



STANDARDS OF PRACTICE

ADOPTED BY THE BOARD OF DIRECTORS ON
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1 Definitions

In these Standards unless the context otherwise requires the following words and expressions have the following meanings:-

- 1.1. **"Agency of Record"** means a Member who has been appointed by a Client as its advertising agency to provide the services intended to be covered by these Standards of Practice;
- 1.2. **"Bureau of Standards"** means the Bureau of Standards established under section 3 of the Standards Act Chap 82:03;
- 1.3. **"Bye-Laws"** means the Bye-Laws of the Company from time to time;
- 1.4. **"Client"** means a customer of a Member;
- 1.5. **"Company"** means the Advertising Agencies Association of Trinidad and Tobago Limited;
- 1.6. **"Confidential Information"** means without limitation, all information of whatever nature in whatever form relating to the business of the Company, a Member or Client and information owned by third parties, which has been disclosed to/by the Company, a Member or Client subject to the duty of preserving its confidentiality means without limitation, all information of whatever nature in whatever form relating to the business of the Company, a Member or Client and information owned by third parties, which has been disclosed to the Company, a Member or Client subject to the duty of preserving its confidentiality; software programmes in all forms including object and source code and related documentation; samples; drawings and plans; specifications; customers lists and identities; trade secrets; technical information and know-how; performance or process data; cost and financial information; specific methods of doing business; strategic marketing and/or business plans and analyses including any documents or oral disclosure of information marked or identified as "confidential" or "Proprietary";
- 1.7. **"Creative Presentation"** means an oral and/or written presentation made by a Member to a Client relating to and/or including without limitation concepts and

- ideas of any kind relating to the advertising and promotion of the Client's products and/or services;
- 1.8. **"Credentials Presentation"** means an oral and/or written presentation made by a Member to a potential client which is limited to information concerning the Member's ownership structure, historical facts concerning the Member, types of services offered by the Member, professional qualifications and/or experience of employees of the Member, information concerning current clients of the Member and may include examples of past work done by the Member but does not include any part of a Creative Presentation;
 - 1.9. **"Gross Amount"** means the aggregate amount payable to any Medium before deduction of the Standard Rate of Commission with respect to Medium Services rendered;
 - 1.10. **"Incumbent Member"** means a Member who, at the time of being invited to make a Creative Presentation by its Client, is the Member or is one of the Members who currently provides advertising services to such Client;
 - 1.11. **"Market"** means any country in which a Member or a Client of a Member does business;
 - 1.12. **"Media"** means a publisher, broadcaster or communicator of advertisements, advertising material and/or information of any nature whatsoever by print, electronic or digital means;
 - 1.13. **"Media Services"** means services for the planning and purchase of media space and time rendered by a Member to a Client;
 - 1.14. **"Member"** means a Member of the Company and where the context so admits all references to a "Member" shall include its employees, servants and/or agents.
 - 1.15. **"Presentation of Goods and/or Services"** includes advertising, media planning and buying, production, activations, branding, other related services;
 - 1.16. **"Standard Contract for Services"** means the Company's standard form of contract for services as amended from time to time;

- 1.17. **"Standard Rate of Commission"** means the rate of 15% of the Gross Amount or 17.65% of the Net Amount;
- 1.18. **"Standards of Practice"** means each of these Standards of Practice as made and adopted and/or amended and/or repealed from time to time in accordance with the Bye-Laws;
- 1.19. **"Third Party"** means any person or entity with whom a Member does business.
- 1.20. All references in these Standards of Practice to a statutory provision shall be construed as including references to:
- 1.20.1. any statutory modification, consolidation or re-enactment (whether before or after the date of this Agreement) for the time being in force;
 - 1.20.2. statutory instruments or orders made pursuant to a statutory provision;
and
 - 1.20.3. any statutory provisions of which a statutory provision is a consolidation, re-enactment or modification.
- 1.21. In these Standards of Practice, words importing the singular number shall include the plural and vice versa.

2 Standards of Practice

By virtue of membership in the Company, Members demonstrate their commitment to abide by these Standards of Practice and to conduct their affairs in a fair, ethical, honest and respectful manner to promote public trust and confidence in advertising and to elevate professionalism in the advertising profession. Members should at all times represent the conduct their business in a manner so as to enhance the image and reputation of the Company. Members appreciate and share the view the influential role that advertising plays in affecting attitudes and behaviour and acknowledge their responsibility in serving the public to balance the interests of their clients and the protection of consumers.

