper provided free with specially marked packs of Bega Tasty Natural Slices. This offer was available in Coles and Independent supermarkets in January to February whilst stocks lasted. This offer coincided with the Back-to-school campaign. The promotion was supported by advertising in the Coles catalogue, shelf strips and advertising in womens magazines in January 2012. The promotion's messages and context was directed to adults, primarily the main grocery buyer and advertisements were targeted accordingly in terms of media buy.

Fonterra reported that Western Star, Perfect Italiano and Ski Activ were sponsors of Masterchef
with advertising and product placement targeted towards the primary household grocery buyers
and adult consumers. There was no direct communication targeting children. Masterchef has
been deemed a program not directed primarily to children; therefore, this promotion is compliant
with the RCMI core principles.

Fonterra reported a promotion for Calciyum which included a promotional offer of a yoghurt mini cooler free with the purchase of a 12x 95g Calciyum yoghurt mega-pack. This offer was available in Woolworths supermarkets and coincided with the Back-to-school campaign. The promotion was supported by advertising in the Woolworths catalogues, shelf strips and advertising in metropolitan dailies in January 2012. The promotion's messages and context was directed to adults, primarily the main grocery buyer and advertisements were targeted accordingly in terms of media buy.

Ferrero reported that they are a member of the International Food and Beverage Alliance (IFBA). In line with IFBA Policy, Ferrero commits not to advertise its products to audiences with more than 50 per cent (in 2012) or 35 per cent (from 2013) of children under 12 years on television, print and internet.

Kellogg reported that they are a member of the International Food and Beverage Alliance (IFBA). In line with IFBA Policy, Ferrero commits not to advertise its products to audiences with more than 50 per cent (from 2012) or 35 per cent (from 2013) of children under 12 years on television, print and internet. Kellogg is also a member of self regulatory pledges in countries around the world including the United States of America and Europe. All Kellogg on pack promotions were developed with the intent of providing ideas to mum to generate fun.

Lion reported that there are a number of Lion's Diary and Drinks products that are made for consumption by children; however, are only advertised to the adult grocery buyer, namely parents. These include:

- Petit Miam range
- Pura Kids
- Coon
- Prima
- Daily Juice

As the Petit Miam range, Pura Kids, Coon and some Daily Juice products meet the Lion nutrition criteria, under the RCMI these could be advertised to children. However, the Lion brand strategy is to instead raise awareness with the purchaser, which is the adult grocery buyer. As such, all marketing activity is booked in channels that target adults.

Mars Australia & The Wrigley Company reported that they are committed to driving product reformulation to improve the nutritional profile of their products. This has included reducing the sodium content by 15 per cent and including more whole food ingredients in the recipes of DOLMIO® pasta sauces and KAN TONG® simmer sauces. These products will be awarded the National Heart Foundation Tick of Approval when they are re launched in 2013. Mars has also adopted the Daily Intake Guide front of pack labelling on their DOLMIO®, KANTONG® and MasterFoods® sauces and meal bases to make the nutritional value of these products easy to understand.

Mars also reported that they have also reduced the saturated fat content in MARS® bars by 22 per cent and MILKY WAY® by 19 per cent.

Wrigley continues to be a leading signatory of the Australian confectionary industry's responsible treating initiative *Be Treatwise*, which educates consumers on the role of confectionary as part of a

balanced diet with energy %DI thumbnail front of pack. For more than 25 years, Wrigley has also supported independent, clinical research into the benefits of chewing sugar-free gum including saliva stimulation, plaque acid neutralization and tooth strengthening.

Mondelēz International takes a leading role in the *Be Treatwise* campaign and takes active steps on its packaging, and through its advertising, to inform consumers of products that are treats which should be consumed appropriately and as part of a healthy and balanced diet. Mondelēz also offers a range of format sizes to ensure consumer choice.

Mondelēz developed an alarm clock application for iPhone and Android users featuring Vegemite. The application was designed to be directly targeted at the grocery buyer and not to appeal to children under 12.

