

CO-OP ADVERTISING

LUXAIRE CO-OP ADVERTISING

Through targeted marketing funds, Republic and Johnson Controls (Luxaire) will partner with you to help promote your business and its affiliation with the Luxaire brand. The use of these market funds are intended to enhance our mutual sales and profit opportunity through incremental business. Please see your TM to learn more about the funds that can be made available to you. Funds are allocated based upon previous year's business and percentages vary based on program participation level.



Under this policy it is the obligation of the Contractor to pay most advertising and promotional costs at the time of their occurrence. Monies from the **Dealer Market Fund (DMF)** as available may then be used to reimburse Contractors as specified by their Distributor. Ask your Republic TM about the detailed financial aspects of this policy.

Co-op Allowance & Reimbursement



Select - 2018 allowance = 1% of 2017 Luxaire equipment purchases. Reimbursement 50% of cost.



CCE - 2018 allowance = 1.5% of 2017 Luxaire equipment purchases. Reimbursement 60% of cost.

How to submit co-op

1. Make sure your activity is approved before purchasing.

Please refer to the guidelines on the following page to ensure your advertising or sales promotion activity will be eligible for factory co-op reimbursement.

- ▶ All Luxaire-prepared advertising, as in the current Luxaire Marketing Action Center (MAC), are automatically eligible for co-op support. This includes newspaper ads, magazine ads, radio and television spot announcements, billboard posters, direct mail materials and other Luxaire-produced items.
- ▶ Locally-prepared advertising, promotion materials or local alterations to Luxaire-prepared materials must be pre-approved through Republic and Channel Fusion, Luxaire's co-op administration partner. **(submit all pre-approval requests to Republic at markit@republicco.com)**

2. Run the advertising or sales promotion activity, and pay the vendor the full amount of the invoice.

3. **Within 60 days of the invoice date,** submit invoice and required documentation to Republic via the online co-op portal at www.republicco.com/co-op

- ▶ Regardless of the type of advertising or other co-op funding requests, all claims must be submitted to Republic no later than 60 days after the date of the media or material invoice to be eligible for co-op funds.

4. Receive reimbursement from Republic in the form of account credit.

MEDIA/MATERIALS	CLAIM REQUIREMENTS
<p>DIGITAL ADVERTISING SEO or SEM advertising only through web.com or other JCI approved vendors are eligible for reimbursement. Lead fees from HomeAdvisor and Advertising on Angie's List qualify. Internet display ads and video pre-roll ads are also eligible with pre-approval from Republic or Channel Fusion.</p>	<p><u>Online Display Ads & Video Pre roll:</u></p> <ol style="list-style-type: none"> 1. Invoice 2. Screenshot of the ad 3. Script of video if applicable <p><u>SEO/SEM/HomeAdvisor/Angies List</u></p> <ol style="list-style-type: none"> 1. Copy of paid invoice 2. Contract indicating total cost, time period, and campaign specifics
<p>NEWSPAPERS / CONSUMER PRINT Space costs only in accredited weekly, daily or Sunday ABC newspapers. Only the fractional portion of the ad displaying copy, product identification, or the brand logo will be considered when computing acceptable co-op allowances.</p>	<ol style="list-style-type: none"> 1. Entire page (tear sheet) for each advertisement claimed, showing publication name and date 2. Copy of the paid invoice from the publication <p><i>*Production costs on Contractor-prepared advertisements are not eligible for co-op funds. Invoices must be at the lowest possible local rate. Co-op funding will be calculated on the basis of the net earned rate from the newspaper, including any discount or rebate.</i></p>
<p>RADIO AND TELEVISION Spot announcements costs for 10, 15, 20, 30 and 60 second advertisements.</p>	<ol style="list-style-type: none"> 1. Copy of paid invoice from station showing the length of each commercial, its cost, and the total cost at your lowest contract rate less all discounts 2. Notarized affidavit from the Station 3. Notarized script of the advertisement <p>(In many cases notarized scripts and affidavits are included on the Station invoice given to you.)</p>
<p>APPAREL, UNIFORMS, PROMOTIONAL PRODUCTS Authorized uniforms, apparel, and branded products sold through YORK approved vendors. Must meet brand guidelines if from alternate vendor.</p>	<ol style="list-style-type: none"> 1. Copy of the paid invoice 2. Image/proof of YORK branding <p>A maximum of 10% of available co-op funds may be used on apparel and/or promotional products</p>
<p>BILLBOARD AND TRANSIT ADVERTISING Space costs.</p>	<ol style="list-style-type: none"> 1. Copy of leasing agreement 2. Copy of paid invoice indicating the date the board was posted 3. Photograph of billboard
<p>EXHIBITS, DISPLAYS, FAIRS Cost of exhibit space. When more than YORK products are displayed, that portion of the display occupied by YORK products will be eligible for co-op funds.</p>	<ol style="list-style-type: none"> 1. Copy of the paid invoice for space from the show operator 2. Color photograph of entire display area
<p>LOCAL DIRECT MAIL Cost of postcards, mailing and mailing lists</p>	<ol style="list-style-type: none"> 1. Copy of mailer 2. Printer's paid invoice 3. Postal receipts for the quantity mailed <p><i>For other methods of distribution, such as use of a mailing service, a paid invoice stating the cost and quantity distributed is required.</i></p>
<p>IDENTIFICATION SIGNS YORK approved vendor produced identification sign.</p>	<ol style="list-style-type: none"> 1. Copy of the paid invoice.
<p>VEHICLE IDENTIFICATION, AD SPECIALTIES YORK approved vendor produced items. Must meet brand guidelines if from alternate vendor.</p>	<ol style="list-style-type: none"> 1. Copy of the paid invoice 2. Image showing YORK branding
<p>SALES PROMOTIONAL ITEMS Literature, computer software, videos and sales presentation material.</p>	<ol style="list-style-type: none"> 1. Copy of the paid invoice 2. Image/proof of YORK branding
<p>SOFTWARE Software from Wrightsoft or other YORK designated software provider outlined on UPGNet</p>	<ol style="list-style-type: none"> 1. Copy of the paid invoice.

