



AUSTRALIAN
**FOOD &
GROCERY**
COUNCIL

ANNUAL COMPLIANCE REPORT

2014 ANNUAL COMPLIANCE REPORT FOR
THE RCMi AND QSRI

Sustaining Australia

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1. EXECUTIVE SUMMARY

This report documents signatory compliance with the Responsible Children's Marketing Initiative (RCMI) and the Quick Service Restaurant Initiative for Responsible Advertising and Marketing to Children (QSRI) for 2014. The report captures two monitoring components: an external audit and complaint adjudications by the Advertising Standards Board (ASB).

Overall, compliance with the RCMI and the QSRI core principles during their sixth year of operation was very high, with 99.7 per cent (RCMI) and 99.5 per cent (QSRI) of signatory advertising being compliant with their commitment under the initiatives. This compliance rate exceeds that recorded in the 2013 Annual Compliance Report (99.5 per cent and 99.2 per cent for the RCMI and QSRI respectively) and the International Food and Beverage Alliance's commitment of 96.9 per cent¹.

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 were found to be mainly inadvertent, resulting from either the provision of bonus airtime by the television network or the late scheduling (or change in scheduling) of programs and were not undertaken at the direction of the signatories. The audit also found that over 60 per cent of breaches occurred on one channel, demonstrating particular need for communication and diligence with this network.

The ASB considered 12 complaints relating to the initiatives in 2014. Of the seven complaints relating to the RCMI, two were upheld for advertisements where the product met the relevant nutrition criteria but the signatories had not met their obligation of encouraging good dietary habits and physical activity. Of the five complaints relating to the QSRI, two were upheld in relation to product vouchers at children's sporting events and play centres.

¹ <https://ifballiance.org/sites/default/files/AccentureMonitoringReportIFBA201March2014-1.pdf>

2. INTRODUCTION

The Responsible Children's Marketing Initiative (RCMI) and the Quick Service Restaurant Initiative for Responsible Advertising and Marketing to Children (QSRI) were introduced in 2009 in response to community concerns about the level of advertising of foods high in energy, fat, sugar and salt to children. The initiatives are managed by the Australian Food and Grocery Council (AFGC) in line with the Australian Competition and Consumer Commission's (ACCC) *Guidelines for developing effective voluntary industry codes of conduct*².

In line with these Guidelines, and the principles set out in each initiative, this report details signatory's compliance with the RCMI and QSRI during 2014.

2.1. HOW THE INITIATIVES WORK

The RCMI and QSRI provide a common framework to ensure that only food and beverages that represent healthier choices are promoted directly to children. Whilst it remains the primary responsibility of parents to guide their children's behaviour in this area, companies voluntarily pursue the commitments under these initiatives as a means of assisting parents in their efforts.

The objectives of the RCMI and QSRI are to:

- Reduce advertising and marketing communications to children for food and beverage products that do not represent healthier choices
- Use advertising and marketing communications to children to help promote healthy dietary choices and health lifestyles amongst Australian children, and
- Provide an independent, best practice avenue for consumers to raise concerns regarding advertising and marketing communications to children for food and beverage products and issues of non-compliance through the Advertising Standards Bureau.

The initiatives capture advertising that is directed primarily to children and appears on television, radio, print, cinema, the internet and interactive games. There are also provisions relating to product placement and advertising in schools, pre-schools and day care centres. The QSRI has additional provisions relating to outdoor advertising, nutrition information and children's sporting events.

Advertising and marketing communications are considered directed primarily to children if:

- The communication is directed primarily to children through its themes, visuals and language, or
- The communication is placed in a medium directed primarily to children (in relation to television this includes all C and P rated programs and other rated programs that are directed primarily to children through their themes, visuals and language), or
- Children represent 35 per cent or more of the audience of the medium.

Signatories to the initiatives are required to publish individual Company Action Plans on the AFGC website (www.afgc.org.au) that outline their specific commitments. The QSRI has a common nutrition criteria for all signatories, while each signatory to the RCMI is required to specify the nutrition standards that will be applied to meet the core principles of the initiative. While the nutrition criteria may differ

² <https://www.accc.gov.au/publications/guidelines-for-developing-effective-voluntary-industry-codes-of-conduct>



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 initiatives, 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. All determinations of the ASB are available on their website www.adstandards.com.au.