Cadbury sponsored the AFL9s, a grassroots, non-contact version of AFL that targets both males and females. Cadbury branding was only applied to adult community competitions and was strictly not allowed in any area where there may be children participating, including in schools.

Nestlé and CPW Australia operate under an audience threshold of 35 per cent of children under 12 years of age.

Nestlé has approximately 60 products registered with Healthy Kids for use in school canteens.

In 2012 Nestlé and CPW Australia completed a program to reformulate all their breakfast cereals to meet Food Standards Australia New Zealand Nutrient Profiling Criteria, reducing sodium, saturated fat and sugar and increasing whole grain and fibre. All cereals now meet the Heart Foundation's Tick nutrient criteria.

Nestlé has renovated its portfolio so that 70 per cent of our net sales are of products which meet the Nestlé Nutrition Profiling System, with the goal of reaching 80 per cent by 2015. This looks at the contribution of a product to a balanced diet, serving size, and ingredients including saturated fat, energy, sodium, calcium and wholegrain. It is a foundation member of the Healthier Australia Commitment.

Nestlé is a leader in portion guidance education, providing over 100,000 portion guidance plates for adults and children to employees, dietitians, health care professionals and consumers.

Nestlé actively informs consumers on the appropriate use of treat food, including through the *Be Treatwise* and %DI campaigns.

Nestlé provides nutrition education to all its employees in Australia, and is Australia's largest industry employer of dietitians and nutritionists. The company is committed to supporting ongoing nutritional research and analysis, drawing on both internal expertise and working in collaboration with external experts.

Patties reported that all Patties Foods products and brands available for sale in primary schools are approved by the National Heart Foundation Tick Program and the relevant state-based school canteen associations. Their school range of products has lower saturated fat and sodium levels. Any product-related communication (such as point-of-sale) used in primary schools is approved by the school administration and related to healthy lifestyle activities.

Unilever reported that during 2012 Chocolate, Banana and Caramel Paddle Pops were reformulated to become even healthier. This was part of Unilever's commitment to positive nutrition for children. To further support good dietary choices and an activity lifestyle all communications feature the statement "True heroes balance energy intake with activity. Enjoy Paddle Pop as a treat within a balanced diet". In addition to this, to promote physical activity, Unilever developed a series of five episodes called *Active Adventures* featuring indoor rock climbing (with the National Youth Champion) and local park training activities.

4.2. EXTERNAL AUDIT

Results of the external audit (March, July and December 2012) identified few instances in which foods that did not meet the company's 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 during the audit period.

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 RCMI seriously.

Coca-Cola South Pacific: In consultation with their media buying agency, Coca-Cola South Pacific provided the following statements in response to their incidents of non-compliance:

- The advertisement for Coca-Cola Zero was scheduled for Weekend Sunrise, however, was screened during the station break between this program and a children's program.
- The advertisement for their sparkling mineral water scheduling was due to the provision of bonus airtime.
- The advertisement for the Coca-Cola initiative had been booked to appear for a later timeslot but due to programming movements the timeslot was widened post booking and the spots fell earlier, during a children's program.
- The advertisements for Coca-Cola screened during one children's movie. The earliest screening occurred at 8.52pm on a Thursday evening.

Coca-Cola South Pacific will continue to work with their media buying agency to ensure that all their products advertising adheres to their commitment under the RCMI.

Ferrero: Four of the incidents of non-compliance were the result of bonus airtime. The other four spots aired during a children's movie, with all advertisements appearing after 8.54pm on a weekday evening.

General Mills Australia: The placement of an Old El Paso advertisement in a movie with appeal to children was inadvertent. At the point of booking, the schedule had not been released. General Mills was advised it would have an audience of less than 50 per cent children and would not be animation. General Mills is working with its media agency to address the process for booking airtime during these periods.

George Weston Foods Limited: The target audience of the Don Salami advertisement was main grocery buyers and screened during a children's programs through the provision of bonus airtime.