3 Relationships among Members

Members agree and undertake that they shall not:

- 3.1. make any disparaging, false or unjustifiable allegation or remark that discredits or is likely to discredit another Member's enterprise or activities, in particular, the products or services offered by such Member in accordance with Section 8 of the Protection Against Unfair Competition Act Chap 82:36 (As Amended);
- 3.2. do anything or carry out or participate in any act or practice which damages or is likely to damage the goodwill or reputation of another Member's enterprise or activities by virtue of Section 6 of the Protection Against Unfair Competition Act Chap. 82:36 (As Amended);
- 3.3. make to any Media and/or Client of another Member any unsolicited oral and/or written submission or Creative Presentation in any form including offering to advertise, market, merchandise, promote or market research any product and/or service in circumstances where another Member has already entered into a contractual relationship with such Media and/or Client with respect to the advertising, marketing, merchandising, promotion or market research of any of their respective products and/or services;
- 3.4. in making any submission or Presentation of Goods and/or Services to any Media or Client or prospective client:
 - 3.4.1. make direct comparisons with the products and/or services and/or price and/or commissions charged by any other Member;
 - 3.4.2. offer to or contract with a prospective client or a Client on a price/charging contingency basis which conflicts or is not in conformity with the price or charging basis established by these Standards of Practice (as amended from time to time);
 - 3.4.3. make any promise or representation that any person or persons, who are at that material time employed with another Member, will become an employee of the submitting or presenting Member or will make his

services available to such Member to perform any aspect of its submission or Presentation of Goods and/or Services.

4 Members/Company Relationship

Members agree and undertake that they shall not:

- 4.1 make any disparaging remarks that discredits or is likely to discredit the Company, its officers, enterprise or activities, or cause harm to the image of the Company;
- 4.2 do anything or carry out or participate in any act or practice which damages or is likely to damage the goodwill or reputation of the Company.

5 Client/Member Relationship

Members agree and undertake that:

- 5.1 they shall treat and contract with their respective Clients in accordance with these Standards of Practice and shall at all times seek to enter into written contractual agreements with such Clients on terms not less than those provided in the Standard Contract for Services as amended upon approval of the Board;
- 5.2 The Member agrees and undertakes that all invoices rendered to the Client shall contain the Member's total costs of providing the relevant advertising services to the Client for which the invoice is rendered;
- 5.3 Members shall not wilfully or knowingly become involved in any unlawful activity of a Client or with any other person;
- 5.4 Protect the copyright of third parties;
- 5.5 Notify the Secretary of the Company of any Client owing the Member who ceases to be a Client of the Member.

6 Government/State Business

Members shall not encourage, influence, accept, provide services to any Government, government agency, State enterprises, or any enterprise under the control of the State either directly or indirectly unless such engagement/appointment is on the basis of an

open public tender conducted in accordance with relevant practice and law, and the Member is formally recognised as the Agency of Record in accordance with relevant rules and/or procurement legislation.

7 Commercial Practices

Members shall ensure that their respective businesses are operated in accordance with sound business practices and shall endeavour to:

- 7.1 use their best efforts to ensure that during the course of operation of their respective business adequate working capital and/or stated capital amounts are maintained in order that Members may adequately meet their debts and liabilities to persons including other Members, any Media with which a Member does business and Third Parties;
- 7.2 ensure their respective employees conduct themselves in an ethical manner in all business transactions;
- 7.3 actively discourage corrupt behaviour, bribery, improper inducement or remuneration, which may influence the procurement or competitive advantage of any service and/or benefit, directly or indirectly, for a Client and said Member;
- 7.4 prevent the use over billing or other artificial methods of billing or payment to assist a customer, agent, distributor or any other person to evade or otherwise violate the tax or exchange control laws, regulations, etc, of any country.

8 Standards of Advertising

Members shall ensure that the contents of the Presentation of Goods and/or Services and:

- 8.1 the contents of all written advertisements and/or advertising material and/or information of any nature whatsoever created and/or published by a Member on behalf of or at the direction of a Client are compliant in all respects with these Standards of Practice and the provisions of any voluntary or involuntary standards of advertising adopted in Markets in which Members conduct business including:

- 8.1.1 the Government of Trinidad and Tobago including but not limited to:
 - 8.1.1.1 Copyright Act Chapter 82:80 Act No. 8 of 1997, Amended by No. 18 of 2000 and No. 5 of 2008;
 - 8.1.1.2 Protection Against Unfair Competition Act Chapter 82:36 Act No. 27 of 1996, Amended by No.18 of 2000;
 - 8.1.1.3 Advertisements Regulations Act Chapter 35:53, Act 16 of 1931 Amended by No. 39 of 1952 and No. 15 of 2000;
 - 8.1.1.4 Consumer Policy for Trinidad & Tobago
 - 8.1.1.5 the Trinidad and Tobago Bureau of Standards or relevant authority;
 - 8.1.1.6 Trinidad and Tobago Chamber of Industry and Commerce Members' Code of Conduct which specifies adherence to Advertising Standards Authority – Committee of Advertising Practice Code of Non-broadcast Advertising, Sales Promotion and Direct Marketing (CAP) and the Code of Broadcast Advertising (BCAP);
 - 8.1.1.7 Treaties of which Trinidad and Tobago are Members, most notably, but not limited to, the Berne Convention for the Protection of Literary and Artistic Works (Entry into force August 16, 1988) and the World Intellectual Property Organization Copyright Treaty (Entry into force November 28, 2008).
- 8.1.2 the contents of all written and/or oral advertisements and/or advertising material and/or information of any nature published by a Member on behalf of or at the direction of a Client or otherwise should without limitation in all Markets:
 - 8.1.2.1 be legal, truthful, honest and decent;
 - 8.1.2.2 not omit material information which the consumer needs to make an informed decision regarding a product;
 - 8.1.2.3 be published in good taste having regard to the moral values and social responsibility prevailing at all material times;

