

# **GUIDELINES FOR FUNDING PROJECTS UNDER BRAND PROMOTION SCHEME**

## **YEAR 2021/2022**

Terms and conditions for evaluating projects for the year 2021/2022 for funding of Lion Logo/Brand Promotion Campaigns exclusively for registered exporters of tea under the Tea (Tax and Control of Exports) Act No 16 of 1959 of Sri Lanka. Accordingly the budget allocation for the scheme is Rs.1.00billion and to be funded from the Promotion and Marketing Levy contributed by tea exporters under Gazette No. 1677/14 of 27 October, 2010.

### **1. Eligibility Criteria**

To be eligible for a grant under the Brand Promotion Scheme, exporters shall:

- i. Have contributed to the Promotion Fund.
- ii. Only Sri Lankan owned tea brands which have been registered in Sri Lanka by the Director General, National Intellectual Property Office (NIPO).
- iii. Have demonstrated their ability to implement an international marketing campaign to penetrate new markets, sustain / increase the share in existing markets or recover lost markets.
- iv. Existing brands and new/emerging brands are eligible for application.
- v. Have obtained prior approval from the Technical Evaluation Committee of Sri Lanka Tea Board for their brand promotion plans.

The quantum of funds allocated to an exporter will depend on the funds available, the business and financial standing of the exporter, the exporter's capacity to implement the planned program, and the current coverage of the brand

### **2. Priority Product Categorization**

1. High Valued specialty teas.
2. Tea Bags
3. Tea Packets (less than 3Kg)
4. Ceylon Tea Brand Own Tea Shops or Houses

### **3. Evaluation Criteria for the project**

Brands owned by Sri Lankan exporters will be eligible for the grant with the following criteria.

- I. Brand must be owned by a registered exporter of tea. In the case of a Group of companies, the brand ownership needs to be under one of the companies within the group.
- II. The consumer packs of the Brand should contain 100% Pure Ceylon Tea and packed in Sri Lanka. Further it must carry the Lion Logo which should be prominently displayed in the front face of the pack.
- III. The marketing plan should be well mixed with ATL, BTL, digital Media and PR promotions and targeted marketing strategies and objectives also need to be declared.
- IV. Brand must be positioned to promote Sri Lankan identity and country image.
- V. An assessment of the present market situation and the future market potential for Sri Lanka teas and the brand in the markets will be considered for evaluations.
- VI. New product innovations and novel concepts will also be considered from the first year of operations under special projects.
- VII. The brands entering to new markets are also considered based on their projected incremental growth.
- VIII. Project proposal should be based on country wise and evaluate based their incremental sales growth against last year sales or last 3 year average sale whichever is high ( In Volume) -

- IX. All evaluations and selections are conducted by independent panel and Board of Directors of SLTB shall keep all rights of this scheme.
- X. Maximum subsidy amount per brand is Rs.50million.
- XI. A company or group of companies can apply for a maximum of Rs.100million only for two brands under the scheme.  
The allocation of funds for two brands will be done under two stages. During the first stage, the group will be given Rs.50million as per the priority project identified by the company or group of company. The second Rs.50million would depend on the availability of funds after the allocating funds for 1<sup>st</sup> priority projects among all eligible applicants.
- XII. Tea Exporters have to provide matching funds for the grants allocated to them by the Sri Lanka Tea Board for one full year operation (one to one basis).
- XIII. The FOB value of the brand should be comparable to the FOB value of other Sri Lankan brands in the market concerned. If the FOB value of the brand is less than the average country FOB value of the product category in respect of the market concerned, the project proposal may not be considered.
- XIV. After completion of third phase from SLTB Brand Promotion Scheme by a particular brand, a review of the performance in each relevant market to be undertaken by the SLTB.
- XV. Priority will be given to proposals which are targeting at the countries identified under Global advertising Campaign / new markets / loss market (UK, Pakistan and Egypt).

#### **4. Promotional Elements**

Exporters should furnish a comprehensive project proposal including projected export volumes, projected value added and/or extra foreign exchange earnings, advertising/promotion plans, budgets etc. covering the promotion period. The Board will subscribe to the following elements of the advertising/promotion plan:

TV, Radio, Press, Cinema, Posters and hoardings, direct mail and demonstrations, consumer promotion, in-store promotion, purchase of shelf space, social & digital media, real time bidding in digital campaigns, Online sales platform registrations and listing fees and other elements which have had prior approval. Items such as bonuses to the trade, material wise offers, case allowances, hotel and travel expenses as well as other incidentals will not be entertained but publicity programs and competitions/ raffles/ quizzes for winning customers to be brought down to Sri Lanka as well as gift awards can be accepted for the project.

The Lion Logo should be featured prominently in the advertising message and linked to the brand. Further, social/digital media campaigns should optimize the key words that are promoted and optimized under the Global Campaign Search Engine Marketing (SEM).

#### **5. Promotional Agreement**

Where promotional assistance is given by the SLTB an agreement should be entered into amongst the contracting parties before funds are expended. When the agreements are signed with the exporter it is a mandatory requirement of the exporter to submit documentary proof of exports and expenditure to the Director, Tea Promotion for the purpose of reimbursement of SLTB share.

