

Messinger, Martin P

From: Messinger, Martin P
Sent: Thursday, April 14, 2005 5:02 PM
To: Doctor, Dianne; Baader, Brent G; Bauer, Nancy; Bending, Gail; Charlier, Steve; Doerr, Tom; Ellis, Matthew D; Fowler, Carol; Gardner, Tim G; High, Shannon; Hitter, Lee; Kiernan, Jeff A; Kucharski, Angie; Rosenheim, Dan; Schiller, Susan M - KYW; Verrilli, John; Wieland, Tim
Cc: Reynolds, Fred G; Swanson, Dennis; Remiszewski, Thomas; Cooper, Mark E; Anschell, Jonathan; Susanna.Lowy@viacom.com; Siegel, Andrew J; Poser, Nicholas E; Jones, Beth (TVC); Jaeckel, Howard F; Altabef, Richard H; Sternberg, Jonathan I; Bonelli, Joan; Sack, David R; McClintock, Dana L; Lucey, Anne
Subject: RE: A washingtonpost.com article from: jdggoldberg@cbs.com

As you will recall from my e-mail dated March 16, 2005, on this subject, the FCC's proclamation yesterday is totally consistent with VTSG policy in this area. As I stated on the 16th and as Dianne has articulated in her e-mails as well as on the News Director's conference call, **if and when you use material from a VNR, the station must clearly disclose on the air the origin of the information and identify all material provided by outside sources.**

As always, if you have any questions, please contact me, or your station lawyer. Thanks.....m.

-----Original Message-----

From: Doctor, Dianne
Sent: Thursday, April 14, 2005 4:29 PM
To: Baader, Brent G; Bauer, Nancy; Bending, Gail; Charlier, Steve; Doerr, Tom; Ellis, Matthew D; Fowler, Carol; Gardner, Tim G; High, Shannon; Hitter, Lee; Kiernan, Jeff A; Kucharski, Angie; Rosenheim, Dan; Schiller, Susan M - KYW; Verrilli, John; Wieland, Tim
Cc: Messinger, Martin P; Reynolds, Fred G; Swanson, Dennis
Subject: FW: A washingtonpost.com article from: jdggoldberg@cbs.com

-----Original Message-----

From: jdggoldberg@cbs.com [mailto:jdggoldberg@cbs.com]
Sent: Thursday, April 14, 2005 9:02 AM
To: ddoctor@cbs.com
Subject: A washingtonpost.com article from: jdggoldberg@cbs.com

You have been sent this message from jdggoldberg@cbs.com as a courtesy of washingtonpost.com

Personal Message:
this was in the washington post this morning.

Broadcasters Must Reveal Video Clips' Sources, FCC Says

By Frank Ahrens

Television broadcasters must disclose to viewers the origin of video news releases produced by the government or corporations when the material runs on the public airwaves, the Federal Communications Commission said yesterday.

The FCC's ruling comes as video news releases produced by the Bush administration and aired as part of local television news reports have come under attack from critics who call them unlabeled Republican propaganda.

Some members of Congress say greater disclosure is needed. Sens. Frank Lautenberg (D-N.J.) and John F. Kerry (D-Mass.)

plan to introduce an amendment to a junk fax bill today that would require government agencies -- such as the Department of Health and Human Services, whose video news release on Medicare and Medicaid was deemed propaganda by the Government Accountability Office last year -- to tell viewers that a clip was produced and paid for by the U.S. government.

"The bottom line is, the government's role in these news stories needs to be disclosed," said Lautenberg, a member of the Commerce Committee, which will consider the amendment.

Yesterday, the FCC unanimously clarified rules applying to broadcasters, saying they must disclose to the viewer the origins of video news releases, though the agency does not specify what form the disclosure must take.

"We have a responsibility to tell broadcasters they have to let people know where the material is coming from," said FCC Commissioner Jonathan S. Adelstein, a Democrat. "Viewers are hoodwinked into thinking it's really a news story when it might be from the government or a big corporation trying to influence the way they think. This will put them in a better position to decide for themselves what to make of it."

Critics of the video news releases say their style -- often featuring an actor portraying a reporter interviewing a government official, giving the government's side of a issue -- easily can be confused for the journalistic reports they appear alongside of. The TV news industry is increasingly inclined to air such releases in an era of 24-hour news channels and shrinking budgets that hamper news organizations' ability to produce their own reports, experts say.

Corporations also produce and distribute video news releases to promote products or burnish their image.

The Lautenberg-Kerry amendment follows a GAO recommendation to include on-screen disclaimers during the video news release, explaining the piece was produced by the U.S. government, Lautenberg staffers said. The GAO report said the administration had violated the law by using federal money to produce propaganda.

"The government makes these things," said Dan Katz, Lautenberg's chief counsel. "If they would identify themselves upfront it would be a much more efficient way of dealing with this problem."

The Bush administration's Office of Management and Budget disagreed with the GAO's finding.

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Arlington, VA 22201

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Messinger, Martin P

From: Poser, Nicholas E
Sent: Wednesday, June 08, 2005 12:57 PM
To: Ahern, Joseph J; Cohen, Bruno; Colleran, Michael; Corsini, Don; Danna, Linda M; DeHaven, Walt F; DeTillio, Frank S; Dunn, Peter; Kennedy, Brien; Kidder, R Perry; LaVigne, Meg M; Leone, Lew; Longinotti, Ron; Maples, Bill; Marenghi, Julio; Mauldin, Steve; McDonald, Shaun A; Newman, Jay; Phillips, Dave (KUTV- Gen. Mgr.); Piette, Ed; Pike, Christopher; Reed, Mike G; Shreeve, Anna; Solding, Steven; Wordlaw, Gary C; Burrell, Michael J; Erkenbrack, Jon S; Fabacher, Trey; Fein, Robert; Kucharski, Angie; McClenahan, Patrick; Michell, Michael; Poitras, Steven S; Preston, Fran W; Schneider, Gary W; Baader, Brent G; Bauer, Nancy; Bending, Gail; Doctor, Dianne; Doerr, Tom; Ellis, Matthew D; Fowler, Carol; Gardner, Tim G; High, Shannon; Hitter, Lee; Kiernan, Jeff A; Lemon, James; Rosenheim, Dan; Schiller, Susan M - KYW; Verrilli, John; Wieland, Tim; Aaron, Matthew D; Ackerman, Dan; Barber, Pam; Bergeron, Pam A; Bourassa, Tom; Braun, John J; Canedo, Tom P; Caruso, Laura L; Clack, Alan; Cotugno, Chris; Crawford, Kent; Cury, Thomas B; DeTillio, Thad J; Dorsey, Kevin; Dunn, Charlie D; Horowitz, Jaime N; Jackson, J.R.; Kinkead, Andrew J; Levy, Adam; Lowe, Jay C; Morris, David; O'Hickey, Julia; Rangel, Marilyn R; Rodrigues, Daniel C; Smedley, Paul C; Steckler, John; Stern, Jeff M; Stewart, Jackie M; Stoltzman, Andrea B; Wynyard, Helyn K; Bolton, Jamie; Burley, Barbara L; Carwile, Lance B; Casciato, Perry J; Craig, Ryan; Davis, Rich C; Dowd-Wood, Michelle; Foote, Ken; Gazitano, Rita S; Goldberg, Joel D (WCBS-TV); Holmes, Wendy; Hunt, Virginia M; Karas, Mike; Kinberg, Lee B; Letize, Tracy S; Naar, Walter I; Prange, Paul A; Preston, Fran W; Randles, Eric L; Socha, Jeanine; Spitz, Tom R; Timpa, Jeff D; Vinson, Gary A; Williams, Amber; Ballantyne, Todd; Bertling, Donna; Bouchard, Victoria E; Burley, Barbara L; Claude, Kyle D; Cushing, Ed J; Davis, Rich C; Gee, Scott; Genolio, Rob; Gerst, Mike; Greene, John R; Hansen, Peter; Hershey, David; Hill, Brian M; Hinkle, Leanne M; Hites, Marshall; Lawrence, Kenny W; Loncaric, Dave E; Malseed, Robert W; McMahan, Wendy A; Miller, Steve - WCBS-TV; Paluso, Judy A; Teater, Stan R; Wiener, Larry C; Zegers, Monica M