CO-OP ADVERTISING

Co-Op Guidelines

The following guidelines should be used in planning advertising or sales promotion activities to be eligible for factory co-op reimbursement.

- ▶ All Luxaire-prepared advertising, as in the current Luxaire Marketing Action Center (MAC), are automatically eligible for co-op support. This includes newspaper ads, magazine ads, radio and television spot announcements, billboard posters, direct mail materials and other Luxaire-produced items.
- ▶ Locally-prepared advertising, promotion materials or local alterations to Luxaire-prepared materials must be pre-approved through Republic and Channel Fusion, Luxaire's co-op administration partner. (submit all pre-approval requests to Republic at markit@republicco.com)
- ▶ Luxaire brand logos in the approved forms must be prominently and exclusively displayed (except where otherwise indicated) in all print advertising. Logos are available from the Marketing Action Center.
- ▶ Generally, no other manufacturer identification or product(s) may be mentioned or displayed in the advertisement to be eligible for co-op funds.
- ▶ Luxaire brand logos and products that are displayed in conjunction with other non-competing manufacturers in special promotions MAY BE ELIGIBLE for reimbursement on a proportionate basis. In such cases, ADVANCE APPROVAL from Channel Fusion must be obtained.
- ▶ Regardless of the type of advertising or other co-op funding requests, all claims must be submitted to Republic no later than 60 days after the date of the media or material invoice to be eligible for co-op funds.
- ▶ Republic and Luxaire reserve the right to obtain verification of media charges, etc. from media and suppliers. Contractors are expected to cooperate with all such requests. If the amount of the claim approved should be disputed, the decision of Luxaire management will be final.

In general, activities other than those listed below will not be eligible for Luxaire co-op funds. Any exceptions must be submitted in advance to Republic or Channel Fusion.

Some examples of media and materials that are not co-opable:

- ▶ Local advertising agency fees.
- ▶ Advertising that displays competitive products or brands in ads or on promotional materials.
- ▶ Luxaire/Luxaire Select/CCE registration and program fees
- ▶ Congratulatory advertisements or donations such as advertisements in bulletins, year books, athletic or theatrical programs, sports team sponsorships, etc.
- ▶ Customer gifts, meals, etc.
- ▶ Memberships in trade organizations.
- ▶ Religious or political publications.
- ▶ Locally produced building signs.
- ▶ Truck painting and/or repairs.
- ▶ Hotel accommodations for meetings.
- ▶ Transportation costs to and from meetings.
- ▶ Travel expenses.
- ▶ Computer hardware not offered by Luxaire.
- ▶ Computer software not offered by Luxaire.
- ▶ Yellow pages advertising
- ▶ Shipping, electrical, and labor charges for displays and exhibits, including telephone charges from exhibit.
- ▶ Shipping charges for any item.
- ▶ Federal, state, city or use taxes.
- ▶ Office supplies such as price lists, speed memos, purchase orders, service orders, labels and stationery (letterheads, envelopes, scratch pads, calling cards), etc



CO-OP ADVERTISING

Advertising Ethics

Republic and Luxaire reserve the right to refuse any material used in advertisements, broadcasts or telecasts which, in their opinion, does not comply with the Bureau of Better Business Standards requirements. Please comply with the following rules:

1. Do not misrepresent any price of any product.
2. Do not misrepresent the mechanical features or benefits of any products.
3. Do not misrepresent any warranty existing on any unit.
4. Do not discuss any competitive products.
5. Do not use language in advertising that may tend to offend, mislead, confuse or deceive the customer.