

CODE OF ETHICS, PRACTICES, AND OBLIGATIONS OF CAANZ MEMBERS

INTRODUCTION

- One of the marks of the maturity of an industry surely must be the extent to which its members feel the need to not only declare a belief in a code of ethical practices, but also to provide that some governing body be delegated the responsibility to both judge the extent that the code is followed, and that it has the power to apply sanctions against those who are found to be guilty of code infractions.
- Keen and vigorous competition, honestly conducted, is necessary to the growth and the health of New Zealand business and society. However, unethical competitive practices in the industry lead to financial waste, dilution of service, diversion of manpower, loss of prestige, and tend to weaken public confidence both in advertisements and in the institutions of advertising and communications.

ETHICS IN THE CONTEXT OF LAWS AND CODES

- The sector in which we operate is comprehensively covered by laws that prevent deception and protect consumers. These are supplemented by a range of national and sectoral codes of practice which together make up the self-regulation system, a system that is easily updated and able to react to new situations and technological developments faster than legislation.
- Both laws and codes are imposed on practitioners within our sector. Ethical standards, however, come from the people who practice and support the industry's legal and self-regulatory structures. Ethical codes additionally provide what laws cannot. They govern how we work with our clients, competitors, colleagues and society in general.

OBLIGATIONS

- When an agency joins the Communication Agencies Association of New Zealand (CAANZ), it agrees to abide by this Code.
- CAANZ members agree to promote this Code on a periodic basis to maintain awareness of its ethics, practices and obligations.



SUPPORT OF SOCIETY, CONSUMERS, SELF REGULATION & EMPLOYEES

- CAANZ members recognise an obligation to create communications that are consistent with the laws of New Zealand, and/or any international treaties and agreements undertaken by the Government of New Zealand, relating to the social, economic and environmental principles of sustainable development.
- CAANZ members recognise that consumers are entitled to rely on our member agencies to operate not only within the law and within the letter and spirit of global, national and sectoral codes of practice, but also within accepted ethical norms.
- CAANZ supports the principle of self-regulation and a portion of members' fees are allocated each year to the Advertising Standards Authority, on behalf of all members. Members agree to support both the spirit and the letter of various codes and guidelines that are developed and administered by the ASA.
- CAANZ members are also expected to take their turn, when asked, to provide volunteer personnel to serve on the self-regulatory committees of the ASA.
- There is an expectation that CAANZ members will pay fair compensation for work done, particularly as it pertains to students and interns
- Individual and collective practices of CAANZ member agencies should demonstrate environmental sensitivity and responsibility.

SUPPORT OF CAANZ'S WORK

- While much of CAANZ's work is undertaken by its full-time staff, it would not be possible to achieve full worth to the industry without both the counsel and support of members.
- While not a condition of membership, it is hoped that each member will be supportive of the Association in each of the following ways:
 - a) by agreeing to supply volunteer personnel to work on various committees which are from time to time formed by CAANZ;
 - b) by agreeing to serve on the Executive Board when invited or elected to do so;
 - c) by attending the Annual Meeting, awards events and other member functions which are organised for the benefit of members; and

- d) by agreeing to make available, as reasonably needed, agency staff with specific capabilities for CAANZ industry initiatives and events. It is expected that the number of hours an agency can provide will vary with the size of agency i.e. larger agencies being able to provide greater support than smaller agencies. Any actual requirement is to be determined on a case by case basis between CAANZ and member agencies.

PUBLIC CRITICISM OF THE INDUSTRY

- While public dialogue regarding the state and/or direction of the advertising industry is healthy, there is a type of public statement that is harmful and unfair to the industry, and is to be regarded as unethical practice by members.
- It is not possible to define the differences to cover all cases, but generally, statements of the unethical kind are of the sort that tend to denigrate the work or business practice of other agencies. This section is not meant to apply to those agencies which have developed a particular kind of expertise, service or application of the art of advertising which they are attempting to fairly market.

RELATIONS WITH CLIENTS

- A member agency and its employees will hold in confidence all information they obtain on client affairs, unless specifically exempted by the client or by the order of a court.
- A member agency shall not bargain for or receive or otherwise acquire any compensation or benefit related to business for a client without that client's knowledge.
- A member agency buying on behalf of a client shall obtain what it believes to be the most efficient rates and prices consistent with the client's requirements.
- A member agency or its employees shall not form any business relationship with a third party that conflicts with a client's business interests, without the client's knowledge.
- Compensation arrangements are the sole concern of the agency and its clients.
- A member agency presenting its case to a prospective client shall avoid making any deceptive, misleading or disparaging statements or comparisons about another agency or its employees.



- A member agency shall not represent to a prospective client that any specific person currently employed by another agency will be hired specifically for this client's services.
- Where potential conflicts of interest exist, a member agency accepts the requirement to bring them to the attention of all parties.

RELATIONS WITH THE MEDIA, AND SUPPLIERS

- A member agency shall exert due diligence to ensure that the agency and/or its employees do not become obligated to media or suppliers as a result of substantive gifts or favours received.
- A member agency or its employees shall not solicit from media or suppliers confidential information about any company's advertising materials or plans.
- When asked for opinions by the media regarding another agency's work, and when such opinions are likely to become public, a member agency or any employee of a member agency shall not use disparaging language, imply a lack of professionalism or degrade the effectiveness or efficiency of another agency's work.
- No agency shall conduct business with suppliers or third parties on behalf of clients where the supplier or third party is known to be in financial difficulty or insolvent.

RELATIONS BETWEEN MEMBER AGENCIES

- A member agency and its employees shall avoid making any deceptive, misleading or disparaging statements or comparisons about another agency or group of agencies or their employees.
- No member agency or staff member will solicit confidential information from another agency's employees.
- A member agency shall not ask personnel hired from another agency to reveal information about the other agency's clients or confidential operations.
- No agency may present work (in presentations or online) that was created at another firm without posting clear attribution to that effect.
- Legally only the agency has a right to take credit for such work, and legally everything an employee produces during his/her employment belongs to the



agency where they were employed. Individuals who in the past worked on certain campaigns are entitled to refer to their past experience and their contribution to that work, but only if their role in the work is stated unambiguously and publicly and the appropriate attribution to the agency that originally created the work is prominent.

Suggested wording: *“This creative was produced by XYZ agency for client ABC in 2005. At the time Mr. John Doe was employed at agency XYZ as co-creative director and worked on this campaign.”* As good practice, agencies should define, through a written contract or agreement, who is allowed to take future credit for work; the employee / freelancer, the agency or both.