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Subject: Updated Sponsorship ID Reminder

Attachments: CBS_NY-#57272-v1-Payola_memo_2005.DOC

As previously noted in e-mails from Marty Messinger and Dianne Doctor, the issue of sponsorship identification has received significant attention at the FCC recently. In April, the Commission released a public notice reminding broadcasters of their sponsorship ID obligations with respect to video news releases, and in a recent speech, Commissioner Adelstein made clear that the Commission will be scrutinizing whether proper identification has been given, particularly in the contexts of the use of VNRs and the use of outside "experts" who may receive payment or other consideration for plugging or mentioning specific products.

In light of this increased scrutiny, Law has updated the "Sponsorship ID Reminder" we last circulated in late 2003 to include guidance on VNRs and the use of outside experts. Please review the attached updated summary with ALL station personnel involved in program selection or production, and insure that your stations continue to be in strict compliance with Viacom Television Stations Group and FCC policies.

Of course, if you have any questions, please do not hesitate to call the undersigned, or your station lawyer.

Nick Poser, Marty Messinger and Howard Jaekel



CBS_NY-#57272-v1
Payola_memo_2...

Reminder on FCC Sponsorship ID, Payola and Plugola Regulations

1. **Generally.** Television stations and program syndicators are required by law to identify any person or entity who directly or indirectly provides consideration in return for the broadcast of any program or other material. This sponsorship identification requirement is grounded on the principle that the public has the right to know who is attempting to influence it. The obligation applies not only where a station or a station employee has received consideration, but also where consideration is provided to a third party in return for inclusion of material in a station broadcast.

There are severe penalties for violation of the sponsorship identification rules, including criminal fines or imprisonment, as well as FCC sanctions. Accordingly, it is extremely important that all Viacom Television Stations Group ("VTSG") employees, particularly those involved in programming and sales activities, understand and properly implement sponsorship identification requirements.

2. **When Sponsorship Identification Announcements Must Be Made.**

- (a) **Commercials:** Although the sponsorship identification rules apply to all commercial matter, most commercials do not require an explicit disclosure that consideration has been received in return for their broadcast because that fact is evident from their content and presentation. Specifically, no separate sponsorship identification announcement is required when it is clear that a broadcast is a commercial and the commercial contains the sponsor's corporate or trade name or the name of the product itself.

On the other hand, a separate sponsorship identification is required, even for commercials, where the sponsor's identity is not clearly evident from the advertisement. The FCC has ruled that "teaser" ads must include a separate sponsorship identification announcement. A "teaser" spot is usually designed to arouse the curiosity of the public, creating anticipation of a forthcoming "pay-off" advertisement revealing the spot's meaning and purpose. Such advertising campaigns must include a sponsorship identification in each teaser, even though the teasers do not in themselves directly identify or promote a specific product.

- (b) **Special Types of Paid Advertising:** VTSG stations must provide sponsorship identification announcements for all advertisements purchased by a governmental entity or agency, even if the government entity's or agency's name appears in the advertisement. These announcements are required to enable the public to differentiate between announcements made as a public service and those for which the station receives payment.

Confusion may also arise when a cooperative trade association purchases time to promote goods or services sold by its members. For example, commercials touting the benefits of drinking milk, paid for by the American Dairy Association, must identify the sponsor. In the absence of sponsorship identification, the listening audience may improperly perceive that such commercials are public service announcements.

- (c) **Station Promotions:** VTSG stations may advertise their own promotional events -- such as concerts -- as long as they identify their own role as a promoter or co-promoter of the event. Failure to include such an announcement may leave the station open to charges of "plugola". See Section 5 below.

- (d) **Scheduled Programs; Barter:** The sponsorship identification rules apply not only to spot advertisements, but also to all entertainment and non-entertainment programs. If a person or entity provides a station with consideration in return for the broadcast of a program, a sponsorship identification announcement must be made. Programming which is provided at no charge, or at a nominal charge, must include an identification of the party providing the programming. Under the sponsorship identification rules, providing a program for free constitutes the furnishing of consideration. Where the station receives programming in exchange for advertising time on the station -- i.e., a barter transaction -- no identification announcement is required for the program so long as the value of the advertising time is more than nominal.

- (e) **Products or Services Provided for Free or at Nominal Cost:** The FCC has ruled that a sponsorship identification announcement is not required when services or goods are provided to a station or producer without charge or for a nominal fee solely for use in a program, or as a loan during program production. For example, no announcement is required where an automobile manufacturer donates a car to be given away on a game show, even though the car is incidentally identified in describing the prize. However, an announcement would be required if the name of the car or the manufacturer were repeated gratuitously, or emphasized in a manner not reasonably related to the car's use as a prize. In addition, if an employee of the station makes personal use of a product or service beyond legitimate program or production use, the donor must be identified.

Finally, a sponsorship identification announcement is required if a station or producer (or an employee of either) has been paid (or received other consideration) to include a product in a program.

This type of arrangement -- known as "payola" -- is discussed at Section 5.

3. Announcement Requirements. FCC rules require that sponsorship identification announcements: (1) state that the program or other material broadcast has been "paid for" or "sponsored" either in whole or in part (whichever applies), and (2) identify the sponsor(s).

Sponsorship identification announcements must be recognizable and understandable to a majority of the listening audience. Sponsorship identification announcements aired by VTSG stations must use the words "paid for" or "sponsored by."

Under FCC rules, sponsors must be identified at either the beginning or the end of a program or announcement, with one exception. The exception applies when an individual or entity furnishes material or services for programming lasting more than five minutes that is political or involves a controversial issue. In those instances, announcements must be made **twice**: at the beginning of the program **and** at the end of the portion of the broadcast in which the materials or services were used. If a political broadcast is five minutes or less in length, only a single announcement is required, and can be made at the beginning or end of the broadcast. It is VTSG policy that infomercials lasting more than five minutes also must carry sponsorship identification both at the beginning and at the end of the program.

All sponsorship identification announcements broadcast by VTSG stations must identify by name the party actually purchasing air time or furnishing broadcast matter, services or material. It is not sufficient to state simply that the announcement was paid for or sponsored by the "distributor" or "producer"; the particular sponsoring person or entity must be named in the announcement. However, identification announcements need not disclose the names of parties who act purely as agents for the party actually providing the consideration, such as advertising agencies. For example, if an agency pays a station to carry a program, but the ultimate source of the funds is an advertiser, the announcement need only identify the advertiser as the sponsor.

The FCC's regulations require licensees to exercise "reasonable diligence" to identify the sponsor of an advertisement or program. Generally, it is sufficient to inquire whether a person or entity is acting in its own behalf or as an agent for a third party. A station is not required to investigate further unless it has a reasonable basis to question the facts asserted. If further investigation is required, VTSG stations should use their best efforts to determine which party is actually providing the funds and exercising editorial control over the content of the advertisement. If the investigation does not provide information necessary to resolve the issue to station management's satisfaction, appropriate CBS counsel should be contacted.