Mars Australia & The Wrigley Company: All of the Mars advertisements were the result of either the provision of bonus airtime by the television networks or through inadvertent placement in Saturday evening movies prior to the scheduling being released. As a result of these unintentional occurrences, Mars will be working with their media agency to address the process for booking airtime, especially during weekend movies.

Mondelēz International: Two of the incidents of non-compliance (Belvita Breakfast Biscuits and Pascall Mallow Bites) were the result of the provision of unapproved bonus airtime and a last minute change to programming. For both of these incidents Mondelēz has received a written apology from the network, with the network taking responsibility for the breach of the RCMI. Mondelēz acknowledges that the advertisement for Cadbury Favourites should not have appeared during a children's program.

Nestlé Australia: The placement of the Nestlé products in children's programs was the result of the provision of unapproved bonus airtime. Nestlé is working with their media buying agency to ensure a

clear understanding of their commitment under the RCMI and its relevance in the allocation of bonus spots. Nestlé notes that five of the non-compliant advertisements were for products that are of no appeal to children and present no public health concern.

PepsiCo Australia: PepsiCo is fully committed to the RCMI and its media buying agency has committed to not placing advertisements in programs which have a viewing audience that is directed primarily to children. PepsiCo acknowledges four incidents of RCMI non-compliance inadvertently occurred and has re-briefed its media buying agency to ensure full understanding that PepsiCo's commitment to the RCMI includes placement of advertisement with respect to both the program viewing audience and programs with themes, visuals and language which are directed primarily to children.

Unilever Australasia: The advertisement for Lipton Ice Tea screened during a children's program due to a 'delete and charge' take up of commercials. In these circumstances an advertisement is moved with very short notice and the original booking provisions are often not taken into account when the advertisement is rescheduled. The Continental Stock Pot Stock advertisement was due to the provision of bonus airtime. Unilever notes that neither of these products are of appeal to children.

While there were a similar number of companies found to be unintentionally breaching the RCMI when compared to 2011 and 2010, the frequency has reduced. It is clear that the unintentional placement of non-core food and beverage advertisements in children's programs is decreasing, which reflects the actions of signatories to implement internal and external mechanisms to prevent their occurrence. There are, however, still some areas that require refinement.

The external audit has highlighted that on seven occasions an advertisement that did not meet the nutrition criteria screened during *Skippy the Bush Kangaroo* which aired between 1.00am and 4.00am. Due to its themes, visuals and language, Skippy would be classified as a program directed primarily to children, however, audience tracking data showed that there were no children watching this program at these times. All incidents of non-compliance during this program resulted from the provision of bonus airtime.

| RCMI Signatory | Compliance details |
|--|---|
| Campbell Arnott's | Fully compliant |
| Cereal Partners Worldwide (Australia) Fully compliant | |
| | An advertisement for Coca-Cola Zero screened once in a children's program during the audit period, representing 0.5% of all screenings for the advertisement. |
| Coca-Cola South | An advertisement for Sparkling carbonated mineral water screened once in a children's program during the audit period, representing 1.6% of all screenings for the advertisement. |
| Pacific | An advertisement for a Coca-Cola initiative screened twice in a children's program during the audit period, representing 1.0% of all screenings for the advertisement. |
| | An advertisement for Coca-Cola screened ten times in a children's program during the audit period, representing 2.3% of all screenings for the advertisement. |

Table 1: Compliance assessment through AFGC auditing, March, July and December 2013 (TV advertising placement only)