2.2. 2014 SIGNATORIES

Signatories to the RCMI and QSRI include some of the largest national and multinational food and beverage companies.

RCMI Signatories

Campbell Arnott's	Lion Dairy and Drinks
Cereal Partners Worldwide (Australia)	Mars Australia
Coca-Cola South Pacific	Mondelēz International (formerly Kraft Foods)
Fonterra Brands Australia Ltd	Nestlé Australia Limited
Ferrero Australia	Patties Foods
General Mills Australia	PepsiCo Australia
George Weston Foods Limited and AB Food and Beverages Australia Pty Ltd	Sanitarium Health & Wellbeing Company
Kellogg (Aust) Pty Ltd	Simplot Australia
	Unilever Australasia

QSRI Signatories

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



3. EXTERNAL AUDIT

AFGC undertook an audit of food and beverage television advertising through the purchase of three months of food and beverage television advertising data. Data for March, July and December 2014, were sourced from Ebiquity, an international provider of media and marketing analytics. The data covers advertising of food and beverage products on nine free-to-air television channels (Seven, 7TWO, 7mate, Nine, GO, GEM, Ten, 11, ONE) for Adelaide, Brisbane, Melbourne, Perth and Sydney. This data was paired with audience data purchased from OzTam to identify which programs had an audience comprising 35 per cent or more of children. 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 35 per cent of the audience are children 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.

Results of the external audit (March, July and December 2014) identified instances in which foods that did not meet the company's nutrition criteria were shown in children's television programs (Tables 1 and 2).

Each of the signatories provided AFGC with a response regarding their instances of non-compliance. This response is included below the tables.

3.1. RCMI COMPLIANCE RESULTS

During the 2014 audit period, RCMI signatories achieved a 99.7 per cent compliance rate with the placement of their advertising. This is an improvement on the 2013 audit period, which had a compliance rate of 99.5 per cent. This overall rate places the RCMI's compliance ahead of other world leading self-regulatory initiatives, including the International Food and Beverage Alliance which reported a compliance rate of 96.9 per cent in 2013 across 19 different countries.

The results of the audit demonstrate that instances of non-compliance was not due to companies endeavouring to target children with their advertising; as 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.

The provision of bonus airtime continues to be a challenge for signatories, resulting in over a third of the instances of non-compliance. Last minute decisions regarding the scheduling of movies or changes in programming also accounted for a number of breaches. The audit also revealed that over 60 per cent of breaches occurred on one channel.



Table 1: RCMI Compliance – March, July and December 2014 (TV advertising placement only)

RCMI Signatory	Compliance details
Campbell Arnott's	<p>An advertisement for Tim Tam biscuits screened 18 times in a children's program during the audit period, representing 1.1% of all screenings of the advertisement.</p> <p>An advertisement for Arnott's Shapes screened 10 times in a children's program during the audit period, representing 2.7% of all screenings of the advertisement.</p>
Cereal Partners Worldwide (Australia)	Fully compliant
Coca-Cola South Pacific	<p>An advertisement for the Coca-Cola range screened 14 times in a children's program during the audit period, representing 1.3% of all screenings of the advertisement.</p> <p>An advertisement for Coca-Cola screened four times in a children's program during the audit period, representing 0.3% of all screenings of the advertisement.</p> <p>An advertisement for Coca-Cola screened three times in a children's program during the audit period, representing 0.3% of all screenings of the advertisement.</p> <p>An advertisement for Coca-Cola screened two times in a children's program during the audit period, representing 0.9% of all screenings of the advertisement.</p> <p>An advertisement for Powerade screened five times in a children's program during the audit period, representing 0.7% of all screenings of the advertisement.</p>
Ferrero Australia	<p>An advertisement for Tic Tacs screened five times in a children's program during the audit period, representing 0.4% of all screenings of the advertisement.</p> <p>An advertisement for Ferrero Rocher screened five times in a children's program during the audit period, representing 0.3% of all screenings of the advertisement.</p> <p>An advertisement for Kinder Surprise screened once in a children's program during the audit period, representing 0.2% of all screenings of the advertisement.</p>
Fonterra Australia New Zealand	<p>An advertisement for Perfect Italiano cheese range screened once in a children's program during the audit period, representing 0.5% of all screenings of the advertisement.</p> <p>An advertisement for Western Star Butter screened three times in a children's program during the audit period, representing 0.9% of all screenings of the advertisement.</p> <p>An advertisement for Perfect Italiano cheese range screened three times in a children's program during the audit period, representing 0.6% of all screenings of the advertisement.</p> <p>An advertisement for Western Star Butter screened twice in a children's program during the audit period, representing 1.0% of all screenings of the advertisement.</p>

