

Marketing investment policy



Authorised by board on: 19 April 2018

Managing Director's authorisation:

A handwritten signature in black ink, appearing to be "C. AB", positioned to the right of the text "Managing Director's authorisation:".

Effective date: 19 April 2018

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1. PURPOSE

To outline how the FRDC will invest in marketing activities.

2. RESPONSIBILITY

Responsibility for this policy resides with the FRDC board.

3. DEFINITIONS AND ACRONYMS

Definitions - follow link to [Definitions](#)

Acronyms – follow link to [Acronyms and Abbreviations](#)

4. RISK CATEGORY

Compliance	Financial	Governance	ICT	People	Research
<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

5. RELEVANT DOCUMENTATION

This section contains links to internally and externally facing documents – access to internally facing documents is restricted to FRDC employees.

Relevant documentation	Document location or web address
Internal	
Marketing investment procedure	NEMO-17443-212
External	
Investment in Research Development and Extension (RD&E) policy	FRDC website
Primary Industries Research and Development Act 1989 (PIRD Act)	PIRD Act

6. PUBLICATION

This policy is to be made available on the FRDC website.

7. BACKGROUND

On 13 December 2013 the Rural Research and Development Legislation Amendment Act 2013 amended the FRDC enabling legislation, the PIRD Act. These amendments extended the scope and range of activities the FRDC can undertake to include marketing for all its stakeholders.

The PIRD Act outlines that marketing activities can only be funded where a levy [statutory] for marketing has been established. The Act also expressly prohibits the use of R&D funds for marketing purposes.

Marketing activities are defined in section 4 of the PIRD Act as:

the marketing, advertising or promotion of products of primary industries; and can only be undertaken using funds from marketing contributions.

The FRDC recognises that investing in Research, Development and Extension (RD&E) has the potential to not take into account changes in market or consumer needs. The addition of marketing to what the FRDC can do allows it to cover the whole supply chain, from producers to consumers and the community. It allows RD&E to be linked closely to marketing.

8. POLICY

No Research, Development or Extension funds will be used for marketing.

Marketing activities can only be undertaken where 100% of the funds are provided via a marketing levy.

Stakeholders must ask FRDC to coordinate their marketing activities.

Stakeholders who contribute marketing funds play a critical role in outlining the direction and priorities for the funds to the FRDC.

The stakeholder from whom the marketing funds are sourced will be subject to FRDC governance and approvals (i.e. Board approval for expenditure).

Marketing funds must cover [their share of] corporate overheads – these are outlined in the FRDC cost allocation model.

9. ATTACHMENTS

#	Description
1	Not applicable