



Minimum Advertised Pricing Policy - FAQs

Definition of "Advertising"

"Advertising" includes, but is not limited to, promotions and advertising in the following formats:

- Print (magazines, newspapers, flyers, inserts, circulars, direct mail/e-mail, out of store Retailer coupons)
- Broadcast (television, radio, on-line video)
- Internet and online advertisements (individual product pages, product list pages, website home pages, banner ads, pop up ads and paid search results)
- Billboards, windows or other outdoor advertising
- Website features such as automated "bounce-back" pricing e-mails, pre-formatted email responses, forms, and automatic price display for any items prior to being placed in a customer's shopping cart, and other similar features are considered to be communications initiated by the dealer or retailer (rather than by the customer) and thereby constitute "advertising" under this MAP Policy

Exclusions from Advertising Definition

- Solely on-premise or in-store advertising (in-store signage, price tags, displays, hang tags)
- Discounts applied only "in basket", in the "shopping cart", or in similar check-out web pages or windows on websites and mobile applications, so long as those prices are not seen prior to the item in question being placed in a customer's shopping cart. In addition, statements reflecting that a customer should contact Retailer for pricing information or that pricing will be provided when a product is placed in an electronic shopping cart is acceptable, so long as such statements do not give the impression that such "in-cart" pricing is lower than the Merck Animal Health MAPP price for such product (see examples below)
- Manufacturer's coupons or rebates, provided that advertisement of the manufacturer's coupon/rebate either excludes pricing altogether or includes a MAPP-compliant price and clearly reflects the amount of the coupon/rebate labeled as a "manufacturer's coupon" or "manufacturer's rebate"
- Shipping discounts or free shipping
- Free gift offers with purchase, including retailer gift card for any future purchase at that retailer
- Price quotes responding to a direct consumer inquiry, whether transmitted in person, by phone, email or fax

Effective Date of MAP Policy

- What is the effective date of the policy
A: The effective date of the revised policy is 10/1/17.
- Catalog – What if we've already printed our most recent catalog?
A: The price changes in the catalog should be effective on the earlier of 1/1/18 or at the next printing of your catalog.

Waivers to MAP Policy

Waivers to this MAP Policy may be granted in MAH's sole discretion by the MAP Policy Administrator in writing. MAH sales, marketing, or other personnel are not authorized to modify or grant exceptions to the MAP Policy. In the event that the MAP Policy Administrator authorizes a waiver to the MAP Policy, customers must strictly adhere to the terms of the waiver letter. Deviation from the terms of a waiver letter is itself a violation of the MAP Policy.

Other Questions:

- Website: Is there a link to MAH MAPP website?
A: MAH has established 2 websites that will address both pricing changes as well as FAQ's:
<https://www.merck-animal-health-usa.com/map-policy> ; mah-map-policy@merck.com
- Changing Prices: If MAH changes their prices at their discretion, how are retailers to keep printed materials in compliance?
Visit one of these MAH MAPP websites to stay current on pricing:
<https://www.merck-animal-health-usa.com/map-policy> ; mah-map-policy@merck.com
- Monitoring: How will MAH monitor MAP Policy compliance?
A: We will use a variety of internal and external monitoring methods.
- Some retailers continue to advertise at prices below suggested retail price. Why hasn't MAH stopped them?
A: We understand the concern, and please know that we are aware of the disruption that these retailers cause. However, there may be legal reasons why our MAPP does not apply to those sellers. For example, they may not be an MAH customer or may otherwise have no direct relationship to MAH.
- Certain shopping channels list a base price and a total price, which includes shipping costs and taxes -- which price will MAH monitor for compliance.
A: Shipping charges and taxes are not considered price under the MAPP.
- Bundling multiple units of the same product: Can we price individual units within the bundle lower than MAPP pricing?
A: Where any Merck Animal Health Product is bundled with or sold as part of a package that includes other Merck Animal Health products, it shall be a violation of this MAPP to sell or advertise the bundle (or package) at a price that is lower than the total minimum advertised Price of the Merck Animal Health Products in the bundle/package.
- Can we advertise on Paid Search lower than MAP pricing?
A: Online paid search results for any search term using a Merck Animal Health brand may not reference a discount that would take the advertised price of Merck Animal Health Products below the Minimum Advertised Price.
- Are there issues with in-cart pricing being below MAP pricing?
A: Statements reflecting that a customer should contact Retailer for pricing information or that pricing will be provided when a product is placed in an electronic shopping cart is acceptable, so long as such statements do not give the impression that such "in-cart" pricing is lower than Merck Animal Health's suggested retail price for such product. Non-exclusive examples of compliant statements are "add to cart to see price" or "call or email for price". Non-Exclusive examples of non-compliant statements are "Price Too Low To Advertise!", "Add to Cart For Savings!", showing the minimum advertised price with instructions to add product to cart to see Retailer's price, graphics showing minimum advertised prices with slash marks or X marks through the price, or similar statements.