General Mills Australia	<p>An advertisement for Old El Paso screened 10 times in a children's program during the audit period, representing 0.7% of all screenings of the advertisement.</p> <p>An advertisement for Latina Fresh pasta screened once in a children's program during the audit period, representing 0.1% of all screenings of the advertisement.</p> <p>An advertisement for Latina Fresh pasta screened once in a children's program during the audit period, representing 0.1% of all screenings of the advertisement.</p>
George Weston Foods Limited & AB Food and Beverages Australia	Fully compliant
Kellogg (Australia)	<p>An advertisement for LCMs screened once in a children's program during the audit period, representing 0.3% of all screenings of the advertisement.</p> <p>An advertisement for Pringles screened three times in a children's program during the audit period, representing 0.3% of all screenings of the advertisement.</p>
Lion Dairy and Drinks	<p>An advertisement for Dare Ice Coffee screened once in a children's program during the audit period, representing 0.1% of all screenings of the advertisement.</p> <p>An advertisement for Farmers Union Iced Coffee screened twice in a children's program during the audit period, representing 1.1% of all screenings of the advertisement.</p>
Mars Australia & The Wrigley Company	<p>An advertisement for Wrigley's Extra chewing gum screened 10 times in a children's program during the audit period, representing 0.4% of all screenings of the advertisement.</p> <p>An advertisement for Wrigley's Extra chewing gum screened 18 times in a children's program during the audit period, representing 1.4% of all screenings of the advertisement.</p> <p>An advertisement for Eclipse mints screened 22 times in a children's program during the audit period, representing 1.6% of all screenings of the advertisement.</p> <p>An advertisement for Dolmio cooking sauce screened four times in a children's program during the audit period, representing 0.8% of all screenings of the advertisement.</p> <p>An advertisement for Dolmio cooking sauce screened once in a children's program during the audit period, representing 0.1% of all screenings of the advertisement.</p> <p>An advertisement for Masterfoods screened 24 times in a children's program during the audit period, representing 1.3% of all screenings of the advertisement.</p> <p>An advertisement for Kan Tong cooking sauces screened three times in a children's program during the audit period, representing 0.7% of all screenings of the advertisement.</p> <p>An advertisement for Maltesers screened once in a children's program during the audit period, representing 0.1% of all screenings of the advertisement.</p> <p>An advertisement for M&Ms screened six times in a children's program during the audit period, representing 0.6% of all screenings of the advertisement.</p> <p>An advertisement for M&Ms screened once in a children's program during the audit period, representing 0.2% of all screenings of the advertisement.</p> <p>An advertisement for Mars Bar screened once in a children's program during the audit period, representing 0.2% of all screenings of the advertisement.</p>

	<p>An advertisement for Snickers screened once in a children's program during the audit period, representing 0.1% of all screenings of the advertisement</p> <p>An advertisement for Skittles screened eight times in a children's program during the audit period, representing 1.0% of all screenings of the advertisement.</p> <p>An advertisement for Mars Ice Creams screened twice in a children's program during the audit period, representing 0.3% of all screenings of the advertisement.</p>
Mondelēz International	<p>An advertisement for Cadbury's Easter Range (run in conjunction with Woolworths) screened twice in a children's program during the audit period, representing 1.5% of all screenings of the advertisement.</p> <p>An advertisement for Cadbury Marvellous Creations screened twice in a children's program during the audit period, representing 0.2% of all screenings of the advertisement.</p> <p>An advertisement for Sour Patch Kids screened twice in a children's program during the audit period, representing 0.3% of all screenings of the advertisement.</p> <p>An advertisement for Cherry Ripe screened once in a children's program during the audit period, representing 0.4% of all screenings of the advertisement.</p> <p>An advertisement for Philadelphia cream cheese screened twice in a children's program during the audit period, representing 0.3% of all screenings of the advertisement.</p>
Nestlé Australia Limited	<p>An advertisement for Wonka chocolate screened five times in a children's program during the audit period, representing 0.9% of all screenings of the advertisement.</p>
Patties Foods	Fully compliant
PepsiCo Australia	<p>An advertisement for Pepsi Max screened 10 times in a children's program during the audit period, representing 0.4% of all screenings of the advertisement.</p> <p>An advertisement for Gatorade screened 22 times in a children's program during the audit period, representing 2.2% of all screenings of the advertisement.</p> <p>An advertisement for Smith's Maxx potato chips screened 15 times in a children's program during the audit period, representing 1.3% of all screenings of the advertisement.</p> <p>An advertisement for Red Rock Deli screened three times in a children's program during the audit period, representing 0.5% of all screenings of the advertisement.</p> <p>An advertisement for Smith's Thinly Cut potato chips screened nine times in a children's program during the audit period, representing 1.0% of all screenings of the advertisement.</p>
Sanitarium Health & Wellbeing Company	Fully compliant
Simplot Australia	<p>An advertisement for Five Tastes meal kits screened nine times in a children's program during the audit period, representing 0.9% of all screenings of the advertisement.</p>

