

[FCC Confirms \\$4000 Fine For Televising Video News Release Without Sponsorship ID](#)

July 8, 2011 by [David Silverman](#)

The FCC has issued a [Forfeiture Order](#), confirming a \$4000 fine levied against a Minneapolis TV station for airing a video news release ("VNR") without sponsorship identification. This case was previously discussed in our [March 25th blog entry](#), when the Commission issued a Notice of Apparent Liability ("NAL") against the station for this violation. The primary lesson to be learned from this decision is that video supplied for free may require sponsorship ID if furnished for the purpose of identifying a product or furthering a sponsor's message beyond any independent (*i.e.*, newsworthy) reason a station has for airing it.

In arguing against the NAL, the station put forth several arguments, all of which were rejected by the FCC. The station argued that its use of a video supplied by General Motors for a story about the popularity of convertibles in the summer was equivalent to use of a company press release, which the FCC has found acceptable in the past. But the FCC said that use of a press release without sponsorship ID is permitted only if references to products or brand names are "transient or fleeting." Here, by contrast, the FCC found the identification of GM cars to be "disproportionate to the subject matter of the news report."

The station also argued that it paid its parent network for the video. While the FCC acknowledged that station payment for video usually indicates an independent motive for airing it, the FCC rejected that argument here, finding that payments between the station and its network were "little more than intercompany accounting ledger entries." Furthermore, the network did not pay for the video, which was received unsolicited.

The Commission reaffirmed its earlier finding that this forfeiture does not violate the station's First Amendment rights or the anti-censorship provisions of the Communications Act. Rather, the Commission noted that the sponsorship identification rules are merely *disclosure* requirements that do not restrict speech in any way.

This decision reinforces the need for TV stations to be aware of commercially supplied videos, whether or not they are supplied with or in exchange for money or any other consideration. If a station's use of such video contains anything more than

"transient or fleeting" images of commercial products, sponsorship identification may well be required. In this case, the station could have complied merely by providing a visual credit stating "Video provided by General Motors." RTNDA guidelines on the use of VNRs can be found [here](#).

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