

Client Alert

January 2012

FCC Issues Fine for Website Contest

An FCC fine against six Clear Channel Los Angeles stations serves to affirm the FCC's jurisdiction over contests that are conducted on a station website rather than on-air.

Clear Channel contended that the contest in question was conducted entirely on the Internet and therefore was not subject to FCC regulation. It is generally true that the FCC does not have jurisdiction over licensee activities that are separate from broadcasting. Thus, the FCC generally does not regulate non-broadcast concerts, newsletters or websites. However, the FCC can regulate these activities when they are publicized over the air. Here, the FCC rejected Clear Channel's defense on the ground that, even though the contest was conducted through a website, it had been promoted in broadcast ads.

In addition, the Commission faulted Clear Channel for having failed to fully disclose all material contest terms over the air, relying instead upon making the rules available on the stations' websites. In that regard, the Commission emphasized that non-broadcast disclosures can supplement, but cannot substitute for, the required broadcast announcements.

Nowadays, the integration of social media with broadcasting is likely to lead to the migration of contests to websites and other Internet-based platforms. It is essential to be aware that the FCC regulations pertain to any activity that involves broadcasting, even if only to promote it.

If you have any questions or would like further guidance, please contact Peter Gutmann (<u>pgutmann@wcsr.com</u> or (202) 857-4532) or any member of the firm's <u>Communications Law</u> Group.

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