Unilever Australasia	<p>An advertisement for Lipton teabags screened four times in a children's program during the audit period, representing 0.3% of all screenings of the advertisement.</p> <p>An advertisement for Blue Ribbon screened twice in a children's program during the audit period, representing 0.4% of all screenings of the advertisement.</p> <p>An advertisement for Conintental Cup A Soup screened 11 times in a children's program during the audit period, representing 1.1% of all screenings of the advertisement.</p>
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Campbell Arnott's: The Tim Tam advertisements reported appeared as a result of scheduling changes and placement of evening movies prior to the scheduling being released. Arnott's is working with its media agency and the network to address the process for booking airtime during these periods and is implementing steps to ensure scheduling changes are considered prior to programs going to air.

The Shapes advertisements reported appeared as a result of either bonus airtime, scheduling changes or through placement in evening movies prior to the scheduling being released. Arnott's is working with its media agency and the network to address the process for booking airtime during these periods and is implementing steps to ensure bonus spots and scheduling changes are considered prior to programs going to air.

Coca-Cola South Pacific: The Coca-Cola Company takes its commitment to responsible marketing to children seriously. The majority of spots that contravened the RCMI were placed as filler (non-paid) in error by the TV networks. All networks have received communication from our media agency UM on behalf of CCSP reminding them of our Marketing to Children Policy which must be adhered to, even for filler placements. We have further tightened our media buying parameters in respect to the policy to ensure we comply as fully as possible.

Ferrero: Seven of the incidents of non-compliance were the result of the provision of bonus airtime or late program changes that Ferrero and its agency were not made aware of. The remaining four breaches occurred during a PG rated film which Ferrero did not consider was directed primarily to children.

Fonterra: Fonterra Australia changed media buying agencies in April 2014 as part of a review of our external service providers. A lack of understanding of Fonterra's commitment to the RCMI by the new media buying agency led to the inadvertent screening of two advertisements on nine occasions. The advertisements were part of a culinary activation 'Winter Family Favourites' for the Perfect Italiano Cheese brand and Western Star Butter and were specifically targeted to an adult demographic specifically i.e. the main household grocery buyer and were in no way targeted to children.

Fonterra Australia has undertaken the following corrective actions to systematically address this issue and prevent a future reoccurrence:

- The media buying agency has been briefed on the RCMI principles and Fonterra's commitment to the agreement.
- Mediacom has undertaken to include the RCMI principles in future media buying briefs.
- Two delegates from the media buying agency will attend RCMI Training in March 2015.
- Relevant internal stakeholders at Fonterra have been retrained on the core principles and company commitment to the RCMI.



General Mills: The placement of Old El Paso and Latina advertisements occurred during programs containing themes of appeal to children. These incidents were isolated and unintentional and resulted from bonus media buys. General Mills has policies and procedures in place to ensure compliance with the RCMI. General Mills' expectations with regard to its policies are clearly communicated to its media buying agencies who in turn communicate these expectations to the networks. The placements occurred due to human error. General Mills will continue to clearly state its expectations to its media buying agencies and will continue monitoring compliance with the RCMI.