| An advertisement for Ferrero Rocher Boxed Chocolates screened once in a children's program during the audit period, representing 0.3% of all screenings for the advertisement. It is noted that this children's program screened at 1.00am. An advertisement for Tic Tac Strawberry Fields screened once in a children's program during the audit period, representing 0.3% of all screenings for the advertisement. It is noted that this children's program screened at 1.30am. An advertisement for Ferrero Rocher Boxed Chocolates screened six times in a children's program during the audit period, representing 0.8% of all screenings for the advertisement. It is noted that one of these screenings occurred during a children's program screened at 3.30am. |
|--|
| Fully compliant |
| An advertisement for Old El Paso Hard n Soft Meal Kit screened once in a children's program during the audit period, representing 0.3% of all screenings for the advertisement. |
| An advertisement for Don Salami screened seven times in a children's program during the audit period, representing 0.9% of screenings for the advertisement. |
| Fully compliant |
| Fully compliant |
| An advertisement for Dolmio Extra Cooking Sauce screened three times in a children's program during the audit period, representing 0.9% of all screenings for the advertisement. An advertisement for Kan-Tong Cooking Sauces screened twice in a children's program during the audit period, representing 0.9% of all screenings for the advertisement. An advertisement for Masterfoods Cooking Sauces screened twice in a children's program during the audit period, representing 0.5% of all screenings for the advertisement. An advertisement for Masterfoods Cooking Sauces screened twice in a children's program during the audit period, representing 0.5% of all screenings for the advertisement. An advertisement for Dolmio Bolognese Cooking Sauce screened three times in a children's program during the audit period, representing 6% of all screenings for the advertisement. An advertisement for Mars Pods screened once in a children's program during the audit period, representing 0.4% of all screenings for the advertisement. It is noted that the children's program screened at 1.30am An advertisement for Twix screened twice in a children's program during the audit period, representing 0.4% of all screenings for the advertisement. An advertisement for Snickers screened eight times in a children's program during the audit period, representing 0.4% of all screenings for the advertisement. An advertisement for Snickers screened eight times in a children's program during the audit period, representing 0.4% of all screenings for the advertisement. An advertisement for M&Ms screened twice in a children's program during the audit period, representing 0.2% of all screenings for the advertisement. |
| period, representing 0.1% of all screenings for the advertisement. An advertisement for Cadbury Favourites screened once in a children's program during the audit period, representing 0.2% of all screenings for the advertisement. An advertisement for Bel Vita Breakfast Biscuits screened once in a children's |
| |

| | program during the audit pariod representing 0.40/ of all according for the |
|-----------------------------------|---|
| | program during the audit period, representing 0.1% of all screenings for the advertisement. |
| | An advertisement for Pascall Mallow Bites screened once in a children's program during the audit period, representing 0.3% of all screenings for the advertisement. |
| | An advertisement for Musashi powder screened once in a children's program during the audit period, representing 0.2% of all screenings for the advertisement. It is noted that the children's program was screened at 1.30am. |
| | An advertisement for Uncle Tobys Oat Slice Bars screened three times in a children's program during the audit period, representing 0.4% of all screenings for the advertisement. |
| | An advertisement for Maggi Seasoning screened once in a children's program during the audit period, representing 0.1% of all screenings for the advertisement. |
| Nestlé Australia Limited | An advertisement for Kit Kat screened three times in a children's program during the audit period, representing 0.2% of all screenings for the advertisement. |
| | An advertisement for Nescafe Café Menu screened six times in a children's program during the audit period, representing 0.2% of all screenings for the advertisement. |
| | An advertisement for Dolce Gusto screened seven times in a children's program, representing 0.5% of all screenings for the advertisement. |
| | An advertisement for Nespresso screened twice in a children's program, representing 0.1% of all screenings for the advertisement. It is noted that one screening occurred in a children's program screened at 3.30am. |
| Patties Foods | Fully compliant |
| | An advertisement for Grain Waves screened twice in a children's program during the audit period, representing 1.1% of all screenings for the advertisement. |
| PepsiCo Australia | An advertisement for Gatorade screened once in a children's program during the audit period, representing 1.1% of all screenings for the advertisement. It is noted that the children's program screened at 3.30am. |
| | An advertisement for Pepsi Next screened once in a children's program during the audit period, represent 0.1% of all screenings for the advertisement. |
| Sanitarium Health Food Company | Fully compliant |
| Simplot Australia | Fully compliant |
| | An advertisement for Lipton Tea screened five times in a children's program during the audit period, representing 1.3% of all screenings for the advertisement. |
| Unilever Australasia | An advertisement for Continental Stock Pot Stocks screened once in a children's program during the audit period, representing 0.2% of all screenings for the advertisement. |

4.3. COMPLAINTS

The ASB assessed 10 complaints in 2012 in relation to the RCMI. Nine complaints were assessed in 2011 and 12 in 2010.

