

ENDORSEMENT POLICY

Endorsement Policy

1. Purpose

This policy is intended firstly to help guide decision-making about endorsements within the NZIDT and to help the NZIDT come to a logical, thought-out conclusion about whether or not to endorse a particular initiative based on a set of criteria.

Secondly it is intended to provide guidance to those seeking endorsement from the NZIDT in terms of what the NZIDT requires.

There may be exceptions not covered by this policy.

2. Scope

The policy deals with requests from both not-for-profit organizations and commercial companies.

3. Definition of endorsement

In this document, endorsement is understood to mean overall support for an initiative or product based on a thorough review. In the case of programmes or educational resources, a NZIDT endorsement implies that the NZIDT agrees with the information being communicated.

4. Criteria for NZIDT endorsement

- The initiative must be compatible with the NZIDT priorities and /or objects. The initiative must be of relevance to members
- There must be demonstrable benefit to the NZIDT from endorsing an initiative. This may be a demonstrable benefit towards helping to achieve the NZIDT mission statements and/or to the NZIDT as an organisation (e.g. profile, reputation, income potential)
- Before any agreement is signed, there needs to be a written understanding about ownership, copyright and intellectual property and timescales. Proposals will be approved in principle by the NZIDT executive or appointed individual assigned to work on the initiative.
- The NZIDT in general only will consider requests to endorse specific initiatives, not entire organisations.
- The NZIDT should be able to verify the credibility of the organisation seeking endorsement and the organisation should provide relevant information as requested
- If appropriate, the organisation should be able to provide information about marketing and sponsorship of both the initiative and their organisation
- The request for endorsement should define what is expected from the NZIDT and what NZIDT can expect from the organisation in return. This may include for example, publicity for the NZIDT and /or promotion of the NZIDT membership scheme.
- In the case of long-term endorsements (more than one year), the NZIDT will require periodic review of the materials/project, at an interval agreeable to both organisations.
- If the endorsement is for a publication, the NZIDT should see and approve the final artwork and this should be repeated if there is any agreement to any further print-runs or subsequent editions.

5. Process

- Requests for endorsement should be made to the NZIDT secretariat. The Secretariat will acknowledge the request and forward it to the executive committee and / or relevant NZIDT executive member.
- The Executive Committee will review requests for endorsement and either reply directly, or where appropriate, identify a NZIDT individual expert or group (committee or ad hoc group) to review the materials.
- When the appropriate NZIDT expert(s) have completed their review, their recommendations will be forwarded to the Executive Committee for approval.
- The Secretariat or Chief executive will let the organisation know of the decision, and in the case of a positive decision, discuss how the NZIDT can support the initiative more broadly (e.g. promoting it to its members) and make any necessary arrangements involving use of the NZIDT name and logo.

6. Fees

- Reviewing an initiative takes time and resources from the NZIDT and hence a minimum fee of \$250 is normally charged upfront. This fee may be waived particularly in the case of not for profit organisations and /or where the potential benefits to the NZIDT are sufficiently clear. The fee may also be discounted for NZIDT members at the discretion of the Executive Committee.
- The organisation seeking endorsement from the NZIDT presumably believes that there is an advantage to it from securing NZIDT endorsement of the initiative. The NZIDT has a responsibility to ensure it receives appropriate benefit in return in cases where it gives its endorsement, particularly where a commercial company is involved. This may take the form an agreed fee or benefit in kind such as marketing support (see policy on partnerships with commercial companies for further information).
- Where the NZIDT is involved in the development of an initiative from the outset, an appropriate fee (or gift in kind) will be agreed upfront to compensate the NZIDT for its time and lost opportunity costs and to recognise the value of its name /endorsement (see policy on partnerships with commercial companies for further information).

7. Use of NZIDT name and logo

- All use of the NZIDT name and logo must be approved by the NZIDT. This includes any press, publicity or promotional materials produced in connection with the initiative. All draft materials must be reviewed by the NZIDT before printing.
- If the NZIDT agrees to have its logo appear, it must be printed in its official colours (contact NZIDT secretariat for details) The NZIDT will provide the appropriate graphics files.
- Precise wording will depend on the nature of the project, but could include "endorsed by the NZIDT ", "supported by the NZIDT " or "developed in partnership with the NZIDT."