Kellogg (Australia) notes that the LCMs spot in March 2014 was placed without their knowledge as a 'filler spot' by the Network Nine traffic team. Regarding the three Pringles spots in July 2015 these spots were booked by the company's media agency for its campaign. In September 2014, Kellogg launched a new internal Marketing to Children Guidelines and Toolkit with training sessions for all brand managers and agencies (including creative and media buying). The Guidelines and Toolkit are available on the Kellogg's intranet, have been provided to its agencies and are being used to inform marketing approaches. Following this audit the company has reinforced media buying guidelines with its agency as well as brand managers for LCMs and Pringles. In addition the Nine Network and the media buying agency have again reminded each traffic manager of the importance of Kellogg's advertising not appearing during children's programming.

Lion Dairy & Drinks: The three incidents of non-compliance for Lion Dairy and Drinks were the result of networks providing bonus airtime. This happened without the knowledge or control of either Lion or their advertising agency. Lion has reminded both their advertising agency and the television stations of their commitment to the RCMI and have been assured that these errors will not be repeated.

Mars Australia & The Wrigley Company: Mars is committed to adhering to the RCMI and their Company Action Plan and was concerned by the breaches recorded in 2014.

Upon investigation it was revealed that 43 per cent of the breaches resulted from instances where the programming was unknown at the time the booking was made. A further 22 per cent were the result of bonus airtime provided by the television network.

While Mars has achieved a 28 per cent reduction in breaches from last year, the company recognises there are still improvements to make and will partner with both internal and external stakeholders to enhance processes and ensure compliance.

Mondelēz International: Despite the rigorous process Mondelēz has in place, there were a small number of non-compliant advertisements in 2014, to the company's disappointment. Of the nine instances, four were the result of network errors and five the result of internal errors. Mondelēz will discuss the network errors with each network and reinforce the placement guidelines to ensure that this does not occur in the future. Networks will also be invited to awareness training sessions to ensure they are continually across the important measures that are required. Mondelēz will also review internal processes in conjunction with their employees, and reinforce the placement guidelines to ensure future errors do not occur. Employees will continue to participate in frequent awareness training to reinforce the important measures that are required.

Nestlé Australia Limited: Nestlé takes its commitment to the RCMI and our Company Action Plan very seriously and was disappointed to be advised of the five instances where the WONKA TVC was shown during programs and movies aimed at a child audience.

Upon investigation, Nestle found that:

- The two instances of placement were bonus spots which do not show up on pre-telecast times and are not within the company's control.
- Despite clear instruction to the contrary to the media buying agency, Nestle was disappointed to find out the three instances of placement during movies were due to the booking of timeslots during movies which were either not listed, or the title not confirmed at the time the booking was made.

Nestlé will continue to provide strict instructions to media buying agencies to ensure compliance with Nestlé's RCMI commitment along with Nestlé company policies and external commitments around advertising to children. The company, will continue to ensure this commitment is a focus for its marketing teams and relevant agencies through continued communication and ongoing training.

PepsiCo Australia takes its commitment to the RCMI seriously. Of the reported instances of non-compliance, the overwhelming majority were the result of the provision of bonus airtime or changes in programming by television stations. The remaining non-compliant spots represented 0.3 per cent of all screening during the audit period. Pepsico Australia fully supports the RCMI and its media agency will re-brief the relevant agencies to ensure compliance with placement guidelines.

Simplot Australia: The advertisements for Five Tastes meals kits were placed in children's programs after the time of booking and it was not the intention of Simplot to target children or these particular programs. Simplot is working with their agency to ensure their advertising is not allocated to children's programs in the future.

Unilever Australia: Upon review of the 2014 compliance data, Unilever found that over 70 per cent of their instances of non-compliance occurred on one evening, during one movie. When these spots were purchased the program was simply listed as Movie and the agency was not informed of the movie prior to airing. The remaining spots were the result of the provision of bonus airtime and a mistake by Unilever's media agency.

Unilever will work to prevent these issues in the future by putting a clause to every Unilever food television booking targeting adults, specifying that the particular spot cannot be used in children's programming and by ensuring that the media buying team receive the necessary training to prevent mistakes in the future.



3.2. QSRI COMPLIANCE RESULTS

During the 2014 audit period, QSRI signatories achieved a 99.6 per cent compliance rate with the placement of their advertising. This is an improvement on the 2013 audit period, which had a compliance rate of 99.2 per cent. This overall rate places the QSRI's compliance ahead of other world leading self-regulatory initiatives, including the International Food and Beverage Alliance which reported a compliance rate of 96.9 per cent in 2013 across 19 different countries.

