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Radio Talkers Paid to Endorse Causes During Their Shows? What Should Stations Do?

by **David Oxenford**

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Politico ran <u>a story</u> last week, indicating that a number of radio talk show hosts were **paid to endorse**, during their shows, certain causes and groups that might be of interest to their listeners. The article suggests that the endorsements included live read commercials, as well as other comments made during the course of the program, as asides or during discussions of the issues of the day. While we have not reviewed any of these programs, and have no idea if the story is accurate or how any paid mentions were handled during the program, radio stations do need to be cautious in this area, and consider the **sponsorship identification issues** that may be raised by such conduct. And this consideration is not just in connection with political talk programs - but wherever any on-air talent receives consideration for making a plug for a product or service on the station.

This issue has already been a big deal on the video side of the media house, with both broadcasters and cable companies having been fined for including material in their programs without disclosing that they had received consideration for the inclusion of the material. Recently, we wrote about two TV stations who were fined by the FCC for broadcasting "video news releases", where the stations broadcast content from third parties which was deemed to have a promotional message included for the third party's product, where the station did not specifically disclose that the video material had been provided at no charge to the station. The provision of the tape alone was deemed to be consideration. Almost four years ago, we wrote about another station that was hit with a fine when a syndicated TV talk show host was revealed to have been receiving government money to promote a government program (No Child Left Behind), was promoting that government program during his show, and not mentioning that he had received this consideration. The station was fined - even though they did not produce the program, as they had not inquired about whether any sort of consideration had been received by the host. The Communications Act puts the burden on stations to reveal sponsors when consideration has been paid for the airing of any programming, and the FCC has said that this burden requires that the station take efforts to make sure that all programming - even that coming from syndicators - complies with the rules.

This issue takes on new importance, as the <u>Future of Media Report</u> (now known at the Report on the "**Information Needs of Communities**"), specifically mentioned this issue

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as a concern that it had that the public not be in the dark about who is trying to influence it on any issue. The FCC, in addition to issuing the fines mentioned above, also has <u>a long-outstanding rulemaking looking to make sponsorship identification rules tougher.</u>

So how is a station to know if a syndicator has made all necessary sponsorship identifications? I think that the FCC expects that stations ask, and get contractual assurances that there are no such issues. Radio broadcasters have long had on-air employees sign **payola and pluggola affidavits**, which really are looking at the same issue - did someone pay for something played on the air. Seemingly, the FCC is looking to a station to take that same position with third parties who provide it programming. And, where political speech is involved, consideration is viewed even more strictly than where the product being promoted is simply a commercial good.

Watch as this issue develops, and take care when airing any program element where the station has received anything of value in exchange for the airing of that programming.

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