Partnerships with Commercial Companies

Introduction

Relationships between a professional society such as the NZIDT and commercial companies can be highly beneficial to both organizations. The NZIDT recognises that it stands to gain considerable rewards not only in the form of funding for its activities, but potentially also through raised awareness leading to a growth in membership, support and influence for example as well as benefits in kind provided by the commercial partner as part of an agreement.

This document sets out the different ways in which a company can work with the NZIDT and NZIDT's policies on securing funding from commercial companies and for dealing with requests from companies for joint activities. It is intended to guide decision making in the NZIDT in relation to agreements with commercial companies and also to provide guidance to those seeking to work with the NZIDT.

Background

A bodies name is a valuable asset. Its value comes from the confidence that people have in the organisation – confidence that is built on the reputation the organisation has gained through its achievements and its status as an organisation. Organisation trustees have a duty to make the best use of their organisation's assets – in practice this means putting assets to work to the best overall advantage of the organisation, whilst safeguarding them against damage or loss of value.

Raising funds from the value in an organisation's name is also recognised to carry *risks*. These arise if an organisation's own reputation is put in the hands of another body whose interests are fundamentally different from the organisations, and whose activities are outside the organisation's control. If a company with which an organisation has an association begins to attract, for whatever reason, criticism or disapproval this can rub off on the organisation and damage it in the eyes of supporters and the public (or in the case of the NZIDT, health professionals). Another risk is that current and potential supporters might be put off by what they see as loss of independence of the organisation or the "commercialisation" of the organisation – particularly if the benefits to the organisation from joint ventures with companies are not spelled out clearly. It is therefore important that the NZIDT have an internal policy for dealing with proposals relating to joint ventures with commercial companies.

Corporate Support of NZIDT Activities

A company can contribute funding to the **NZIDT** in the following ways:

- Donations
- Sponsorship agreement to support one or more of **NZIDT** activities
- Licensing agreements
- Joint promotional agreements

Donations

If a company (or anyone else) decides to give an unrestricted donation to the NZIDT, the NZIDT can use the money in any way it sees fit towards achieving its charitable objects.

In the case of a restricted donation the NZIDT can only use the money for the purposes specified by the donor.

In either case the organisation does not provide anything back to the donor in return. An acknowledgment may be given in the interest of transparency

As an organisation, the NZIDT can accept any donations it is offered unless it believes accepting the donation would bring the organisation into disrepute.

Sponsorship Agreements

In a sponsorship agreement, the company agrees to meet some or all of the costs of one of the organisation's activities or projects. In return the organisation will publicise the company and the fact that it has contributed to the organisation, through acknowledgements which may include use of the company's logo. The organisation also often offers other benefits and services in return for the sponsorship such as advertising opportunities, delegate places, copies of publication etc.

Sponsorship agreements are used to support many of the NZIDT's activities, including for example:

- NZIDT Annual Conference
- Publications
- CPD programmes

NZIDT Sponsorship policy:

- The NZIDT can choose for which activities it seeks sponsorship and what form that sponsorship will take.
- The NZIDT prefers in general to have multi-company funding. NZIDT will accept sole company sponsorship of a project provided it believes its independence (perceived or otherwise) will not be compromised. Sole company sponsorship would be accepted for example for indirect activities such as a professional development activity where there is no particular bias in terms of anyone company over another. It is unlikely that sole company sponsorship would be accepted for activities such as an annual conference.
- The NZIDT will ensure in all relevant materials, there is transparency about when an activity is sponsored and by whom
- The NZIDT retains intellectual property and editorial control of all sponsored activities
- The NZIDT has final approval on all materials used to promote any sponsored activity and in all instances in which the NZIDT name or logo is used in connection with the activity.
- The agreement must comply with all NZIDT criteria for participation in agreements with commercial companies (see below)

Licensing Agreements

Under this type of agreement the organisation typically gives the company a license to use the organisation's name and or/logo in selling a product or service. The company typically promotes sales of the product with a promise to the consumer that the organisation will benefit financially from the sales of that product. Alternatively the company promotes itself more broadly as 'pleased to support xx organisation'. The attraction of such promotions to companies is that they will usually act as a buying incentive to the consumer and so help to boost sales of that product.

The NZIDT typically takes no active part in the product marketing and typically is not endorsing the particular company or product – it is simply selling to the company, in return for payments, a limited right to the use of the organisation name.

