

Code of Practice

Effective Partnerships

A Voluntary Code of Practice
For Buyers and Suppliers of
Media Related Services



18th May 2006

Code of Practice

IVCA Chief Executive, Wayne Drew provides the context.

2006 is the 40th Anniversary of the International Visual Communication Association (IVCA) and the organisations which joined together to create a more effective way of representing the UK's important corporate media industry.

Today, the IVCA is the largest body of its kind in Europe. It formally represents the industry to Government, the DTI and related agencies, and helps to maximise the sector's already powerful impact on both business competitiveness and, through public sector communications, society as a whole.

The Association aims to provide leadership in these fields by seeking consensus, producing research, developing training and disseminating best practice case studies aimed at stimulating excellence in strategic communication.

The IVCA communicates with over 10,000 media professionals in the UK and is affiliated to 19,000 others throughout the World. The Association has also created a powerful core constituency of over 3,500 communication strategists ('suppliers' and 'buyers') who are committed to ethical and effective communications. They aim to be leaders in the use of film, video, interactive media, streaming technologies and live events, as part of the communication process and include many of the UK's foremost media specialists.

To ensure that truly successful relationships are fostered between 'buyers' and 'suppliers', the IVCA has formulated a 'Code of Practice' in partnership with the British Web Design and Marketing Association (BWDMA). This aims to encourage ethical and appropriate working practices through structured, and mutually agreed, procedures for acceptable project management, pitching and tendering.

Fairness and transparency are central to the successful Buyer/Supplier relationship. To foster this, the IVCA, in consultation with senior buyers and agency staff, has developed a set of partnership principles. These are strongly recommended to form the basis of future contractual relationships and working practices within our industry. The BWDMA are leaders in the field of ethical communications and the following code also contains much valuable material developed by Patrick White, the founder of that body.

The Code is not meant to be platform specific and the spirit of its recommendations is intended to inform all media platforms, distribution systems and activities within the corporate media sector.

Although non-statutory – these principles should be seen as the appropriate practice that the Association recommends as the basis for all partnership action not only amongst our membership, but also across our industry as a whole.

This is not to say the recommendations are set in stone. Our code is a dynamic model which will evolve over time. It will be reviewed on an annual basis, and the Association welcomes further advice for consideration.

However, the Association believes that the present guidelines offered are fair and equitable for both buyers and suppliers and is prepared to provide a conciliation service for companies who believe such 'best practice' is being contravened. For assistance to be requested from the IVCA at least one party involved in the dispute must be an IVCA member.

At a time of ever-increasing UK and European legislation, designed to regulate British business, the following Code of Practice is an important step towards, infinitely preferable, self-regulation for our industry. It clearly demonstrates what can be achieved through partnership action between professional bodies and could pave the way for further and wider industry collaborations.

The Code of Practice

Effective Partnerships

Developing a Code of Practice

In developing a Code of Practice, we aim to help ensure a sustainable business and public sector communications industry in which relationships between Suppliers and Buyers result in creative, cost effective and successful communications strategies.

Finding appropriate terms used within the media industry to identify the producers and consumers of strategic corporate and public sector communications can be difficult. So to make clear to all relevant parties the recommendations and parameters of the following Code, the BWDMA has reverted to terminology that is mutually understood by developers, commissioners and procurement officers alike. This terminology should in no way, marginalise the creative and strategic nature of the services offered, but moreover aims to clarify the 'contractual nature' of the partnership between the parties involved.

Definitions:

The Code will refer to the providers of communication products and services as Suppliers. This will include production companies, agencies and the individuals involved in the production process. The Code will refer to those persons who contract, commission or purchase communication products and services as Buyers. These will include representatives from the business and public sector.

Underpinning the Code are some basic tenets which should ensure successful and productive working relationships. Clarity and understanding, between Suppliers and Buyers, is most likely to be achieved in the following ways:

Realising that personal integrity and mutual respect is required from both Buyer and Supplier if the project is to be satisfying and effective.

- Jointly working towards effective and sustainable business models.
- Determining, in advance, clear and mutually agreed aims and objectives.
- Using plain and open language in all discussions and correspondences.
- Agreeing a realistic budget for the project and ensuring full transparency over all issues of expenditure.
- Understanding that requirements, over and above the original agreement, may incur additional costs.
- Ensuring both parties invest time and energy in developing a joint understanding of each other's work.
- Clarifying all aspects of the processes and methodology required.
- Mutually agreeing project milestones.
- Introducing key members of the production and commissioning team at the beginning of the project and ensuring that they remain as consistent as possible throughout the work.
- Making clear how the sign-off process will be undertaken and who will be making the final decision.
- Having access to the final decision-maker before significant project costs are incurred.
- Realising that both parties should be prepared to be flexible and approachable.
- Ensuring that the production contract mirrors all aspects of the agreement and payment schedule.
- Committing both parties to a structured review process that would take place after delivery of the project/work.
- Ensuring mutual agreement from the beginning of the project on the proposed usage of programmes, clearly addressing copyright and related IP matters, so that appropriate permissions are obtained for different required media usage.