#### **6. Reimbursement to Exporters**

Brands approved by the Board for promotion assistance should at least achieve 50% of target (incremental growth) during the project period to qualify for reimbursement of the SLTB share of the promotional budget on a pro-rata basis. Sri Lanka Tea Board may consider partial reimbursement after six months based on the progress of the project.

## **7. Period of Promotional Support**

The period for Promotional support will be for twelve months.

## **8. Monitoring of Projects**

The Tea Promotion Division of the Sri Lanka Tea Board will monitor the project, the promotional activities and expenditure and make quarterly reports to the Board of Directors.

## **9. Proof of Exports**

Payment/Reimbursement of SLTB share will be made only on receipt of documentary proof of exports. The SLTB will accept only copies of either first or second originals of the Bill of Lading, Certified copy of CUSDECs, Packing list with relevant endorsements by company Auditors as proof of exports.

## **10. Proof of Brand Promotion Expenditure**

Reimbursement of the Tea Board's share will only be made on receipt of documentary proof of exports and the brand promotional spend.

The company should furnish the following documents as proof of expenditure which should be certified by the Company Auditor:

- Commercial Invoices
- Certified transmission reports for TV, Radio Ad and Digital Market
- Copies of Print Media Ads, TV Commercials and Radio Ads, Web Post, digital videos
- If promotions will conduct for Tea Shop or House – Should be provided the copy of lease agreement with Building Owner
- Photo reports for outdoor campaign and other BTL activities
- Agreement copies of Listing fees/shelf space / Online sales platforms
- Agency bills for creativity and innovation programs
- Prior intimation of social and digital media links and the duration of the campaign.
- Invoices & bills for real time bidding for Search Engine Optimization of the Brand if relevant
- Performance reports on sponsored Ads, SNS Campaign, SEM and KOLs/ Bloggers with details of followers, likes, comments, hits, reach, views etc.
- Proof evidences from relevant Supermarkets Malls/Chains
- Proof evidence from relevant Online Sales Platforms (e-commerce)
- Other related documents requested by the Board

## **11. Amendment to the Guidelines**

These guidelines could vary or revised as and when necessary with the approval of the Board.

## **12. Abidance of the terms of Agreement**

All successful applicants should abide by the terms and conditions of the agreement with the Sri Lanka Tea Board.

**Director -Promotion  
Tea Promotion Division  
Sri Lanka Tea Board**

**ATTENTION: DIRECTOR PROMOTION, TEA PROMOTION DIVISION, SRI LANKA TEA BOARD**

**APPLICATION /BRAND MARKETING AUDIT**

**Market identified for the proposed brand promotion project**

1. The Brand:

1.1 Market :

1.2 Name :

1.3 Packaging :

1.4 Sizes :

1.5 Specification of contents :

1.6 Copy of NIPO registration: (Pl enclose with the documents)

2. Background .....

2.1 Past performance

(a) Volume (Kg) (for the last 3 years)

(b) Value (FOB Colombo US \$)

2.2 Advertising expenditure (US \$) .....

(a) Exporter (for the last 3 years)

(b) Importer (for the last 3 years)

(c) Type promotions were done

3. The Market in which the brand will be promoted.

3.1 Total Volume (Kg)

3.2 Total Value (US \$)

3.3 Segments of market, volume & value of each segment

4. Pricing of Brand against main competitors:

Brand Names _____	Retail Price In currency <u>of market</u>	Equiv. price in US \$ _____
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- (a)
- (b)
- (c)
- (d)
- (e)

5. Distribution of brands in the market

Brand Names	Channel of Distribution
(a)	
(b)	
(d)	
(e)	
(f)	

6. Marketing Objectives

6.1 Positioning Strategy :

6.2 Export Target from ..... to ..... (Year)

Volume  
(Kg):

Value  
(RS/US\$):

6.3 Distribution Channels: ..... (Supermarket Chains / Bazar / E-commerce etc)

6.4 Brand image :

7. Marketing Strategy  
(How brand intends to achieve objectives with a three year sales projection)

8. Consumer (Segment) aimed at/end used

8.1 Primary

8.2 Secondary

9. Proposed Support Expenditure (USD)

No.	Main Tool	Sub Tool	Amount in USD
01	Through the Line (TTL)	TV	
		Radio	
		Print Media	
		Bill Board	
		Magazines	
		Media Buying Budget (Attach media schedules with details)	
		Other (Pl. specified) .....	
		Leaflet / Brochure	
		CDs	
		Brand Activations	
		Key Opinion Leader Engagements	
		Tea House / Shops campaigns	
		Other .....	
02	Digital/Social Media	Website	
		FB / Instagram etc	
		YouTube	
		E – Commerce	
		Other (Pl. specified) .....	
03	Public Relations	Special events	
		Community relations	
		Sponsorships	
		Other (Pl. specified) .....	
	<b>Total Budget</b>		

10. Distributor

10.1 Sales force strength

10.2 Operation (a) Regional

(b) National

11. Name and contact details of the Managing Director/Director to whom correspondence should be sent:

Authorized Signature: \_\_\_\_\_

Name and Title of Signatory: \_\_\_\_\_

Company Name \_\_\_\_\_

Address: \_\_\_\_\_

Official Stamp Seal