4. Special Concerns for Broadcasts Involving Political Matter or Controversial Issues. Special sponsorship identification requirements are applicable to political advertising, and to news and public affairs programming that focuses on political campaigns or controversial issues.

When advertisements promoting a political candidate or issue are aired, explicit sponsorship identification is always required. The announcement must state that the program

was “paid for” or “sponsored by” and must fully identify the parties paying for broadcast of the advertisement. Moreover, the sponsor identification in an advertisement concerning a legally qualified candidate for public office must remain on the screen for at least four seconds and be equal in size to four percent of the vertical picture height. Because compliance with the sponsorship identification rules is the station’s responsibility, it must ensure that sponsorship information is provided either within the advertisement or as a separate announcement accompanying it.

Unlike other advertisements, mere mention of the name of the sponsoring organization in a political advertisement, without a statement that the broadcast was “sponsored” or “paid for” is **never** sufficient identification under FCC rules. Furthermore, when the sponsoring party is a committee or group, the announcement must make clear that it is a legal entity, not merely an informal group of individuals.

When a corporation or other organization pays for or furnishes material for broadcast involving a political campaign or a controversial issue, the station must request a list of the officers, executive committee members or directors of the relevant organization. This list must be maintained in the station’s public inspection file for a period of two years.

Videotapes, production assistance, or other materials or services in connection with broadcasts involving political matters or controversial issues of public importance may sometimes be furnished by third parties free of charge. In these instances, an announcement must be made when the source of materials or services has an interest in securing the broadcast of particular facts, images or opinions that become part of a program. This means that if and when a station uses material from video news releases – whether provided by governmental, commercial or other entities – the station must clearly disclose on the air the origin of the information and identify all material provided by outside sources. Announcements acknowledging acceptance of materials or services must be made even when the program in which they are used is a bona fide newscast, except when the material is printed matter, such as a press release or the advance text of a speech.

5. Pavola and Plugola. A station may violate the sponsorship identification rules if an employee or a producer engages in “payola” or “plugola.” The FCC requires stations, networks and program producers to exercise “reasonable diligence” to prevent these practices.

“Payola” occurs when a station fails to announce the receipt of something valuable in return for the inclusion of material in a broadcast. This is also known as a Section 317 violation. A classic example of payola is a payment by record promoters to a station or station employee in return for airplay of certain artists or recordings. A more recent example is the on-air promotion by purportedly independent “consumer product experts” of products which they have been paid to promote by the manufacturer. Payola is a criminal offense, punishable by a fine of up to \$10,000 and/or imprisonment for up to one year.

“Plugola” describes a situation in which a station fails to identify an outside business interest of a station employee or program producer in the broadcast of particular materials -- e.g., the promotion of a restaurant in cross-talk between anchors when one of them has an undisclosed economic interest in the restaurant. The principal difference between payola and plugola is that payola involves a direct benefit to the station licensee or its employee in the

form of a payment or favor, while plugola produces an indirect benefit in the form of business or other financial promotion.

Federal law requires employees, producers, and others in a position to influence program content to report to the station any payments or other inducements received in return for airing broadcast matter, in order to facilitate the station's ability to comply with the sponsorship identification requirements. A failure to disclose such payments is itself a violation of law which carries potential criminal penalties. This is also known as a Section 507 violation. In the consumer product example above, these requirements mean that on-air experts must disclose to the station that they have been paid to promote a product, and the station must then disclose the payment on-air. The broadcast cannot simply rely on the expert to volunteer the information, but must exercise "reasonable diligence" to find out whether the expert is receiving any consideration for the product mention.

To ensure that all VTSG stations fully comply with payola and plugola prohibitions, station management is required to provide all employees involved with program selection or production with this Reminder.

Messinger, Martin P

From: Messinger, Martin P
Sent: Wednesday, June 15, 2005 3:57 PM
To: Ahern, Joseph J; Cohen, Bruno; Colleran, Michael; Corsini, Don; Danna, Linda M; DeHaven, Walt F; DeTillio, Frank S; Dunn, Peter; Kennedy, Brien; Kidder, R Perry; LaVigne, Meg M; Leone, Lew; Longinotti, Ron; Maples, Bill; Marengi, Julio; Mauldin, Steve; McDonald, Shaun A; Newman, Jay; Phillips, Dave (KUTV- Gen. Mgr.); Piette, Ed; Pike, Christopher; Reed, Mike G; Shreeve, Anna; Soldinger, Steven; Wordlaw, Gary C; Burrell, Michael J; Erkenbrack, Jon S; Fabacher, Trey; Fein, Robert; Kucharski, Angela; McClenahan, Patrick; Michell, Michael; Poitras, Steven S; Preston, Fran W; Schneider, Gary W; Baader, Brent G; Bauer, Nancy; Bending, Gail; Doctor, Dianne; Doerr, Tom; Ellis, Matthew D; Fowler, Carol; Gardner, Tim G; High, Shannon; Hitter, Lee; Kiernan, Jeff A; Lemon, James; Rosenheim, Dan; Schiller, Susan M - KYW; Verrilli, John; Wieland, Tim; Aaron, Matthew D; Ackerman, Dan; Barber, Pam; Bergeron, Pam A; Bourassa, Tom; Braun, John J; Canedo, Tom P; Caruso, Laura L; Clack, Alan; Cotugno, Chris; Crawford, Kent; Cury, Thomas B; DeTillio, Thad J; Dorsey, Kevin; Dunn, Charlie D; Horowitz, Jaime N; Jackson, J.R.; Kinkead, Andrew J; Levy, Adam; Lowe, Jay C; Morris, David; O'Hickey, Julia; Rangel, Marilyn R; Rodrigues, Daniel C; Smedley, Paul C; Steckler, John; Stern, Jeff M; Stewart, Jackie M; Stoltzman, Andrea B; Wynyard, Helyn K; Bolton, Jamie; Burley, Barbara L; Carwile, Lance B; Casciato, Perry J; Craig, Ryan; Davis, Rich C; Dowd-Wood, Michelle; Foote, Ken; Gazitano, Rita S; Goldberg, Joel D (WCBS-TV); Holmes, Wendy; Hunt, Virginia M; Karas, Mike; Kinberg, Lee B; Letize, Tracy S; Naar, Walter I; Prange, Paul A; Preston, Fran W; Randles, Eric L; Socha, Jeanine; Spitz, Tom R; Timpa, Jeff D; Vinson, Gary A; Williams, Amber; Ballantyne, Todd; Bertling, Donna; Bouchard, Victoria E; Burley, Barbara L; Claude, Kyle D; Cushing, Ed J; Davis, Rich C; Gee, Scott; Genolio, Rob; Gerst, Mike; Greene, John R; Hansen, Peter; Hershey, David; Hill, Brian M; Hinkle, Leanne M; Hites, Marshall; Lawrence, Kenny W; Loncaric, Dave E; Malseed, Robert W; McMahon, Wendy A; Miller, Steve - WCBS-TV; Paluso, Judy A; Teater, Stan R; Wiener, Larry C; Zegers, Monica M

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Subject: RE: Updated Sponsorship ID Reminder

Further to the Law Department's "Updated Sponsorship ID Reminder", which was distributed by Nick Poser on June 8 (see below), here is the link to the FCC's new payola fact sheet. A "Broadcasting & Cable" article on the subject is also below.

<http://www.fcc.gov/cgb/consumerfacts/PayolaRules.html>

FCC Issues Payola Fact Sheet

By John Eggerton -- *Broadcasting & Cable*, 6/15/2005 10:42:00 AM

The FCC Wednesday issued a "fact sheet" on payola that will be available on its Web site.

Commissioner Jonathan Adelstein was a driving force behind the sheet, which will be sent to subscribers to the FCC's daily new releases as well as available on the Web site.