4.3.1. Upheld

No complaints against the RCMI were upheld in 2012 (down from two in 2011 and three in 2010).

4.3.2. Dismissed

All 10 complaints against the RCMI were dismissed in 2012:

- 1. 0492/11 Weet Bix (radio) (Sanitarium)
- 2. 0502/11 Weet Bix (television) (Sanitarium)
- 3. 0044/12 Paddle Pop Adventure Park (print) (Unilever)
- 4. 0156/12 Arnott's Big Tedz (television) (Campbell Arnott's)
- 5. 0195/12 The Natural Confectionary Company Lollies (website) (Kraft Foods)
- 6. 0196/12 YoGo (website) (Lion)
- 7. 0225/12 Oreo Double Stuff (television) (Kraft Foods)
- 8. 0228/12 LCMs (television) (Kellogg)
- 9. 0393/12 Allens Smilemaker campaign (television) (Nestlé)
- 10. 0494/12 LCMs (television) (Kellogg)

The nature of the complaints focused on the creative content of the advertisement for foods the complainant considered did not represent healthy dietary choices. In four of the ten instances, the ASB determined that the advertisements were not targeting children in their creative content (cases 7, 8, 9 and 10 above).

Two of the complaints were dismissed on the grounds that the RCMI does not capture the component that was the nature of the complaint, that is, company-owned websites (cases 5 and 6 above). Cases 1, 2, 3 and 4 all contained products that we deemed to be healthy choices (by the independent arbiter in cases 3 and 4) and declared compliant with the messaging and placement provisions of the RCMI.

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

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 are measured were 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 redrafted the initiatives, in line with the recommendation for a clear, plain English, legal document, with the updated initiatives coming into operation from 1 January 2014.

7. CONCLUSION

Overall, compliance with the RCMI in 2012 was high. Signatory reports indicated that company processes are in place to ensure adherence to their commitment to the RCMI, and reported activity was largely in line with these commitments. Results of the external audit found that there was some placement of discretionary foods in children's television programs, which was subsequently found to be largely due to the provision of bonus airtime by the TV network. However, these occurrences have reduced from previous years. In addition, there were no complaints upheld by the ASB.

AFGC has continued to strengthen the RCMI following the Independent Review, with a redrafted initiative available on the AFGC website and coming into operation from 1 January 2014.

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 RCMI 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 RCMI 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 food and beverage manufacturing companies to sign up to the initiative.

APPENDIX 1: THE RESPONSIBLE CHILDREN'S MARKETING INITIATIVE

Introduction

The Australian Food and Beverage Industry has developed this initiative to demonstrate its commitment to responsible marketing of foods and beverages to children.

The goal is to ensure that a high level of social responsibility in marketing communication and marketing food and beverage products in Australia is maintained.

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. The aim is to provide a framework for food and beverage companies to help promote healthy dietary choices and lifestyles to Australian children.

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

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

Scope

The scope of this initiative is based on the definitions of **Advertising or Marketing Communications** to **Children** and **Media**.

<u>Advertising or Marketing Communications to Children</u> is defined by the AANA Code for Advertising and Marketing Communications to Children and means advertising or marketing communications which, having regard to the theme, visuals and language used, are directed primarily to Children and are for Product.

<u>Media</u> means television, radio, print, cinema and third-party internet sites where the audience is predominantly children and/or having regard to the theme, visuals, and language used are directed primarily to children. In regards to television, this includes all P and C programs; all programs where more than 50 per cent of the audience is children under 12 years; plus those G rated programs that meet the criteria above as being designed for children.

Further definitions are provided in Appendix I.

An indicative television program list is provided in Appendix II.