The NZIDT has not traditionally engaged in licensing agreements but nonetheless sees it as a potential opportunity.

NZIDT Licensing Policy

- Licensing agreements potentially act as an inducement to support a purchase or prescribe a particular product or a particular company' products. The NZIDT must therefore carefully consider the impact a licensing agreement could have on its independence (perceived or otherwise) and its relations with other funders.
- The NZIDT will not consider licensing agreements related to any product where clinical judgment is required and where there is a difference in impact on care in for example in different patient groups of choosing one product as opposed to any other in the same category.
- The NZIDT will therefore under no circumstances consider licensing agreements in relation to branded pharmaceutical products
- The NZIDT will consider licensing agreements where there is no material difference in terms impact of health of choosing anyone product over another. This may for example include education products or services e.g. magazine, conference material and Non medical products.
- The licensing agreement may grant either the company the right to promote their support of the NZIDT or the right to promote that the NZIDT benefits from the sales of that product or service as appropriate.
- Any such promotion must make it clear that the NZIDT is not endorsing that particular company or product as any better than any other.
- Any promotion where the NZIDT benefits from the sales of that product or service must make it explicit how much the NZIDT receives from each purchase.
- The agreement must comply with all NZIDT criteria for participation in agreements with commercial companies

Joint Promotional Agreements

In this type of agreement the image of the organisation plays an integral part in the marketing of the company's image, product or service. This is the basis of what is often referred to as 'cause-related marketing'. The agreement often envisages the building up of a long-term relationship between the organisation and the company. The company's aim is to build an image of itself as a socially responsible organisation or in the case of the pharmaceutical industry in healthcare often more specifically as contributing to education, professional development and improved healthcare. It seeks to achieve this by creating, through marketing and publicity, a link in people's minds between itself and the cause the organisation represents. Its underlying aim is still, of course, to improve its financial performance for shareholders. The benefits for the organisation might again include sales-linked payments from specific promotions, but it also hopes to benefit from the raised awareness of itself, its work and its funding needs that can result from increased exposure in the media. As part of the agreement the organisation might also receive specified benefits in kind – goods, services, facilities or expertise provided to it by the company.

The income from joint promotional activities is likely to be classified as primary purpose trading as the activity is likely to be in support of the organisation's objects.

NZIDT Joint Promotional Policy

The NZIDT is keen to enter into joint promotional agreements in relation to activities that meet the criteria for NZIDT endorsement (see endorsement policy) and NZIDT criteria for participation in agreements with commercial companies (see below)

Additional Criteria for NZIDT Participation in Agreements with Commercial Companies

In addition to the specific criteria set out in the sections above, the **NZIDT** follows the following policy in any relationship with a commercial company

The joint ventures must fit with the organisation's policies, strategies and values and must serve the organisation's best interests overall, taking account of the long term consequences as well as any immediate gains.

- The company is seen as a suitable partner bearing in mind what the organisation knows of the company's products, activities, public image, and financial position.
- NZIDT must be confident that the company will be able to discharge its financial and other obligations under the proposed agreement.
- The benefits that will be received and the risks and costs associated with the agreement must be identified and assessed
- Consideration must be given to how the organisation's decision to associate itself with that company in that joint venture will be seen by members and other health professionals, funders, supporters and other stakeholders and what the organisation will do to anticipate and answer any complaints or criticisms that could be made of the venture

- The terms of the venture should always be set out in a written agreement and must take account of relevant legislation. The agreement must clarify ownership of copyright and intellectual property.
- The NZIDT must retain complete control over the way its name, logo etc is used by any other party in advertising and promotions. Use of the NZIDT name or logo without prior consent is prohibited
- The venture must be presented in a transparent way to members and others in all relevant materials
- In the case of licensing agreements and joint promotional agreements:
 - The endorsement of commercial products or services by an organisation has the potential to increase sales of, or add value to, those products or services and the NZIDT must be confident that the benefits it is being offered under the agreement reflect its full and fair share of that added value. The cost benefit of the venture to the NZIDT must be reviewed regularly and, if the balance turns against the organisation, the NZIDT must have the ability to withdraw from the venture.
 - The tax implications of any agreement must be clarified with professional advice sought as appropriate.