Adelstein has made prominent disclosure of all paid programming a centerpiece of his new term, speaking out at

various venues against everything from undisclosed VNRs to insufficiently identified product placements. He has also asked viewers to keep an eye out for plugs that aren't disclosed, complain, and send him a copy of the complaint.

Media activist group Free Press planned Wednesday to take Adelstein up on the offer, filing a complaint about what it said were various pay-for-play incidents and asking the FCC to widen its investigation into the Armstrong Williams PR contract to promote DOE policy to other payola-related issues.

The new fact sheet is essentially a primer on what broadcasters should and shouldn't be doing and how viewers can complain.

Earlier this year, the FCC also created a Web form it said was intended to make it easier to lodge indecency complaints.

The payola fact sheet follows:

- When a broadcast licensee has received or been promised payment for the airing of program material, then, at the time of the airing, the station must disclose that fact and identify who paid for or promised to pay for the material. All sponsored material must be explicitly identified at the time of broadcast as paid for and by whom, except when it is clear that the mention of a product or service constitutes sponsorship identification.
- Any broadcast station employee who has accepted or agreed to accept payment for the airing of program material, or the person making or promising to make the payment, must disclose this information to the station prior to the airing of the program.
- Any person involved in the production or preparation of a program who receives or agrees to receive payment for the airing of program material must disclose this information. Broadcast licensees must make reasonable efforts to obtain from their employees and others they deal with for program material the information necessary to make the required sponsorship identification announcements.
- The information must be provided up the chain of production and distribution before the time of broadcast, so the station can air the required disclosure.
- These rules apply to all kinds of program material aired over radio and television stations. Some may also apply to cablecasts.

What You Can Do if You Think the Rules Have Been Violated

The FCC acknowledges that broadcasters play a critical role in providing information to the communities and audiences they serve.

If you suspect a broadcaster has violated the FCC's rules, you can file a complaint with the FCC. To assist the FCC in its review, the complaint should include the following:

- Details of the content of the broadcast;
- The date and time of the broadcast;
- Why you believe that payment or other consideration was provided, requiring the airing of a sponsorship identification announcement;
- The call sign of the broadcast station involved;
- The fact that no sponsorship identification was aired; and

- Any documents that you believe establish any of the foregoing.

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Sent: Wednesday, June 08, 2005 12:57 PM
To: Ahern, Joseph J; Cohen, Bruno; Colleran, Michael; Corsini, Don; Danna, Linda M; DeHaven, Walt F; DeTillio, Frank S; Dunn, Peter; Kennedy, Brien; Kidder, R Perry; LaVigne, Meg M; Leone, Lew; Longinotti, Ron; Maples, Bill; Marengi, Julio; Mauldin, Steve; McDonald, Shaun A; Newman, Jay; Phillips, Dave (KUTV- Gen. Mgr.); Piette, Ed; Pike, Christopher; Reed, Mike G; Shreeve, Anna; Soldingier, Steven; Wordlaw, Gary C; Burrell, Michael J; Erkenbrack, Jon S; Fabacher, Trey; Fein, Robert; Kucharski, Angie; McClenahan, Patrick; Michell, Michael; Poitras, Steven S; Preston, Fran W; Schneider, Gary W; Baader, Brent G; Bauer, Nancy; Bending, Gail; Doctor, Dianne; Doerr, Tom; Ellis, Matthew D; Fowler, Carol; Gardner, Tim G; High, Shannon; Hitter, Lee; Kiernan, Jeff A; Lemon, James; Rosenheim, Dan; Schiller, Susan M - KYW; Verrilli, John; Wieland, Tim; Aaron, Matthew D; Ackerman, Dan; Barber, Pam; Bergeron, Pam A; Bourassa, Tom; Braun, John J; Canedo, Tom P; Caruso, Laura L; Clack, Alan; Cotugno, Chris; Crawford, Kent; Cury, Thomas B; DeTillio, Thad J; Dorsey, Kevin; Dunn, Charlie D; Horowitz, Jaime N; Jackson, J.R.; Kinkead, Andrew J; Levy, Adam; Lowe, Jay C; Morris, David; O'Hickey, Julia; Rangel, Marilyn R; Rodrigues, Daniel C; Smedley, Paul C; Steckler, John; Stern, Jeff M; Stewart, Jackie M; Stoltzman, Andrea B; Wynyard, Helyn K; Bolton, Jamie; Burley, Barbara L; Carwile, Lance B; Casciato, Perry J; Craig, Ryan; Davis, Rich C; Dowd-Wood, Michelle; Foote, Ken; Gazitano, Rita S; Goldberg, Joel D (WCBS-TV); Holmes, Wendy; Hunt, Virginia M; Karas, Mike; Kinberg, Lee B; Letize, Tracy S; Naar, Walter I; Prange, Paul A; Preston, Fran W; Randles, Eric L; Socha, Jeanine; Spitz, Tom R; Timpa, Jeff D; Vinson, Gary A; Williams, Amber; Ballantyne, Todd; Bertling, Donna; Bouchard, Victoria E; Burley, Barbara L; Claude, Kyle D; Cushing, Ed J; Davis, Rich C; Gee, Scott; Genolio, Rob; Gerst, Mike; Greene, John R; Hansen, Peter; Hershey, David; Hill, Brian M; Hinkle, Leanne M; Hites, Marshall; Lawrence, Kenny W; Loncaric, Dave E; Malseed, Robert W; McMahon, Wendy A; Miller, Steve - WCBS-TV; Paluso, Judy A; Teater, Stan R; Wiener, Larry C; Zegers, Monica M
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In light of this increased scrutiny, Law has updated the "Sponsorship ID Reminder" we last circulated in late 2003 to include guidance on VNRs and the use of outside experts. Please review the attached updated summary with ALL station personnel involved in program selection or production, and insure that your stations continue to be in strict compliance with Viacom Television Stations Group and FCC policies.

Of course, if you have any questions, please do not hesitate to call the undersigned, or your station lawyer.