Core Principles

Companies participating in this initiative will publicly commit to marketing communications to children under 12, only when it will further the goal of promoting healthy dietary choices and healthy lifestyles.

Each participant will develop an individual company action plan that outlines how they will meet the following core principles:

Advertising Messaging

Participants will not advertise food and beverage products to children under 12 in media unless:

1. those products represent healthy dietary choices, consistent with established scientific or Australian government standards

And

- the advertising and/or marketing communication activities reference, or are in the context of, a healthy lifestyle, designed to appeal to the intended audience through messaging that encourages:
- good dietary habits, consistent with established scientific or government criteria
- physical activity.

Use of Popular Personalities and Characters

Participants will not use popular personalities, program characters or licensed characters in advertising primarily directed to children under 12 unless such advertising complies with the messaging options set out above. This is in addition to requirements under the Children's Television Standards 2009 covering C and P periods (CTS section 35).

Product Placement

Participants will commit to not paying for or actively seeking to place their food or beverage products in the program/editorial content of any medium primarily directed to children under 12 for the purpose of promoting the sale of those products unless those products are consistent with healthy dietary choices under #1 above.

Use of Products in Interactive Games

Participants will commit that, in any interactive game primarily directed to children under 12 where the company's food or beverage products are incorporated into the game, the interactive game must incorporate or be consistent with healthy dietary choices under #1 above and healthy lifestyle messaging under #2 above.

Advertising in Schools

Participants will refrain from product-related communications in primary 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

Participants will commit to not advertising premium offers unless the reference to the premium is merely incidental to the product being advertised in accordance with the AANA codes and the Children's Television Standards 2009 (CTS Section 33).

Individual Company Action Plans

Companies will sign up to this initiative as a minimum commitment and will develop and publish individual *Company Action Plans* that outline their specific commitments including individual nutritional standards if applicable in order to meet the core principles of this initiative.

Because companies and their product lines vary, the way companies comply with this framework will differ. However, all commitments will be consistent with the core principles outlined in this initiative.

This initiative outlines the minimum commitments required by signatories. Companies may choose to go further if they wish.

Complaints

AFGC and AANA have formulated a transparent public complaints system, managed by the Advertising Standards Bureau.

Sanctions may be imposed on participants who fail to meet their obligations under the terms of this initiative.

Compliance monitoring

Companies are required to report on their marketing communication activities to children on an annual basis. Key criteria have been established to assess how companies' activities meet the core principles outlined in this initiative.

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

Appendix I - Definitions

Advertising or Marketing Communications means any material which is published or broadcast using any Medium or any activity which is undertaken by, or on behalf of an advertiser or marketer, and

- over which the advertiser or marketer 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, organisation or line of conduct,

but does not include Excluded Advertising or Marketing Communications.

Excluded Marketing Communications means labels or packaging for products.

Advertising or Marketing Communications to Children is defined by the AANA Code for Advertising and Marketing Communications to Children and means advertising or marketing communications which, having regard to the theme, visuals, and language used, are directed primarily to children and are for product.

Media means television, radio, print, cinema and third-party internet sites where the audience is predominantly children and/or having regard to the theme, visuals, and language used are directed primarily to children.

Children means persons under 12 years of age.

Popular Personalities and Characters means:

- a personality or character from a C program or P program
- a popular program or movie character
- a non-proprietary cartoon, animated or computer generated character
- a popular personality.

Premium means anything offered free or at a reduced price and which is conditional upon the purchase of a children's food or beverage product.

Product is defined by the AANA Code for Advertising and Marketing Communications to Children and means goods, services and/or facilities which are targeted toward and have principal appeal to Children. In the case of the Responsible Children's Marketing Initiative, the Product is contained to food and beverages.

Appendix II - Indicative Television Program List

Under the Responsible Children's Marketing Initiative, participants will not advertise food and beverage products to children under 12 in media unless it meets the core principles in relation to advertising messaging.