The results of the audit demonstrate that instances of non-compliance was not due to companies endeavouring to target children with their advertising; as 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.

The provision of bonus airtime continues to be a challenge for signatories, resulting in approximately one quarter of the instances of non-compliance. Last minute decisions regarding the scheduling of movies or changes in programming also accounted for a number of breaches. The audit also revealed that over 60 per cent of breaches occurred on one channel.

Table 2: QSRI Compliance – March, July and December 2014 (TV advertising placement only)

QSRI Signatory	Compliance details
Chicken Treat	Fully compliant
Hungry Jack's	<p>An advertisement for Hungry Jack's Chicken Nuggets screened 62 times in a children's program during the audit period, representing 2.7% of all screenings of the advertisement.</p> <p>An advertisement for Hungry Jack's Cheeseburger screened three times in a children's program during the audit period, representing 0.6% of all screenings of the advertisement.</p> <p>An advertisement for Hungry Jack's Chicken Burger screened 39 times in a children's program during the audit period, representing 2.1% of all screenings of the advertisement.</p> <p>An advertisement for Hungry Jack's Espresso Range screened 32 times in a children's program during the audit period, representing 4.0% of all screenings of the advertisement.</p> <p>An advertisement for Hungry Jack's Omelette Muffin screened 41 times in a children's program during the audit period, representing 4.6% of all screening of the advertisement.</p> <p>An advertisement for Hungry Jack's Stunner Meal screened 10 times in a children's program during the audit period, representing 8.5% of all screenings of the advertisement.</p> <p>An advertisement for Hungry Jack's Bacon and Egg Muffin screened once in a children's program during the audit period, representing 0.07% of all screenings of the advertisement.</p> <p>An advertisement for Hungry Jack's screened twice in a children's program during the audit period, representing 0.08% of all screenings of the advertisement.</p> <p>An advertisement for Hungry Jack's winter range screened once in a children's program during the audit period, representing 0.2% of all screenings of the advertisement.</p>

	<p>An advertisement for Hungry Jack's frozen drinks screened 12 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 Penny Pinchers range screened three times in a children's program during the audit period, representing 0.5% of all screenings of the advertisement.</p> <p>An advertisement for Hungry Jack's summer range screened 39 times in a children's program during the audit period, representing 1.0% of all screenings of the advertisement.</p>
KFC	<p>An advertisement for KFC \$5 Box screened once in a children's program during the audit period, representing 0.1% of all screenings of the advertisement.</p> <p>An advertisement for KFC Nacho Box screened once in a children's program during the audit period, representing 0.1% of all screenings of the advertisement.</p> <p>An advertisement for KFC Chicken screened eight times in a children's program during the audit period, representing 0.3% of all screenings of the advertisement.</p> <p>An advertisement for KFC The Mighty screened once in a children's program during the audit period, representing 0.2% of all screenings of the advertisement.</p> <p>An advertisement for KFC screened once in a children's program during the audit period, representing 0.1% of all screenings of the advertisement.</p> <p>An advertisement for KFC screened twice in a children's program during the audit period, representing 0.1% of all screenings of the advertisement.</p> <p>An advertisement for KFC lunch screened once in a children's program during the audit period, representing 0.05% of all screenings of the advertisement.</p> <p>An advertisement for KFC Zinger Stacker screened once in a children's program during the audit period, representing 1.3% of all screening of the advertisement.</p> <p>An advertisement for KFC Homeground Cricket range screened 40 times in a children's program during the audit period, representing 0.8% of all screenings of the advertisement.</p>
McDonald's Australia	<p>An advertisement for McDonald's Our Food Your Questions screened three times in a children's program during the audit period, representing 0.2% of all screenings of the advertisement.</p> <p>An advertisement for McDonald's Loose Change Meals screened four times in a children's program, representing 0.1% of all screenings of the advertisement.</p> <p>An advertisement for McDonald's M Selections Range screened four times in a children's program, representing 0.1% of all screenings of the advertisement.</p> <p>An advertisement for McDonald's Brazil Burger screened once in a children's program during the audit period, representing 0.3% of all screenings of the advertisement.</p> <p>An advertisement for McDonald's Rio Frozen Sprite screened three times in a children's program during the audit period, representing 0.5% of all screenings of the advertisement.</p> <p>An advertisement for McDonald's screened twice in a children's program during the audit period, representing 0.4% of all screenings of the advertisement.</p> <p>An advertisement for McDonald's The France screened four times in a children's program during the audit period, representing 0.5% of all screenings of the advertisement.</p> <p>An advertisement for McCafe Ice Latte screened three times in a children's program during the audit period, representing 0.2% of all screenings of the advertisement.</p>