Nick Poser, Marty Messinger and Howard Jaeckel

<< File: CBS_NY-#57272-v1-Payola_memo_2005.DOC >>

Messinger, Martin P

From: Barbieri, Lisa
Sent: Friday, June 17, 2005 8:55 AM
To: Messinger, Martin P; Ahern, Joseph J; Cohen, Bruno; Colleran, Michael; Corsini, Don; Danna, Linda M; DeHaven, Walt F; DeTillio, Frank S; Dunn, Peter; Kennedy, Brien; Kidder, R Perry; LaVigne, Meg M; Leone, Lew; Longinotti, Ron; Maples, Bill; Marengi, Julio; Mauldin, Steve; McDonald, Shaun A; Newman, Jay; Phillips, Dave (KUTV- Gen. Mgr.); Piette, Ed; Pike, Christopher; Reed, Mike G; Shreeve, Anna; Soldinger, Steven; Wordlaw, Gary C; Burrell, Michael J; Erkenbrack, Jon S; Fabacher, Trey; Fein, Robert; Kucharski, Angela; McClenahan, Patrick; Michell, Michael; Poitras, Steven S; Preston, Fran W; Schneider, Gary W; Baader, Brent G; Bauer, Nancy; Bending, Gail; Doctor, Dianne; Doerr, Tom; Ellis, Matthew D; Fowler, Carol; Gardner, Tim G; High, Shannon; Hitter, Lee; Kiernan, Jeff A; Lemon, James; Rosenheim, Dan; Schiller, Susan M - KYW; Verrilli, John; Wieland, Tim; Aaron, Matthew D; Ackerman, Dan; Barber, Pam; Bergeron, Pam A; Bourassa, Tom; Braun, John J; Canedo, Tom P; Caruso, Laura L; Clack, Alan; Cotugno, Chris; Crawford, Kent; Cury, Thomas B; DeTillio, Thad J; Dorsey, Kevin; Dunn, Charlie D; Horowitz, Jaime N; Jackson, J.R.; Kinkead, Andrew J; Levy, Adam; Lowe, Jay C; Morris, David; O'Hickey, Julia; Rangel, Marilyn R; Rodrigues, Daniel C; Smedley, Paul C; Steckler, John; Stern, Jeff M; Stewart, Jackie M; Stoltzman, Andrea B; Wynyard, Helyn K; Bolton, Jamie; Burley, Barbara L; Carwile, Lance B; Casciato, Perry J; Craig, Ryan; Davis, Rich C; Dowd-Wood, Michelle; Foote, Ken; Gazitano, Rita S; Goldberg, Joel D (WCBS-TV); Holmes, Wendy; Hunt, Virginia M; Karas, Mike; Kinberg, Lee B; Letize, Tracy S; Naar, Walter I; Prange, Paul A; Preston, Fran W; Randles, Eric L; Socha, Jeanine; Spitz, Tom R; Timpa, Jeff D; Vinson, Gary A; Williams, Amber; Ballantyne, Todd; Bertling, Donna; Bouchard, Victoria E; Burley, Barbara L; Claude, Kyle D; Cushing, Ed J; Davis, Rich C; Gee, Scott; Genolio, Rob; Gerst, Mike; Greene, John R; Hansen, Peter; Hershey, David; Hill, Brian M; Hinkle, Leanne M; Hites, Marshall; Lawrence, Kenny W; Loncaric, Dave E; Malseed, Robert W; McMahan, Wendy A; Miller, Steve - WCBS-TV; Paluso, Judy A; Teater, Stan R; Wiener, Larry C; Zegers, Monica M
Cc: Reynolds, Fred G; Swanson, Dennis; Guitano, Anton W; Remiszewski, Thomas; Cooper, Mark E; Kane, Tom; Dunn, Peter; Franks, Martin D; Lucey, Anne; Anschell, Jonathan; Jaeckel, Howard J; Siegel, Andrew J; Jones, Beth (TVC); Altabef, Richard H; Sternberg, Jonathan I; Bonelli, Joan; Sack, David R; Poser, Nicholas E; Lerman, Steven A
Subject: SENT ON BEHALF OF FRED REYNOLDS: RE: Updated Sponsorship ID Reminder

I thank the Law Department for their diligence in keeping the VTSG current and reminding us of our sponsorship ID obligations, particularly in the contexts of the use of VNRs and the use of outside "experts" who may receive payment or other consideration for plugging or mentioning specific products.

Please carefully review all of the materials the Law Department has provided with all station personnel involved in program selection or production. I want to underscore my absolute expectation that your stations continue to be in strict compliance with VTSG policies and FCC rules.

Thank you.....Fred

-----Original Message-----

From: Messinger, Martin P
Sent: Wednesday, June 15, 2005 3:57 PM
To: Ahern, Joseph J; Cohen, Bruno; Colleran, Michael; Corsini, Don; Danna, Linda M; DeHaven, Walt F; DeTillio, Frank S; Dunn, Peter; Kennedy, Brien; Kidder, R Perry; LaVigne, Meg M; Leone, Lew; Longinotti, Ron; Maples, Bill; Marengi, Julio; Mauldin, Steve; McDonald, Shaun A; Newman, Jay; Phillips, Dave (KUTV- Gen. Mgr.); Piette, Ed; Pike, Christopher; Reed, Mike G; Shreeve, Anna; Soldinger, Steven; Wordlaw, Gary C; Burrell, Michael J; Erkenbrack, Jon S; Fabacher, Trey; Fein, Robert; Kucharski, Angela; McClenahan, Patrick; Michell, Michael; Poitras, Steven S; Preston, Fran W; Schneider, Gary W; Baader, Brent G; Bauer, Nancy; Bending, Gail; Doctor, Dianne; Doerr, Tom; Ellis, Matthew D; Fowler, Carol; Gardner, Tim G; High, Shannon; Hitter, Lee; Kiernan, Jeff A; Lemon, James; Rosenheim, Dan; Schiller, Susan M - KYW; Verrilli, John; Wieland, Tim; Aaron, Matthew D; Ackerman, Dan; Barber, Pam; Bergeron, Pam A; Bourassa, Tom; Braun, John J; Canedo, Tom P; Caruso, Laura L; Clack, Alan; Cotugno, Chris; Crawford, Kent; Cury, Thomas B; DeTillio, Thad J; Dorsey, Kevin; Dunn, Charlie D;

Horowitz, Jaime N; Jackson, J.R.; Kinkead, Andrew J; Levy, Adam; Lowe, Jay C; Morris, David; O'Hickey, Julia; Rangel, Marilyn R; Rodrigues, Daniel C; Smedley, Paul C; Steckler, John; Stern, Jeff M; Stewart, Jackie M; Stoltzman, Andrea B; Wynyard, Helyn K; Bolton, Jamie; Burley, Barbara L; Carwile, Lance B; Casciato, Perry J; Craig, Ryan; Davis, Rich C; Dowd-Wood, Michelle; Foote, Ken; Gazitano, Rita S; Goldberg, Joel D (WCBS-TV); Holmes, Wendy; Hunt, Virginia M; Karas, Mike; Kinberg, Lee B; Letize, Tracy S; Naar, Walter I; Prange, Paul A; Preston, Fran W; Randles, Eric L; Socha, Jeanine; Spitz, Tom R; Timpa, Jeff D; Vinson, Gary A; Williams, Amber; Ballantyne, Todd; Bertling, Donna; Bouchard, Victoria E; Burley, Barbara L; Claude, Kyle D; Cushing, Ed J; Davis, Rich C; Gee, Scott; Genolio, Rob; Gerst, Mike; Greene, John R; Hansen, Peter; Hershey, David; Hill, Brian M; Hinkle, Leanne M; Hites, Marshall; Lawrence, Kenny W; Loncaric, Dave E; Malseed, Robert W; McMahon, Wendy A; Miller, Steve - WCBS-TV; Paluso, Judy A; Teater, Stan R; Wiener, Larry C; Zegers, Monica M

Cc: Reynolds, Fred G; Swanson, Dennis; Guitano, Anton W; Remiszewski, Thomas; Cooper, Mark E; Kane, Tom; Dunn, Peter; Franks, Martin D; Lucey, Anne; Anschell, Jonathan; Jaekel, Howard F; Siegel, Andrew J; Jones, Beth (TVC); Altabef, Richard H; Sternberg, Jonathan I; Bonelli, Joan; Sack, David R; Poser, Nicholas E; Lerman, Steven A

Subject: RE: Updated Sponsorship ID Reminder

Further to the Law Department's "Updated Sponsorship ID Reminder", which was distributed by Nick Poser on June 8 (see below), here is the link to the FCC's new payola fact sheet. A "Broadcasting & Cable" article on the subject is also below.

<http://www.fcc.gov/cgb/consumerfacts/PayolaRules.html>

FCC Issues Payola Fact Sheet

By John Eggerton -- *Broadcasting & Cable*, 6/15/2005 10:42:00 AM

The FCC Wednesday issued a "fact sheet" on payola that will be available on its Web site. Commissioner Jonathan Adelstein was a driving force behind the sheet, which will be sent to subscribers to the FCC's daily new releases as well as available on the Web site.

Adelstein has made prominent disclosure of all paid programming a centerpiece of his new term, speaking out at various venues against everything from undisclosed VNRs to insufficiently identified product placements. He has also asked viewers to keep an eye out for plugs that aren't disclosed, complain, and send him a copy of the complaint.