Code of Conduct: Suppliers

1. Business Conduct - Fair Dealings

- 1.1 Suppliers should make every endeavour to ensure that their business conducts its affairs in a professional manner and, in so doing, avoids behaviour that could bring the BWDMA and its membership, or the industry, into disrepute.
- 1.2 Suppliers should conduct their business affairs on sound, ethical principles and make every endeavour to trade fairly and honestly with employees, Buyers and Suppliers.
- 1.3 In all dealings with Buyers, members must be transparent and clear about the cost of the project and their ability to deliver on time within the constraint of the project.
- 1.4 Suppliers must inform Buyers immediately if there is any potential delay or unforeseen cost increases or if the project is going over budget.

2. Business Representation

- 2.1 Suppliers should strive to ensure that their marketing communications to potential Buyers are clear and unambiguous.
- 2.2 Suppliers should not knowingly make misleading statements (in speech or writing) concerning the definition of their deliverable services or the benefits that Buyers may derive from them.
- 2.3 As a fundamental issue of best practice, member companies should clearly identify quantifiable services related to actual prices, within a written quotation for all work.

3. Pitching Practice

- 3.1 When Suppliers present work to an existing or prospective Buyer, they must make it clear where any of the work that is shown as part of the presentation, has not been produced by them or their company.
- 3.2 There should be the minimum of disparity between the pitching team and the production team.
- 3.3 Suppliers should provide reasonable access, where required, to previous Buyers for whom they have worked and give appropriate references.

4. Budget, Contract and Feedback

- 4.1 Suppliers should provide a single contact (such as the Project Manager) from the production team.
- 4.2 Suppliers must ensure that Buyers are fully aware of the key stages in the production process.
- 4.3 At the start of the project, Buyers must be made fully aware of what changes they can make to the project for the agreed budget and what charges they will incur if there are additional changes requested over and above those initially agreed. Use of a document, such as a Project Change Notice (PCN), is recommended whereby an agreement is made at the outset that no additional work will be undertaken until the specific change has been put in writing with the relevant cost and signed off by both parties. The production company would generate the PCN after a Buyer requests for a change or addition to the work.
- 4.4 Suppliers should be prepared to quote for and conduct pre-production research where required.
- 4.5 Suppliers should quote for and conduct post-production research and analysis to evaluate project cost effectiveness where required.

5. Risk Management

- 5.1 Mutual agreement should be obtained on insurance issues so as to make clear who takes responsibility for major problems which may affect the project e.g. adverse weather etc.
- 5.2 Mutual agreement should be obtained regarding who is liable for costs that may be incurred when specifically engaged in overseas projects e.g. Risks encountered in currency fluctuations etc.
- 5.3 Suppliers must indemnify Buyers against any third party intellectual property rights liability arising from materials (in any format) provided to the Buyer. No Supplier should knowingly provide material in any medium whatsoever whose use would infringe copyright.

6. Decency and Lawfulness

All Suppliers must ensure that marketing collateral (digital or printed matter) for their business or person is produced in accordance with the following criteria:

- 6.1 No materials (in text, graphic, audio or streaming media formats) are produced that violate the copyright or other intellectual property rights of another party.
- 6.2 No materials are produced which either promote illegal activities or provide information about illegal activities that is suggestive, influential or instructional.
- 6.3 No materials (text, graphic, audio or streaming media formats) are produced which are obscene or pornographic in content.
- 6.4 No materials (in text, graphic, audio or streaming media formats) are produced that are offensive, profane, hateful, threatening, harmful, defamatory, libellous, harassing or discriminatory on the basis of race, ethnicity, religion, creed, sexual orientation, gender, disability or age.

