**CRTF V3 - NC/CO V3 DRAFT – March 2024**

**Chapter B: Sponsorship**

This Chapter is to be read in conjunction with the General Provisions and Definitions as well as the sections regarding Scope and application, Code responsibility, Interpretation, Cross-border communications, and the Code’s relationship with the law. The General Provisions apply to sponsorship, and this Chapter is a subset and a further specification of those principles. Terms used here have the same meaning as in the General Definitions, unless stated otherwise. Terms specific to sponsorship are defined below.

**Scope of Chapter B**

This chapter applies to all forms of sponsorship relating to corporate image, brands, products, individuals (“talent”), activities, or events of any kind. It includes sponsorship by both commercial and non-commercial organisations, including sponsorship elements forming part of other marketing activities such as sales promotion or direct marketing. Furthermore, these rules, as well as the General Provisions, apply regardless of how sponsorships are created, modified or delivered, i.e., whether by humans or through automated means, such as AI and algorithms.

The rules also apply to any sponsorship element of corporate social responsibility programmes, often referred to as “partnerships”. Activities owned by sponsors should comply, to this chapter’s principles.

This chapter does not apply to product placement[[1]](#footnote-1), or to funding which lacks a commercial or communication purpose, such as donations or patronage, except where there is a sponsorship element.

**Terms specific to sponsorship**

The following definitions relate specifically to this chapter and should be read in conjunction with the general definitions contained in the General Provisions:

* The term “**audience**” refers to the public, individuals or organisations to which a sponsorship property is directed.
* The term “**donations and patronage**” refers to forms of altruism where money or goods may be given, with only negligible or no benefits, recognition or commercial return.
* The term “**media sponsorship**” refers to sponsorship of a **media property** (e.g. television or radio broadcast, publication, cinema, internet, mobile or other telecommunication technology).
* The term “**product placement**” refers to the inclusion of a product or brand so that it is featured within the content of a programme, film or publication, including online material, normally in return for payment or other valuable consideration to the programme or film producer, publisher or licensee.
* The term “**sponsor**” refers to any corporation or other legal entity providing financial or other sponsorship support.
* The term “**sponsor-owned activity**” refers to a property which appears to be a sponsorship but where the sponsor and the sponsored party are the same entity; for instance an event created and owned by a company/organisation for which it also has the intention or effect of being perceived as the sponsor of the event.
* The term “**sponsorship**” refers to any commercial agreement by which a sponsor, for the mutual benefit of the sponsor and sponsored party, contractually provides financing or other support in order to establish an association between the sponsor's image, brands or products and a sponsorship property, in return for rights to promote this association and/or for the granting of certain agreed direct or indirect benefits.
* The term “**sponsored party**” or “rights holder” refers to any individual or other legal entity owning the relevant rights in the sponsorship property and receiving direct or indirect support from a sponsor in relation to the sponsorship property.
* The term “**sponsorship property**” refers to an event, activity, organisation, individual, media or location.

**Article B1 – Principles governing sponsorship**

All sponsorship should be based on contractual obligations between the sponsor and the sponsored party.

* Sponsors and sponsored parties should set out clear terms and conditions with all other partners involved, to define their expectations regarding all aspects of the sponsorship deal.

The terms and conduct of sponsorship should be based upon the principle of good faith between all parties to the sponsorship.There should be clarity regarding the specific rights being sold and confirmation that these are available for sponsorship from the rights holder. Sponsored parties should have the absolute right to decide on the value of the sponsorship rights that they are offering and the appropriateness of the sponsor with whom they contract. Either party should have the right to terminate the sponsorship as deemed in the terms of the agreement.

**Article B2 – Autonomy and self-determination**

Sponsorship should respect the autonomy and self-determination of the sponsored party in the management of its own activities and properties, as long as the sponsored party meets the requirements set in the sponsorship agreement.

**Article B3 – Imitation and confusion**

Both sponsors and sponsored parties, along with anyone else involved , should avoid imitation of other sponsorships if it could mislead or cause confusion, even with non-competing products, businesses or events..

**Article B4 – “Ambushing” of sponsored properties**

No party should pretend to be a sponsor of any event or media coverage of an event, whether sponsored or not, unless they are indeed an official sponsor..