Media activist group Free Press planned Wednesday to take Adelstein up on the offer, filing a complaint about what it said were various pay-for-play incidents and asking the FCC to widen its investigation into the Armstrong Williams PR contract to promote DOE policy to other payola-related issues.

The new fact sheet is essentially a primer on what broadcasters should and shouldn't be doing and how viewers can complain.

Earlier this year, the FCC also created a Web form it said was intended to make it easier to lodge indecency complaints.

The payola fact sheet follows:

- When a broadcast licensee has received or been promised payment for the airing of program material, then, at the time of the airing, the station must disclose that fact and identify who paid for or promised to pay for the material. All sponsored material must be explicitly identified at the time of broadcast as paid for and by whom, except when it is clear that the mention of a product or service constitutes sponsorship identification.
- Any broadcast station employee who has accepted or agreed to accept payment for the airing of program material, or the person making or promising to make the payment, must disclose this information to the station prior to the airing of the program.

- Any person involved in the production or preparation of a program who receives or agrees to receive payment for the airing of program material must disclose this information. Broadcast licensees must make reasonable efforts to obtain from their employees and others they deal with for program material the information necessary to make the required sponsorship identification announcements.
- The information must be provided up the chain of production and distribution before the time of broadcast, so the station can air the required disclosure.
- These rules apply to all kinds of program material aired over radio and television stations. Some may also apply to cablecasts.

What You Can Do if You Think the Rules Have Been Violated

The FCC acknowledges that broadcasters play a critical role in providing information to the communities and audiences they serve.

If you suspect a broadcaster has violated the FCC's rules, you can file a complaint with the FCC. To assist the FCC in its review, the complaint should include the following:

- Details of the content of the broadcast;
- The date and time of the broadcast;
- Why you believe that payment or other consideration was provided, requiring the airing of a sponsorship identification announcement;
- The call sign of the broadcast station involved;
- The fact that no sponsorship identification was aired; and
- Any documents that you believe establish any of the foregoing.

From: Poser, Nicholas E
Sent: Wednesday, June 08, 2005 12:57 PM
To: Ahern, Joseph J; Cohen, Bruno; Colleran, Michael; Corsini, Don; Danna, Linda M; DeHaven, Walt F; DeTillio, Frank S; Dunn, Peter; Kennedy, Brien; Kidder, R Perry; LaVigne, Meg M; Leone, Lew; Longinotti, Ron; Maples, Bill; Marengi, Julio; Mauldin, Steve; McDonald, Shaun A; Newman, Jay; Phillips, Dave (KUTV- Gen. Mgr.); Piette, Ed; Pike, Christopher; Reed, Mike G; Shreeve, Anna; Solding, Steven; Wordlaw, Gary C; Burrell, Michael J; Erkenbrack, Jon S; Fabacher, Trey; Fein, Robert; Kucharski, Angie; McClenahan, Patrick; Michell, Michael; Poitras, Steven S; Preston, Fran W; Schneider, Gary W; Baader, Brent G; Bauer, Nancy; Bending, Gail; Doctor, Dianne; Doerr, Tom; Ellis, Matthew D; Fowler, Carol; Gardner, Tim G; High, Shannon; Hitter, Lee; Kiernan, Jeff A; Lemon, James; Rosenheim, Dan; Schiller, Susan M - KYW; Verrilli, John; Wieland, Tim; Aaron, Matthew D; Ackerman, Dan; Barber, Pam; Bergeron, Pam A; Bourassa, Tom; Braun, John J; Canedo, Tom P; Caruso, Laura L; Clack, Alan; Cotugno, Chris; Crawford, Kent; Cury, Thomas B; DeTillio, Thad J; Dorsey, Kevin; Dunn, Charlie D; Horowitz, Jaime N; Jackson, J.R.; Kinkead, Andrew J; Levy, Adam; Lowe, Jay C; Morris, David; O'Hickey, Julia; Rangel, Marilyn R; Rodrigues, Daniel C; Smedley, Paul C; Steckler, John; Stern, Jeff M; Stewart, Jackie M; Stoltzman, Andrea B; Wynyard, Helyn K; Bolton, Jamie; Burley, Barbara L; Carwile, Lance B; Casciato, Perry J; Craig, Ryan; Davis, Rich C; Dowd-Wood, Michelle; Foote, Ken; Gazitano, Rita S; Goldberg, Joel D (WCBS-TV); Holmes, Wendy; Hunt, Virginia M; Karas, Mike; Kinberg, Lee B; Letize, Tracy S; Naar, Walter I; Prange, Paul A; Preston, Fran W; Randles, Eric L; Socha, Jeanine; Spitz, Tom R; Timpa, Jeff D; Vinson, Gary A; Williams, Amber; Ballantyne, Todd; Bertling, Donna; Bouchard, Victoria E; Burley, Barbara L; Claude, Kyle D; Cushing, Ed J; Davis, Rich C; Gee, Scott; Genolio, Rob; Gerst, Mike; Greene, John R; Hansen, Peter; Hershey, David; Hill, Brian M; Hinkle, Leanne M; Hites, Marshall; Lawrence, Kenny W; Loncaric, Dave E; Malseed, Robert W; McMahon, Wendy A; Miller, Steve - WCBS-TV; Paluso, Judy A; Teater, Stan R; Wiener, Larry C; Zegers, Monica M
Cc: Reynolds, Fred G; Swanson, Dennis; Messinger, Martin P; Guitano, Anton W; Remiszewski, Thomas; Cooper, Mark E; Kane, Tom; Dunn, Peter; Franks, Martin D; Lucey, Anne; Anschell, Jonathan; Jaekel, Howard F; Siegel, Andrew J; Jones, Beth (TVC); Altabef, Richard H; Sternberg, Jonathan I; Bonelli, Joan; Sack, David R
Subject: Updated Sponsorship ID Reminder

As previously noted in e-mails from Marty Messinger and Dianne Doctor, the issue of sponsorship identification has received significant attention at the FCC recently. In April, the Commission released a public notice reminding

broadcasters of their sponsorship ID obligations with respect to video news releases, and in a recent speech, Commissioner Adelstein made clear that the Commission will be scrutinizing whether proper identification has been given, particularly in the contexts of the use of VNRs and the use of outside "experts" who may receive payment or other consideration for plugging or mentioning specific products.

In light of this increased scrutiny, Law has updated the "Sponsorship ID Reminder" we last circulated in late 2003 to include guidance on VNRs and the use of outside experts. Please review the attached updated summary with ALL station personnel involved in program selection or production, and insure that your stations continue to be in strict compliance with Viacom Television Stations Group and FCC policies.

Of course, if you have any questions, please do not hesitate to call the undersigned, or your station lawyer.