7. Dispute Resolution

- 7.1 Should the Association receive a complaint from a trade Buyer or consumer regarding any aspect of a purchase (or intended purchase) of goods or service from a Supplier:
 - a Members accept that the Association will endeavour to bring about a reasonable resolution between both parties with the aim of achieving a satisfactory outcome for both parties.
 - b Members agree to co-operate fully with the Association and to provide honest disclosure of relevant information that would assist in reaching a settlement. (In cases where the member company has instructed solicitors, then the Association will not intervene unless the member company so wishes).
- 7.2 If the BWDMA is requested to engage in dispute resolution, it is required that both parties should accept that the Association has the right to provide a voluntary group of members to conduct the review.
- 7.3 Members must accept that the service offered is non-binding on either party and can be terminated at any stage.
- 7.4 Under normal circumstances, the maximum time provided by the Association to facilitate dispute resolution, (at which member companies provide a voluntary group to conduct the review), is a half-day.
- 7.5 All parties must understand that the service offered is not a substitute for legal advice but a voluntary conciliation service that aims to avoid protracted legal disputes.

Code of Conduct: Buyers

8. Business Conduct - Fair Dealings

- 8.1 Buyers should ensure that they conduct their affairs in a professional and courteous manner.
- 8.2 Buyers should agree to pay appropriately for the products and services required so as to ensure the maintenance of a creative, professional and sustainable industry.

9. Pitching and Tendering Procedure

- 9.1 Procurement processes should be fair and transparent.
- 9.2 Prior to request for tenders, Buyers should identify and evaluate up to ten possible contenders for the project.
- 9.3 Following evaluation, Buyers should invite three (not more than five) to enter the formal tender process from which a single Supplier should be appointed.
- 9.4 Buyers should identify to all parties, the number of people being invited to tender.
- 9.5 Recommended best practice timings for pitch (proposal) turnaround should not be less than five working days. Ten working days should be regarded as the optimum minimum, with large (complex) projects having a lead of 3-4 weeks minimum.
- 9.6 Buyers should not request a tender to test the feasibility of a project that does not yet have management approval, unless they are prepared to pay participating companies for the work involved.
- 9.7 If five or more tenders are requested, Buyers should consider paying a fee to cover the tendering process for unsuccessful companies.
- 9.8 The tender document should be as clear, precise and comprehensive as possible.
- 9.9 It is recommended that the Buyer should disclose a budget figure to ensure they receive an appropriate tender.
- 9.10 Briefs issued should have been signed off by the eventual decision makers, to avoid inaccurate briefing.
- 9.11 In all dealings with potential Suppliers, Buyers should be transparent and clear about the scope of the project and the required delivery time.
- 9.12 Buyers should make clear to the Suppliers, in advance, the sign-off process and any key production milestones they require. If additional sign-off is required or significant changes requested over and above those already agreed, Buyers must accept that additional charges may be incurred.
- 9.13 When Buyers receive pitch ideas from a specific company, they should not use those ideas and have them reproduced by another Supplier in any circumstances. The intellectual property/copyright remains with the agency unless the agency allows the Buyer to propose payment for such material.
- 9.14 In a best practice environment, Internet auctions are not recommended as a suitable method of procurement.
- 9.15 Buyers requiring qualitative or quantitative research, to evaluate project effectiveness, must identify the scope and budget at the tendering stage.
- 9.16 On request, Buyers should provide a debrief (verbal or written) for the companies which were unsuccessful in their pitches, preferably within ten days of the decision reached on the pitch.

10. Project Management

- 10.1 Buyers must inform Suppliers immediately if there are unforeseen changes required to the project and be aware that cost increases may ensue. See note on PCN Section 4.3.
- 10.2 There should be the minimum of disparity between the commissioning team and the staff member/s overseeing the project.
- 10.3 Suppliers should be provided with a single contact from the Buyer company and it should be made clear from the outset if that person has sign-off authority. In rare circumstances where that may not be possible, it should be seen as the Buyer's duty to clarify contact names and responsibilities at the start of the project.
- 10.4 If feedback is required about the project, the Supplier should be made fully aware of the relevant market parameters, survey frames and the qualitative or quantitative nature of the data required.
- 10.5 All payment to Suppliers (whether stage payment or final payment) should be made on time and within the time frame agreed in the contract.
- 10.6 Buyers must indemnify Suppliers against any third party intellectual property rights liability arising from materials (in any format) provided to the Supplier. No Buyer should knowingly provide material in any medium whatsoever, the use of which would infringe copyright.

11. Dispute Resolution

- 11.1 Should the Association receive a complaint from a member company regarding any aspect of a purchase (or intended purchase) of goods or services, the Association will endeavour to bring about a reasonable resolution between both parties with the aim of achieving mutual satisfaction.
- 11.2 The service offered will only be available when legal proceedings are not underway.
- 11.3 All parties must accept that the service offered is not a substitute for legal advice, but a voluntary conciliation service that aims to avoid protracted legal disputes.

The conditions of the proceeding code of professional conduct are subject to periodic reappraisal by an industry working group and may therefore change from time to time.

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