May 2021 | Trade Promotions

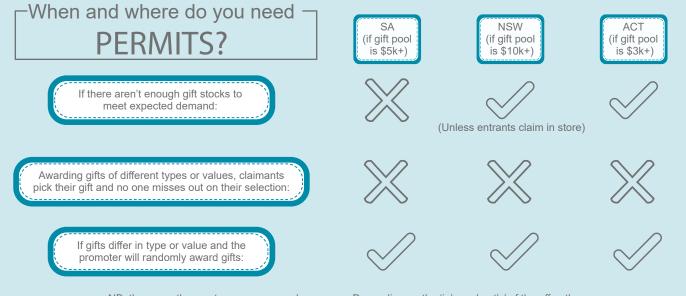
## Update - 'Gift with purchase' offers in South Australia

## We have some exciting news about 'gift with purchase' promotions in South Australia!

South Australia no longer requires a trade promotion permit for a gift with purchase promotion, even if the gift stocks available are limited in number.

Q: Help! ... I thought limited gift with purchase offers were considered a game of chance in SA? Do I still need permits?

A: Previously permits for this type of promotion were sometimes required in SA. Permits may still be needed in ACT & NSW if the promotion is a national one and there is a chance that a consumer will miss out on receiving a gift. It will depend on where the offer is running (in-store or online) and the entry mechanic. But in South Australia you no longer need a permit for a gift with purchase promotion unless the type of gift a consumer receives is determined by a random draw.



NB: these are the most common examples we see. Depending on the 'in's and out's' of the offer, the necessity for a permit may not always be clear, so feel free to ask us anytime.

If your promotion has both a gift with purchase and a random draw element, you will still need permits if your prize pool exceeds \$3k in the ACT or \$5k in SA (or regardless of the prize pool in SA if you use an instant win mechanic) and you will need an authority in NSW if the prize pool exceeds \$10k. Even if you don't need permits, legal requirements still apply to this type of promotion under the laws of various states/territories. For example, in Victoria there are requirements about record keeping and about advertising the promotion.

Q: ...So, if I don't need permits for my gift with purchase promotion do I still need Ts&Cs?

A: If you don't need permits, for a simple gift with purchase promotion we may be able to prepare a reduced set of Ts&Cs that sets out the most important details relating to the offer (e.g. the dates it is running, what needs to be purchased, claim limits etc.) and some wording to manage the promoter's risks.



## If you have any questions about these changes please <u>contact us.</u>

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