Nick Poser, Marty Messinger and Howard Jaeckel

<< File: CBS_NY-#57272-v1-Payola_memo_2005.DOC >>

Messinger, Martin P

From: Remiszewski, Thomas
Sent: Friday, June 17, 2005 4:32 PM
To: Ahern, Joseph J; Cohen, Bruno; Colleran, Michael; Corsini, Don; Danna, Linda M; DeHaven, Walt F; DeTillio, Frank S; Dunn, Peter; Kennedy, Brien; Kidder, R Perry; LaVigne, Meg M; Leone, Lew; Longinotti, Ron; Maples, Bill; Marengi, Julio; Mauldin, Steve; McDonald, Shaun A; Newman, Jay; Phillips, Dave (KUTV- Gen. Mgr.); Piette, Ed; Pike, Christopher; Reed, Mike G; Shreeve, Anna; Solding, Steven; Wordlaw, Gary C; Burrell, Michael J; Erkenbrack, Jon S; Fabacher, Trey; Fein, Robert; Kucharski, Angela; McClenahan, Patrick; Michell, Michael; Poitras, Steven S; Preston, Fran W; Schneider, Gary W; Baader, Brent G; Bauer, Nancy; Bending, Gail; Doctor, Dianne; Doerr, Tom; Ellis, Matthew D; Fowler, Carol; Gardner, Tim G; High, Shannon; Hitter, Lee; Kiernan, Jeff A; Lemon, James; Rosenheim, Dan; Schiller, Susan M - KYW; Verrilli, John; Wieland, Tim; Aaron, Matthew D; Ackerman, Dan; Barber, Pam; Bergeron, Pam A; Bourassa, Tom; Braun, John J; Canedo, Tom P; Caruso, Laura L; Clack, Alan; Cotugno, Chris; Crawford, Kent; Cury, Thomas B; DeTillio, Thad J; Dorsey, Kevin; Dunn, Charlie D; Horowitz, Jaime N; Jackson, J.R.; Kinkead, Andrew J; Levy, Adam; Lowe, Jay C; Morris, David; O'Hickey, Julia; Rangel, Marilyn R; Rodrigues, Daniel C; Smedley, Paul C; Steckler, John; Stern, Jeff M; Stewart, Jackie M; Stoltzman, Andrea B; Wynyard, Helyn K; Bolton, Jamie; Burley, Barbara L; Carwile, Lance B; Casciato, Perry J; Craig, Ryan; Davis, Rich C; Dowd-Wood, Michelle; Foote, Ken; Gazitano, Rita S; Goldberg, Joel D (WCBS-TV); Holmes, Wendy; Hunt, Virginia M; Karas, Mike; Kinberg, Lee B; Letize, Tracy S; Naar, Walter I; Prange, Paul A; Preston, Fran W; Randles, Eric L; Socha, Jeanine; Spitz, Tom R; Timpa, Jeff D; Vinson, Gary A; Williams, Amber; Ballantyne, Todd; Bertling, Donna; Bouchard, Victoria E; Burley, Barbara L; Claude, Kyle D; Cushing, Ed J; Davis, Rich C; Gee, Scott; Genolio, Rob; Gerst, Mike; Greene, John R; Hansen, Peter; Hershey, David; Hill, Brian M; Hinkle, Leanne M; Hites, Marshall; Lawrence, Kenny W; Loncaric, Dave E; Malseed, Robert W; McMahon, Wendy A; Miller, Steve - WCBS-TV; Paluso, Judy A; Teater, Stan R; Wiener, Larry C; Zegers, Monica M

Cc: Reynolds, Fred G; Swanson, Dennis; Guitano, Anton W; Cooper, Mark E; Kane, Tom; Dunn, Peter; Franks, Martin D; Messinger, Martin P; Lucey, Anne; Anshell, Jonathan; Jaeckel, Howard F; Siegel, Andrew J; Jones, Beth (TVC); Altabef, Richard H; Sternberg, Jonathan I; Bonelli, Joan; Sack, David R; Poser, Nicholas E; Lerman, Steven A

Subject: RE: Updated Sponsorship ID Reminder

I would also like to highlight the use of "product placement" and enhancements given in programming whether produced by the station or not. Most national distributors take care of this properly. However you should give particular care to programs coming from small outside producers. Local shows or specials should receive the **utmost** attention as some station producers and sales people may not be aware of the "rules".

Thanks,
Tom

-----Original Message-----

From: Barbieri, Lisa
Sent: Friday, June 17, 2005 8:55 AM
To: Messinger, Martin P; Ahern, Joseph J; Cohen, Bruno; Colleran, Michael; Corsini, Don; Danna, Linda M; DeHaven, Walt F; DeTillio, Frank S; Dunn, Peter; Kennedy, Brien; Kidder, R Perry; LaVigne, Meg M; Leone, Lew; Longinotti, Ron; Maples, Bill; Marengi, Julio; Mauldin, Steve; McDonald, Shaun A; Newman, Jay; Phillips, Dave (KUTV- Gen. Mgr.); Piette, Ed; Pike, Christopher; Reed, Mike G; Shreeve, Anna; Solding, Steven; Wordlaw, Gary C; Burrell, Michael J; Erkenbrack, Jon S; Fabacher, Trey; Fein, Robert; Kucharski, Angela; McClenahan, Patrick; Michell, Michael; Poitras, Steven S; Preston, Fran W; Schneider, Gary W; Baader, Brent G; Bauer, Nancy; Bending, Gail; Doctor, Dianne; Doerr, Tom; Ellis, Matthew D; Fowler, Carol; Gardner, Tim G; High, Shannon; Hitter, Lee; Kiernan, Jeff A; Lemon, James; Rosenheim, Dan; Schiller, Susan M - KYW; Verrilli, John; Wieland, Tim; Aaron, Matthew D; Ackerman, Dan; Barber, Pam; Bergeron, Pam A; Bourassa, Tom; Braun, John J; Canedo, Tom P; Caruso, Laura L; Clack, Alan; Cotugno, Chris; Crawford, Kent; Cury, Thomas B; DeTillio, Thad J; Dorsey, Kevin; Dunn, Charlie D; Horowitz, Jaime N; Jackson, J.R.; Kinkead, Andrew J; Levy, Adam; Lowe, Jay C; Morris, David; O'Hickey, Julia; Rangel, Marilyn R; Rodrigues, Daniel C; Smedley, Paul C; Steckler, John; Stern, Jeff M; Stewart, Jackie M; Stoltzman, Andrea B; Wynyard, Helyn K; Bolton, Jamie; Burley, Barbara L; Carwile, Lance B; Casciato, Perry J; Craig, Ryan; Davis, Rich C; Dowd-Wood, Michelle; Foote, Ken; Gazitano, Rita S; Goldberg, Joel D (WCBS-TV); Holmes, Wendy; Hunt, Virginia M; Karas, Mike; Kinberg, Lee B; Letize, Tracy S; Naar, Walter I; Prange, Paul A; Preston, Fran W; Randles, Eric L; Socha, Jeanine; Spitz, Tom R; Timpa, Jeff D; Vinson, Gary A; Williams, Amber; Ballantyne, Todd; Bertling, Donna; Bouchard, Victoria E; Burley, Barbara L; Claude, Kyle D; Cushing, Ed J; Davis, Rich C; Gee, Scott; Genolio, Rob; Gerst, Mike; Greene, John R; Hansen, Peter; Hershey, David; Hill, Brian M; Hinkle, Leanne M; Hites, Marshall; Lawrence, Kenny W; Loncaric, Dave

