

# MITSUBISHI ELECTRIC TRANE HVAC US

## 2023 Mitsubishi Electric Trane HVAC US (METUS) Residential Segment Co-op Guidelines

### **A. Purpose and Guidelines**

Co-op funding is designed to provide marketing resources for each METUS Business Unit to increase sales revenue and Mitsubishi Electric brand awareness at a local level. Effective use of co-op funds is a key contributor to the success of local marketing activities. Planning for marketing/co-op investment must include clearly defined objectives, implementation dates, responsibilities, and ROI metrics to measure effectiveness for the year. At the beginning of each calendar year, METUS Regional Marketing Manager, Area Sales Manager and/or Regional Sales Manager are to conduct a specific marketing planning meeting with members of participating distribution partners.

### **B. Eligibility and Accrual Guidelines**

- Distributor must have a written and approved Diamond Alliance Plan (DAPP) including a marketing plan and associated budget submitted to METUS.
- The standard split of funding is 33%/33%/33% (METUS/Distributor/Contractor) or 50% - 50% (METUS – Distributor) with specific guidelines around this spend listed below.
  - Minimum marketing expenditure to qualify for co-op usage: \$500.
  - Expenses less than \$500 (total cost) should be treated as selling expense.
    - Request of less than \$500 may be approved by RMM if part of a higher annual spend. Submit with copy of annual plan.
  - Based on the minimum marketing expenditure listed above, METUS minimum expense is \$166 for co-op eligible activities.
  - Advertising expense over \$5,000 (METUS portion) must be tracked; digitally, call tracking, number of leads and closures.
- Logo usage and the advertising plan must have pre-approval before spend.
  - Brand Guidelines can be found here - <https://mitsubishi-electric.frontify.com/d/c7GmWuq3wakC/mitsubishi-electric-style-guide#/brand-basics/logo>

### **C. Dates to Remember**

- March 1, 2023 – DAPP and Marketing Plan for 2023 funds must be submitted.
- June 30, 2023 - Mid-year Distribution review of co-op fund usage.
  - Fifty percent (50%) of a Distributor's co-op budget must be pre-approved or claimed by JUNE 30, 2023.
  - Funds not utilized may be reallocated at METUS's sole discretion.
- November 30, 2023 - All preapprovals must be submitted to METUS.
- December 29, 2023 - All invoices must be dated on or before this date.
- January 15, 2024 - All 2023 Co-op credit requests must be submitted to METUS accounting office on or before this date for reimbursement from your 2023 funds.
- Any unused funds may not be carried over to the next year.
- Funds are subject to change at the discretion of METUS.

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## D. Approval Guidelines

- Events / activities submitted for co-op usage should be outlined in the annual Marketing Plan created at the beginning of year and submitted to METUS by March 1, 2023.
- Provide a completed plan to the Residential Business Unit Director and Regional Marketing Manager to ensure visibility to planned or requested events throughout the year. Should co-op funds be requested for an event/activity falling outside of the stated plan, the Residential Business Unit Director and Regional Marketing Manager have final discretion regarding qualification for co-op funding.
- Claims must be submitted within 90 days of the invoice or activity date(s). The activity date is the date the activity occurs or the date the advertisement is published or airs.

## DI. Event Guidelines

- Each event submitted for co-op usage must:
  - Have clearly defined and outlined objectives.
  - Include a predetermined return on investment (ROI) outlined in the Marketing Plan.
  - Contain an educational or learning component for attendees.
    - Be 100% focused on Mitsubishi Electric products and solutions if METUS is the sole source of funding for the event. If a distributor holds an event with multiple manufacturer's contributing funding, cost will be split accordingly.

## DII. Co-op Eligible Activities

- Training seminars (METUS training center or distributor's training center).
- Local market advertising (all logo use and advertisements must be approved in advance). If incorrect logo or branding is used claim may be rejected:
  - Broadcast media and out-of-home advertising (if using METUS TV spots, please submit Consent Form found here - <https://airtable.com/shrPbMigWfWgCl3kt>).
  - Digital advertisements.
  - Direct mail.
  - Print advertisements.
  - Sponsorship of local events or organizations.
- Promotional items and Wearables, i.e., shirts, hats, etc. are eligible when they are part of a Distributor or Contractor promotion, spiff or event (Limited to 5% of total co-op funds).
- Dealer branding exclusive to METUS such as truck wraps, displays (not equipment) and yard signs.
- Contractor incentive programs, total trip spend is subject to approval by Business Unit Director and Regional Marketing Manager:
  - Requires a list of contractors participating and are only to be used for achieving incremental sales growth targets.
  - A distributor may spend no more than 10% of total co-op bank on incentive trips. All trips must be approved by Business Unit Director. A distributor may only use co-op funds for incentive trips after spending 50% of their co-op bank on local advertising.
  - *Sales Builder Pro* sales app by Intelligent Mobile Support (Mitsubishi Electric version).
    - Eligible: First-year company setup fee and user fee (for a maximum co-op funds by METUS of \$600.) Year-two expenditures are NOT eligible for co-op reimbursement.
    - Not Eligible: Upgrades including Playbook and Sales Analytics features or the purchase of tablet.
- Homeowner rebates (Sponsored by METUS and the Distributor).
  - May only be offered for a total of 4 months during the year (Spring and Fall) and are at the discretion of the Regional Marketing Manager and Business Unit Director.
  - Rebate amounts and applicable products are limited and may differ by region.

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## G. Non-Eligible for co-op funds (contractors or distributors)

- Advertising & Marketing Agency Fees.
- All taxes.
- Association dues.
- Catalogs.
- Equipment.
- iPads or iPad accessories.
- Political and/or religious sponsorships/support.
- Service, Application, DDL1, and CMCN Training activity expenses.
- Shipping and/or freight charges.
- Sponsorship donations.
- Travel expenses associated with Mitsubishi Electric planned meetings.
- Airfare.
- Website hosting fees.
- Yellow Page listings or ads.

## H. Final Discretion and Approval

- Final discretion and approval of co-op expenditures included in the annual Marketing plan, along with activities outside of the plan, resides at all times with METUS and specifically, with the Residential Business Unit Director and Regional Marketing Manager. If necessary, the Director of Field Marketing may be involved in the decision.

## I. Co-op Submission Process

- All Co-op pre-approvals and credit requests are to be submitted through Salesforce. Each request should include supporting documentation such as, but not limited to:
  - Anticipated or actual # of leads.
  - Corresponding creative artwork (display or banner ads, landing page creative, etc.).
  - Landing page website URL.
  - List of keywords or phrases used (SEO and/or PPC).
  - Measurement and/or tracking tool (Google Analytics, HubSpot, Pardot, Marketo, Constant Contact, Mail Chimp, etc.).
  - Proposal or final invoice from media company.
  - Planned or actual flight dates.
  - Return on Investment calculation.

Please contact your Regional Marketing Manager or Sales Manager with questions.