

# Information Sheet: Advertising Co-op Program

(**Company Name**) is committed to supporting its international distributors. This program is offered to encourage you to advertise and promote (**Company Name**) products in your market, and is designed to share the costs with you on an equal basis.

## Program

(Company Name) agrees to provide a credit for approved expenses on a 50/50 share basis up to \_\_\_\_\_% of distributor's net purchases for the calendar year.

### **EXAMPLE:**

**Note:** there are two ways to interpret 'share basis': (1) match the total earned, or (2) share the total earned. Whichever way you decide to implement the program, it is strongly suggested that you use one of the examples provided for explanation. Using five percent (5%)—

- 1. For net distributor purchases of \$100,000, (**Company Name**) agrees to provide up to \$5,000 credit to match half of distributor's approved actual expenditures (for total submissions up to \$10,000).
  - —or—
- 2. For net distributor purchases of \$100,000, (**Company Name**) agrees to provide up to \$2,500 credit to share half of distributor's approved actual expenditures (for total submissions up to \$5,000).

### Administration

- 1. All expenses submitted by the distributor for credit under the program must meet the qualifications as stated in the program.
- 2. Distributor submittal must be made bi-annually, received by (**Company Name**) no later than (**Date**) and (**Date**).
- 3. (Company Name) will review all submittals for final approval.
- 4. Credits will be issued to the international distributor's account for approved amounts. Credit amounts will be determined as half (50%) of actual invoiced expenses. No direct payments will be made. Credit will be issued within 30 days of approval of submittal.

### Guidelines

The following listed areas of advertising/promotion are provided as guidelines for the program:

### Advertising

Printed Publications — advertising in printed publications such as magazines (trade or consumer), newspapers or other publications.

Qualifications: (**Company Name**) products must be featured or be no less than 50% of the advertisement. No competitive products may appear in the same advertisement. Submittal must include ad reprints (or copies), newspaper clippings, radio or television scripts. Publisher's or broadcast station's invoice for space/spot indicating (Company Name) products must also be included. Expenses of an advertising agency are not eligible for credit under this program.

#### **Promotions**

Special events — items such as on-site promotions, dealer promotions, product application demonstrations/field tests. Collateral Materials — printed information such as brochures, sales literature or product data specifications.

Qualifications: Submittal must include photos, clippings of articles or copies of programs identifying the promotion. For printed materials, include the printed piece. Expenses must be clearly indicated showing association with the event and backed by invoices (or copies of invoices).

#### **Exhibits**

Prior approval of factory is required. The program is for direct support costs of exhibition space and associated costs (exhibit's rental cost for chairs, tables, carpet, electrical hookups, setup, take-down) as invoiced by the exhibitor and/or exhibitor's official service companies. (Expenses associated with travel and entertainment are not acceptable.)

Qualifications: (**Company Name**) products and/or signage must be clearly visible and an integral part of the display. Photos of the exhibit must be provided.

#### Other

Special advertising, promotion, or public relations as considered appropriate by the distributor will be considered. Distributor must submit in writing the proposal for (**Company Name**) consideration and approval. In such cases, written approval must be obtained from the (**Company Name**) prior to the event.

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Last modified: **February 24, 2012.** Comments or questions? email <u>brian@export-ready.com</u>