Messinger, Martin P

From: Messinger, Martin P
Sent: Wednesday, June 22, 2005 9:09 AM
To: Leone, Lew; Doctor, Dianne; Clack, Alan; Corsini, Don; Kogel, Elisa M; McClenahan, Patrick; Bauer, Nancy; Stoltzman, Andrea B; Rangel, Marilyn R; Kincaid, Mike; Ahern, Joseph J; Preston, Fran W; Fowler, Carol; Sullivan, Jim; Colleran, Michael; Fein, Robert; Schiller, Susan M - KYW; Dunn, Charlie D; Braun, John J; Longinotti, Ron; Poitras, Steven S; Rosenheim, Dan; Rodrigues, Daniel C; Ackerman, Dan; Magyar, Robin L; Marengi, Julio; Kucharski, Angela; Ellis, Matthew D; Kinkead, Andrew J; Turner, Al N; Wynyard, Helyn K; Mauldin, Steve; Schneider, Gary W; Doerr, Tom; Levy, Adam; O'Hickey, Julia; LaVigne, Meg M; Canedo, Tom P; Danna, Linda M; Michell, Michael; McDonald, Shaun A; Horowitz, Jaime N; Shreeve, Anna; Steckler, John; Piette, Ed; Fabacher, Trey; Kiernan, Jeff A; Bourassa, Tom; DeTillio, Frank S; Caruso, Laura L; Kennedy, Brien; High, Shannon; Barber, Pam; Cury, Thomas B; DeHaven, Walt F; Wieland, Tim; Dorsey, Kevin; Cohen, Bruno; Charlier, Steve; Baader, Brent G; Waldon, Lori; Aaron, Matthew D; Jackson, J.R.; Pike, Christopher; Verrilli, John; Cotugno, Chris; Banas, Stella; DeTillio, Thad J; Newman, Jay; Bending, Gail; Morris, David; Phillips, Dave (KUTV- Gen. Mgr.); Crawford, Kent; Burrell, Michael J; Smedley, Paul C; Solding, Steven; Erkenbrack, Jon S; Wordlaw, Gary C; Maples, Bill; Lowe, Jay C; Bergeron, Pam A; Reed, Mike G; Gardner, Tim G; Stern, Jeff M; Kidder, R Perry; Hitter, Lee; Stewart, Jackie M; Naar, Walter I; Vinson, Gary A; Dowd-Wood, Michelle; Kinberg, Lee B; Foote, Ken; Holmes, Wendy; Prange, Paul A; Hunt, Virginia M; Letize, Tracy S; Socha, Jeanine; Timpa, Jeff D; Goldberg, Joel; Davis, Rich C; Bolton, Jamie; Casciato, Perry J; Karas, Mike; Gazitano, Rita S; Williams, Amber; Spitz, Tom R; Craig, Ryan; Burley, Barbara L; Malseed, Robert W; Teater, Stan R; Bertling, Donna; Lawrence, Kenny W; Bouchard, Victoria E; Hershey, David; Cushing, Ed J; Paluso, Judy A; Zegers, Monica M; Hites, Marshall; Wiener, Larry C; McMahon, Wendy A; Claude, Kyle D; Miller, Steve - WCBS-TV; Hill, Brian M; Ballantyne, Todd; Hinkle, Leanne M; Gerst, Mike; Greene, John R; Genolio, Rob; Wiener, Larry C
Cc: Reynolds, Fred G; Swanson, Dennis; Guitano, Anton W; Remiszewski, Thomas; Cooper, Mark E; Kane, Tom; Dunn, Peter; Franks, Martin D; Altieri, Carol; Margo, Matthew D; Lucey, Anne; MacKinnon, Gail; Anschell, Jonathan; Siegel, Andrew J; Poser, Nicholas E; Jones, Beth (TVC); Jaeckel, Howard F; Altabef, Richard H; Sternberg, Jonathan I; Bonelli, Joan; Sack, David R; Ambrosio, Anthony G; Bona, Robin M; Williams, Sandra; Lowy, Susanna M; Engstrom, Mark W
Subject: FCC ENLISTS VIEWERS AND LISTENERS TO REPORT PAYOLA VIOLATIONS -----
PRIVILEGED AND CONFIDENTIAL
Attachments: Scan001.PDF

In a move likely to cause a flood of complaints, the FCC is encouraging television viewers and radio listeners to report any perceived violations by broadcasters of the FCC's payola rules. The FCC's action follows heightened concern within the agency that broadcasters are overlooking, or ignoring, the requirement to disclose sponsored program material.

Commissioner Adelstein likened the FCC's effort to "a Neighborhood Watch Program" that will help the Commission "enforce the law and deter future violations".

To aid in this effort, the FCC issued a new fact sheet that recites the FCC's payola rules; NO NEW RULES HAVE BEEN ADOPTED. The fact sheet explains how members of the public can report suspected violations of these rules by broadcasters. A copy of the fact sheet is attached.

The FCC's payola standards are grounded on the principal THAT THE PUBLIC HAS A RIGHT TO KNOW WHO IS ATTEMPTING TO INFLUENCE IT BY PROGRAM CONTENT. These standards are highly subjective, however, and complaints could prompt numerous, highly involved investigations by the Enforcement Bureau, similar to those undertaken recently to enforce the FCC's (similarly subjective) indecency rules.

Given the new awareness of payola concerns, and risk of enforcement action, we urge you to review the sponsorship identification requirements with ALL STATION PERSONNEL INVOLVED IN THE SELECTION, PRODUCTION OR REPARATION OF PROGRAM MATERIAL. To that end, I refer you again to the "Updated Sponsorship ID Reminder", which was distributed by Nick Poser of the law department, on June 8.

If you have any questions regarding the FCC's payola rules and the steps your stations should be taking to implement

appropriate policies in this area, please contact your station lawyer.

I know in recent weeks you have heard from Fred, Rem (product placement), Dianne (VNRs), Nick and me on these matters, and while it is certainly not our intent to belabor the subject, alongside indecency, children's programming and EEOC requirements, I know of no subject that is getting greater scrutiny at the FCC. As always, I thank you for your cooperation and diligence.....m.



Scan001.PDF (99
KB)

The FCC's Payola Rules

FCC Consumer Facts

Background

Federal law, including Federal Communications Commission (FCC) rules, requires that employees of broadcast stations, program producers, program suppliers and others who have accepted or agreed to receive payments, services, or other valuable consideration for airing material must disclose this fact to the broadcast licensee airing the material. This is required so that broadcasters have the information they need to disclose to their audiences that the material was paid for.

What the Rules Say

The Communications Act and the FCC's rules require the following:

- When a broadcast licensee has received or been promised payment for the airing of program material, then, at the time of the airing, the station must disclose that fact and identify who paid for or promised to pay for the material. All sponsored material must be explicitly identified at the time of broadcast as paid for and by whom, except when it is clear that the mention of a product or service constitutes sponsorship identification.
- Any broadcast station employee who has accepted or agreed to accept payment for the airing of program material, or the person making or promising to make the payment, must disclose this information to the station prior to the airing of the program.
- Any person involved in the production or preparation of a program who receives or agrees to receive payment for the airing of program material must disclose this information. Broadcast licensees must make reasonable efforts to obtain from their employees and others they deal with for program material the information necessary to make the required sponsorship identification announcements.
- The information must be provided up the chain of production and distribution before the time of broadcast, so the station can air the required disclosure.
- These rules apply to all kinds of program material aired over radio and television stations. Some may also apply to cablecasts.

What You Can Do if You Think the Rules Have Been Violated

The FCC acknowledges that broadcasters play a critical role in providing information to the communities and audiences they serve.

If you suspect a broadcaster has violated the FCC's rules, you can file a

complaint with the FCC. To assist the FCC in its review, the complaint should include the following:

- Details of the content of the broadcast;
- The date and time of the broadcast;
- Why you believe that payment or other consideration was provided, requiring the airing of a sponsorship identification announcement;
- The call sign of the broadcast station involved;
- The fact that no sponsorship identification was aired; and
- Any documents that you believe establish any of the foregoing.

You may direct your complaint, by mail, to:

Federal Communications Commission
Enforcement Bureau
Investigations and Hearings Division
445 12th Street, SW, Room 4-C330
Washington, DC 20554

You may also e-mail your complaint to the
FCC's Consumer & Governmental Affairs Bureau at
fccinfo@fcc.gov,

or

by telephone at

1-888-CALL-FCC (1-888-225-5322) voice

or

1-888-TELL-FCC (1-888-835-5322) TTY.

To assist the FCC in processing your complaint more quickly, we encourage you to make your submission in writing or by e-mail.