	An advertisement for McDonald's More Bang for Your Buck range screened five times in a children's program during the audit period, representing 0.1% of all screenings of the advertisement.
Oporto	An advertisement for Oporto screened once in a children's program during the audit period, representing 0.8% of all screenings of the advertisement. An advertisement for Oporto screened twice in a children's program during the audit period, representing 0.3% of all screenings of the advertisement.
Pizza Hut	An advertisement for Pizza Hut screened once in a children's program during the audit period, representing 0.02% of all screenings of the advertisement. An advertisement for Pizza Hut's Doritos Crunchy Crust screened 12 times in a children's program during the audit period, representing 0.3% of screenings for the advertisement.
Red Rooster	An advertisement for Red Rooster screened once in a children's program during the audit period, representing 0.1% of all screenings for the advertisement.

Hungry Jack's: Hungry Jack's do not consider children under the age of 14 years a key target audience. In partnership with its media agency, the Hungry Jack's team constantly reviews the scheduling and booking of all television commercials to ensure the placement of ads are in line with commitments under the QSRI. Despite strict briefing procedures with media buying agencies and networks there have been instances where Hungry Jack's have aired during children's television programs. The majority of breaches occur during movies as these are often scheduled by networks at the last minute and do not appear in the schedule at the time of spot checking. There is also instances where networks run 'bonus' spots during these programs without Hungry Jack's permission. Hungry Jack's continues to work closely with its agencies and networks to improve the monitoring of all bookings, and has implemented processes that are overseen by senior team members to ensure that they are being followed.

Hungry Jack's is also introducing the following processes to improve compliance with the QSRI:

- Staff attendance at relevant AFGC run compliance training.
- Media agency to be kept informed of any changes to programming that can potentially have an impact on placement of campaigns.
- Media agency to document Hungry Jack's mandatory requirements at the bottom of all material instructions.
- Media agency to regularly run spot checks to ensure that all activity set to run for the following week is scheduled as per Hungry Jack's mandatory requirements and that networks action any changes that need to be made.
- Television networks to enforce Hungry Jack's programming requirements when finalising bookings and any bonus media spots.

KFC: In 2014, almost 90 per cent of KFC's incidents of non-compliance were the result of either the provision of bonus airtime, network errors (where the network aired advertisements that had been asked to be moved) or last minute program changes. KFC will continue to work with its media agency and the networks to improve communication of its commitments under the QSRI.

McDonald's Australia: In 2014, all of McDonald's advertising and marketing communications directed to children complied with the initiative.



All McDonald's marketing communication targeting children less than 14 years in 2014 promoted a Happy Meal comprised of healthier options that met the initiative's defined set of nutrition criteria for assessing children's meals.

McDonald's is pleased to have improved its compliance rating from 99.5 per cent in 2013 to 99.9 per cent in 2014. The small number of breaches were all related to inadvertent placement of advertisements not meant for children in programs covered by the QSRI. In some instances programming changed between booking and air dates while the remaining breaches occurred as a result of networks mistakenly placing 'bonus spots'. McDonald's continues to work closely with its agencies and networks to address issues with placement and ensure future compliance.

Oporto: Oporto reviewed their instances of non-compliance with their agency and found two of the breaches were the result of the network providing bonus airtime. The remaining breach was due to an oversight by their agency which has now been addressed.

Pizza Hut: Pizza Hut was pleased to record an improvement in its compliance rate in 2014. Pizza Hut will continue to work with its media agency and the networks to ensure that their commitments are clearly understood and adhered to.

Red Rooster: Red Rooster's sole breach of the QSRI was the result of a late programming change. Their agency has flagged this issue with the network in question and reiterated their stances on children's programming to ensure that they are continuing to highlight any potential issues with Red Rooster as their schedules change.