- 8.1.2.4 not offensive to public decency and shall not contain anything that could prejudice respect for human dignity, particularly on the grounds of race, religion, sex, age, political belief or disability;
- 8.1.2.5 have all stated claims therein, whether direct or implied, is supported by sound scientific research and data, and should not contain misleading, exaggerated or distorted statements regarding the true meanings from a scientific or professional authority and subjective claims;
- 8.1.2.6 not cause undue excessive fear or distress or encourage violent behaviour;
- 8.1.2.7 take into consideration the interests of consumers and the influential role that advertising plays in the national community of their Clients' Markets.
- 8.1.2.8 state accreditation, recognition or registration by the relevant authorities of any educational course or institution in compliance with the Broadcasters' Code or applicable code and practice;
- 8.1.2.9 not contain any statement or visual presentation or create an overall impression which directly or by implication, omission, ambiguity or exaggerated claim is misleading or deceptive, is likely to deceive or mislead consumers or makes false or misleading representations;
- 8.1.2.10 not contain anything which is in the light of generally prevailing community standards is likely to cause serious or widespread offence taking into account the context, medium, audience and product or services;
- 8.1.2.11 not contain anything which lends support to unacceptable behaviour;
- 8.1.2.12 not denigrate identifiable products or competitors;
- 8.1.2.13 not contain or refer to any personal testimonial unless it is genuine, current, related to the experience of the person giving to and representative of typical and not exceptional cases. The claims in the testimonial should be verifiable;
- 8.1.2.14 not unless justifiable on educational or social grounds, contain any visual presentation or any description of dangerous or illegal practices or situations which encourage a disregard for safety.

9 Pricing of Services and Commissions

Members agree and undertake that they shall:

- 9.1 in their respective written contractual agreements with Clients expressly provide in a clear and unambiguous manner a proper procedure for the timely payment of all bills and invoices to be sent by a Member to a Client with respect to services rendered by that Member in order that the Member may meet its obligations for payment of related third party and to the Media in a timely manner;
- 9.2 provide the following services to their respective Clients without remuneration of any kind:
 - 9.2.1 preparation of advertising cost estimates;
 - 9.2.2 preparation of invoices to Clients;
 - 9.2.3 maintaining good business relationships with all Media and suppliers of goods and/or services;
 - 9.2.4 checking quality and position of advertisements placed, carrying out audits of the rates and charges invoiced by any Media for services rendered to the Member on behalf of the Client;
- 9.3 not undertake the debt liability to any Media and/or supplier of goods and/or other services for all purchase commitments made on behalf of a Client.
- 9.4 not finance the advertising expenditures of their respective Clients by granting them credit terms in excess of those credit terms granted by any relevant Medium and/or supplier of goods and/or services Provided however that Members may in extraordinary circumstances, charge their Clients a fee of two and one half percent (2.5%) of the Gross Amount to finance the advertising expenditures of their respective Clients for a fixed period of time;
- 9.5 not offer or cause any rebate or discount to be given on the Standard Rate of Media Commission to any Client except on global accounts in which such practice is accepted and required by contract;

9.6 not charge and invoice their respective Clients for Media Services rendered, goods and/or other services purchased by a Member on behalf of a Client at a cost less than those charged by Media and/or the suppliers thereof.

10 Confidentiality

Members agree and undertake that they shall keep and treat all Confidential Information of Members and the Company as being strictly private and confidential. The obligations expressed shall not apply to any Confidential Information which:

10.1 is or subsequently comes into the public domain otherwise than by breach of this Clause;

10.2 is already in the possession of the receiving party without an accompanying obligation of confidentiality;

10.3 is obtained from a third party who is free to divulge the same;

10.4 is independently and lawfully developed by the recipient outside the scope of the Agreement;

10.5 is disclosed pursuant a court or other judicial order, applicable law or by governmental authority provided that the disclosing Party shall give written notice to the other Party prior to such disclosure, where practicable.

11 Employees of Members

Members agree and undertake that they shall ensure that each of their respective employees, servants and/or agents are given a copy of and are familiar and comply with the Standards of Practice. Members agree that they shall at all times encourage their respective employees in improving and enhancing their skills and competence in rendering services to Members and their respective clients.

Members agree and undertake that they shall not solicit or entice away any employee of another Member unless and until the employee has responded to the vacancy notice by

public advertisements and unless such employee has indicated an interest in a change of employment.

12 Disciplinary Matters

The Disciplinary Committee of the Company may call upon a Member who is found to be in breach of these Standards of Practice to respond to the matter as presented within fourteen (14) days of receipt of the notice of such breach and ensure the Member receives adequate, appropriate and reasonable opportunity to do so. The Member shall at all times cooperate fully without reservation to afford the Disciplinary Committee to assess the matter as presented and make a fair determination and take whatever action as deemed appropriate on the facts presented.

13 Amendments to the Standards of Practice

These Standards of Practice may be amended from time to time to remain contemporary with prevailing conditions, laws and expectations of Members to continuously develop the professionalism and standing of the industry and Members.