The sponsor and sponsored party should each make sure that any actions they take against ‘ambush marketing’ are proportionate and t do not damage the reputation of the sponsored property, event or image, or unfairly affect the general public.

**Article B5 – Respect for the sponsorship property and the sponsor**

Sponsors should take particular care to protect the unique features including artistic, cultural, sporting or other content of the sponsorship property and should avoid any abuse of their position which might damage the identity, dignity, or reputations of the sponsored party or the sponsorship property.

The sponsored party should not harm, obscure, deform or bring into disrepute the image or trademarks of the sponsor, or risk damaging the goodwill or public esteem associated with them.

**Article B6 – The sponsorship audience**

The audience should be clearly informed of the existence of a sponsorship with respect to a particular event, activity, programme, including branded giveaways and similar, or person and the sponsor's own message should not be likely to cause offence. Any posts on social media by the sponsored party should be transparent and properly identified. The sponsor should also be mindful of the professional values of the sponsored party and audience.

This article is not, however, intended to discourage sponsorship of avant-garde or potentially controversial artistic/cultural activities, or to encourage sponsors to exercise censorship over a sponsored party's message.

Branded sponsorship or entertainment events that primarily target children or teens should comply with Chapter XX – Children and Teens.

**Article B7 – Data capture/data sharing**

If personal data is used in connection with sponsorship, the provisions of article 19 are applicable.

**Article B8 – Artistic and historical objects**

Sponsorship should not put art or historical items at risk. Where a sponsorship is meant to protect, restore, or maintain cultural, artistic or historical properties or spread awareness about them, it should respect the public interest in them.

**Article B9 – Social and environmental sponsorship**

Both sponsors and sponsored parties should take into consideration the potential social or environmental impact of the sponsorship when planning, organising and carrying out the sponsorship.

If a sponsorship message claims to have a positive social or environmental effect (or less harm), it should be backed up with evidence of actual benefits. Parties to the sponsorship should respect the principles set out in the ICC Business Charter for Sustainable Development[[2]](#footnote-2).

If the sponsorship makes any environmental claims, they should align with the rules in Chapter D and the ICC Framework for Responsible Environmental Marketing Communications.

**Article B10 – Charities and humanitarian sponsorship**

Sponsorship of charities and other humanitarian causes should be undertaken with sensitivity and care, to ensure that the work of the sponsored party is not adversely affected.

**Article B11 – Multiple sponsorship**

Where an activity or event requires or allows several sponsors, the individual contracts and agreements should clearly set out the respective rights, limits and obligations of each sponsor, including, but not limited to, details of any exclusivity.

In particular, each member of a group of sponsors should respect the defined sponsorship fields and the allotted communication tasks, avoiding any interference that might unfairly alter the balance between the contributions of the various sponsors.

The sponsored party should inform any potential sponsor of all the sponsors already a party to the sponsorship. The sponsored party should not accept a new sponsor without first ensuring that it does not conflict with any rights of sponsors who are already contracted and, where appropriate, informing the existing sponsors.

**Article B12 – Media sponsorship**

The content and scheduling of sponsored media properties should not be unduly influenced by the sponsor so as to compromise the responsibility, autonomy or editorial independence of the broadcaster, programme producer or media owner, unless the sponsor is legally allowed to be the producer, media owner, or funder.

Sponsored media properties should be identified as such, i.e. by clearly showing the sponsor’s name and/or logo at the start, during and/or at the end of the programme or content. This also applies to online and in social media, including any influencer involvement.

Particular care should be taken to ensure that there is no confusion between sponsorship of an event or activity and the media sponsorship of that event, especially where different sponsors are involved.

**Article B13 – Responsibility**

Since sponsorship is a mutual agreement, the onus for observing the Code falls jointly on the sponsor and the sponsored party, who together share the ultimate responsibility for all aspects of the sponsorship, whatever its kind or content. Anyone taking part in the planning, creation or execution of any sponsorship has a degree of responsibility, as defined in article 24 of the General Provisions, for ensuring the observance of the Code towards those affected, or likely to be affected, by the sponsorship.

1. Insofar as product placements constitute marketing communications the General provisions of the Code apply. [↑](#footnote-ref-1)
2. Available from [www.iccwbo.org](http://www.iccwbo.org) [↑](#footnote-ref-2)