4. COMPLAINTS

4.1. RCMI

The ASB assessed seven complaints in relation to the RCMI during 2014. Ten complaints were assessed in 2013 and 2012, nine in 2011 and 12 in 2010.

UPHELD

Two complaints against the RCMI were upheld in 2014 (down from four in 2013):

1. 0033/14 Coco Pops (Interactive Game) – Kellogg

The complaint raised concerns about the Coco Beats website, which enables a parent and child to engage in musical activities using Coco Pops packaging and a webcam. The ASB Board considered that this advertisement was directed primarily to children under 12. On the basis of the confirmation by the Independent Arbiter, the Board considered that the product was a healthier dietary choice and is permitted to be advertised to children under 12. The Board stated that the interactive game did not meet the requirements of encouraging good dietary habits and physical activity.

Kellogg removed the website.

2. 0399/14 Paddle Pop (Television) – Unilever Australasia

The complaint raised concerns about a television advertisement for Dragon Pop Icy Pole that was featured on the Nickelodeon channel. The Board determined that the advertisement was directed primarily to children and was placed in a medium directed primarily to children. On the basis of the confirmation by the Independent Arbiter, the Board considered that the product was a healthier dietary choice and is permitted to be advertised to children under 12. While the advertisement did meet the requirement of encouraging physical activity and have the words “Enjoy Paddle Pops as a treat within a balanced diet” and “True heroes balance energy intake with activity”, the Board determined that this was not sufficient to meet the requirement of encouraging good dietary habits.

Unilever discontinued airing this advertisement.

DISMISSED

Five complaints against the RCMI were dismissed in 2014:

1. 0075/14 YoGo (Website) – Lion
2. 0089/14 Paddle Pop (Website) – Unilever Australasia
3. 0097/14 Milo (Website) – Nestle Australia
4. 0205/14 Wonka Chocolate (Television) – Nestle Australia
5. 0221/14 Coco Pops (Television) – Kellogg

All six complaints focused on the creative content of the advertisement. The first two cases involved websites that the Board determined were directed primarily to children and met the requirements of the RCMI.

The Board determined that the advertisements featured in the remaining four complaints were not directed primarily to children.

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

4.2. QSRI

The ASB assessed five complaints in relation to the QSRI during 2014. Five complaints were assessed in 2013, 11 in 2012 and ten in 2011.

UPHELD

Two complaints against the QSRI were upheld in 2014:

1. 0230/14 Fries (Print) – McDonald's Australia

The complaint raised concerns about play money provided to entrants at the SPC Ardmona KidsTown Adventure Playground that featured "Free small fries with any purchase" on the reverse side. McDonald's Australia stated that this had not passed through their standard internal review and approval process and took corrective action upon being made aware of its existence.

2. 0346/14 Free meal (Children's Sporting Event voucher) – McDonald's Australia

The complaint raised concerns about a voucher provided to participants at the University of Sunshine Coast Basketball Club Competition that provided a free small cheeseburger meal or free seared chicken wrap, apple slices and a small orange juice. While the latter option met the requirements of the QSRI, the former did not. McDonald's Australia stated that this had not passed through their standard internal review and approval process and took corrective action upon being made aware of its existence. McDonald's stated that both the instances of this complaint and 0230/14 were isolated.

DISMISSED

Three complaints against the QSRI were dismissed in 2014:

1. 0079/14 Fruit Smoothies (Poster) – Hungry Jack's
2. 0166/14 Emlings (App) – McDonald's Australia
3. 0154/14 Family meals (Television) – KFC

The complaints focused on the creative content of the advertisement. The Board stated that the app in the second case was directed primarily to children and met the requirements of the QSRI.

The Board determined that the advertisements featured in the first and third cases were not directed primarily to children and therefore not covered by the QSRI (the third advertisement was found to be in breach of the AANA codes for unrelated reasons).

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



5. CONCLUSION

Overall, compliance with the RCMI and the QSRI core principles during their sixth year of operation was very high, with 99.7 per cent (RCMI) and 99.5 per cent (QSRI) of signatory advertising being compliant with their commitment under the initiatives. This demonstrates that companies have in place processes to ensure adherence with their commitment to the initiatives, and audited activity was largely in line with these commitments.

Results of the external audit demonstrate the continued work is needed in communicating with media agencies and the networks and channels to ensure that signatories' commitments are clearly understood and accounted for in the placement of advertising.