The list in Table 2 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 per cent of the audience is children under 12 years; plus those G rated programs that meet the criteria as being designed for children (through the themes, visuals and language used). The list in Table 3 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 Responsible Children's Marketing Initiative.

| Ale delia | | Oseshu Deserves |
|-----------------------------|---------------------------|--------------------------------|
| 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 |
| Dangermouse | Magical Tales | of Flapjack |
| Deadly | Me and My Monsters | The Perils of Penelope Pitstop |
| Dennis & Gnasher | Mickey Mouse Clubhouse | The Replacements |
| Dennis the Menace | Mortified | The Saddle Club |
| Dex Hamilton | Oggy and the Cockroaches | The Shak |
| Digimon Data Squad | Out of Jimmy's Head | The Smurfs |
| Dive Olly Dive | Parallax | Thunderbirds |
| Dora The Explorer | Penguins of Madagascar | Toasted TV |
| Erky Perky | Phineas and Ferb | Totally Wild |
| Foster's Home for Imaginary | Pinky and the Brain | Trapped |
| Friends | Pokemon | Wurrawhy |
| Flipper | Power Rangers | Yin Yang Yo! |
| GÁSP | Pyramid | Yu Gi Oh! 5D's |
| Go, Diego Go | Raggs | Zeke's Pad |
| G2G: Got to Go | Saturday Disney | |

Table 2: Television programs covered by the RCMI

Australian Food and Grocery Council

Table 3: Programs not covered by the RCMI

| 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 | |
| | |

APPENDIX 2: RCMI SIGNATORIES AND MAJOR BRANDS, 2012

| RCMI Signatory | Major brands |
|---|--|
| Campbell Arnott's | Tim Tam, Tiny Teddy, Shapes, Country Ladle, V8 |
| Cereal Partners Worldwide (Australia) | Uncle Toby's Plus, Nestlé Milo cereal |
| Coca-Cola South Pacific | Coca-Cola, Sprite, Fanta, Lift, POWERADE, Goulburn Valley |
| Ferrero Australia | Tic Tac, Ferrero Rocher, Kinder Surprise, Kinder Bueno, Nutella |
| Fonterra Australia New Zealand | CalciYum, Bega, Perfect Italiano, Mainland, Western Star, Ski and Soleil Diet |
| General Mills Australia | Latina, Old El Paso, Betty Crocker |
| George Weston Foods Limited and AB Food and Beverages Pty Ltd | Tip Top®, Don®, KR Castlemaine®, Abbott's Village Bakery™, Golden®, Bazaar® Breads of the World™, Bürgen®, Jarrah®, Ovaltine®, Top Taste®, Mills & Ware®, Ministry of Muffins ® |
| Kellogg (Australia) | Kellogg breakfast cereal and snack foods. |
| Mars Australia & The Wrigley Company | Mars® ,Dove®, Maltesers® and M&M's®; Dolmio®, Uncle Ben's® and Masterfoods®, Doublemint®, Wrigley's Spearmint®, Juicy Fruit®, Orbit®, Extra®, Airwaves®, Eclipse®, Hubba Bubba® |
| Mondelēz International | Cadbury, Kraft, Pascall, Philadelphia, Toblerone. |
| National Foods Limited | Pura, Dairy Farmers, Berri, Daily Juice, Yoplait, Coon, Farmers Union, Dare, Moove, Masters, Big M |
| Nestlé Australia Limited | Nestlé, Nestlé/Peters, Allen's, Uncle Toby's |
| Patties Foods | Patties, Four'n Twenty, Nanna's, Creative Gourmet, Herbert Adams |
| PepsiCo Australia | Smith's, Red Rock Deli, Doritos, Nobby's, Parker's, Twisties, Burger Rings, Toobs, Grain Waves, Sakata Pepsi, Gatorade, 7-Up, Mountain Dew. |
| Sanitarium Health Food Company | Sanitarium |
| Simplot Australia | Birds Eye, Chiko, Edgell, Harvest, I&J, John West, Leggo's, Seakist, Lean Cuisine |
| Unilever Australasia | Streets, Continental, Bertolli, Flora |

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