



# NFCB Practical Guide to Underwriting

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# FOREWORD

Underwriting, one of the three main areas of revenue generation for public radio stations, (in addition to individual gifts and foundation grants), refers to a business or organization that helps to “underwrite” the cost of a noncommercial broadcaster’s programming. This takes the form of a donation from a sponsor that is provided in exchange for the broadcast of “matter,” typically an on-air announcement that recognizes the donor.

There are many nuances as to what can be said in these announcements, as laid out in rules established by the Communications Act of 1934 and the Federal Communications Commission (FCC). These rules have created a lot of gray area for what is permissible in an underwriting script, which can cause a lot of confusion and stress for stations.

However, in the simplest terms, the rules require noncommercial licensees to acknowledge underwriters on the air. At the same time, they also prohibit stations from saying too much about the underwriter that is of a promotional nature, and require stations to make a good faith effort to maintain a noncommercial “sound” and environment.

This *Practical Guide to Underwriting* was developed by the National Federation of Community Broadcasters (NFCB) to provide practicable advice – rather than a legal analysis based solely on FCC rulings – to assist noncommercial broadcasters in establishing and maintaining a productive underwriting program that both generates revenue and stays within the FCC’s rules.

To that end, this guide is designed to:

- Assist you in formulating or updating your station’s underwriting guidelines, and assess the risk(s) you are willing to take in the types of underwriting your station will accept.
- Help you decide what is permissible and what is not in a script, with plenty of examples.
- Examine other areas of interest such as political underwriters, non-profit vs for-profit credit language, and use of slogans or logos.
- Help your underwriting team overcome objections to copy “limitations.”
- Provide information on UBIT (Unrelated Business Income Tax) to help you determine how to handle “advertising” – as opposed to underwriting – revenue.

In the real world, challenges arise when a corporate support salesperson finds themselves negotiating with an underwriting prospect who is pushing to air copy that is too commercial. How do you keep the client and the FCC happy? This guide will address this situation as well.

NFCB offers these four basic principles, which will help public broadcasters avoid problems:

1. Respect and serve your audience. If you air commercial-sounding language, your listeners will notice, and they will not be happy. Without an audience, your station serves no purpose, particularly as a Noncommercial Educational (NCE) licensee.
2. Understand FCC rules and regulations and, perhaps more importantly – *the intent*.
3. Establish station underwriting guidelines in writing – and make sure everyone on staff understands them.
4. Abide by your guidelines.

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# Chapter 1: Definitions of Commonly Used Words and Terms

## **Advertisement**

An **advertisement** differs from an underwriting credit in that it promotes a service, facility or product using commercial and/or promotional language in exchange for money or payment of some sort. It can also express the views of a person with respect to any matter of public importance or interest, or support or oppose candidates for political office.

## **Donor**

A **donor** is a person or organization that provides money, goods or services to a noncommercial licensee, but not in exchange for recognition.

## **Enhanced Underwriting Acknowledgements**

Prior to 1981, the FCC permitted underwriting acknowledgements to include only the name of the sponsor. Today, additional information is permitted. Thus, acknowledgements are often described as “enhanced.”

## **FCC Staff**

In this guide, **FCC Staff** refers to the Mass Media Bureau or Enforcement Bureau of the Federal Communications Commission. The Mass Media Bureau issued underwriting rulings until November 1999, when the FCC transferred that responsibility to the Enforcement Bureau.

## **Remuneration**

**Remuneration** refers to money, goods, services, or anything else of value that is paid or promised to a noncommercial licensee in exchange for airing any matter. (47 U.S.C. [317], 47 C.F.R. [1212])

## **Sponsor**

A **sponsor** is a person or organization that provides remuneration to a noncommercial licensee for the broadcast of an underwriting announcement or other program material. (47 C.F.R. g [1212])

## **Underwriting Announcement or Credit**

Whenever a donation is provided in exchange for the broadcast of any “matter,” the station is required to identify the sponsor in what are called **underwriting announcements or underwriting credits**. The term underwriting comes from the idea that the sponsor is helping underwrite the cost of the broadcast. The public’s right to know who has furnished or paid for a broadcast is the policy underlying the sponsorship identification requirement.

# Chapter 2: The FCC “Legalese”

## Sponsorship Identification

**The Communications Act requires noncommercial licensees to identify sponsors but limits the content and scheduling of those acknowledgements.**

Section 317 of the Communications Act of 1934, as amended, requires both commercial and noncommercial licensees to identify program sponsors on the air. Section 399 of the Act modifies Section 317 by permitting noncommercial licensees to air certain types of “identifications,” but limits both the content and scheduling of those identifications to ensure that they do not constitute advertising.

In plain language, this means that licensees must inform listeners of who is paying for the acknowledgement. Further, it means that at the beginning of the announcement, the station must unambiguously state the name of the entity paying for it.

Section 317 further provides that underwriting acknowledgements may not interrupt regular programming. That means a noncommercial licensee may air a sponsor acknowledgement at the beginning and/or end of the program without undermining the noncommercial nature of public broadcasting.

Acknowledgements made in conjunction with “longer” programs are permitted not only at the beginning and end of a program, but also between identifiable segments of the program or during “station breaks.” The FCC has not specifically defined what constitutes a “longer” program or a “station break.”

## Background

In 1984, the FCC relaxed their non-commercial policy by allowing public broadcasters to air what they called “enhanced underwriting and donor acknowledgements.” And that is when the shades of gray that are so often talked about regarding the FCC’s underwriting regulations started to emerge.

The following statement issued two years later, in June 1986, is enlightening as to their intent. The full article reads:

### **Enhanced Underwriting and Donor Acknowledgements**

“Beyond the airing of paid promotional announcements, our recent review of underwriting activities indicates that some public broadcasters may be airing donor and underwriter announcements which exceed the Commission's guidelines. In light of these instances and an ongoing debate in the public broadcasting community on these issues, we believe that a brief statement concerning the obligations of public

broadcasters with respect to donor and underwriting acknowledgements is appropriate. In March 1984, we relaxed our noncommercial policy to allow public broadcasters to expand or "enhance" the scope of donor and underwriter acknowledgements to include:

1. Logograms or slogans which identify and do not promote
2. Location information
3. Value neutral descriptions of a product line or service
4. Brand and trade names and product or service listings

That action was taken as another step in our ongoing effort to strike a reasonable balance between the financial needs of public broadcast stations and their obligation to provide an essentially noncommercial service. It was our view that "enhanced underwriting" would offer significant potential benefits to public broadcasting in terms of attracting additional business support and would thereby improve the financial self-sufficiency of the service without threatening its underlying noncommercial nature. In this regard, we emphasized that such announcements could not include qualitative or comparative language and that the Order should not be construed as allowing advertisements as defined in Section 399B of the Communications Act.

We recognized in our 1982 Order that it may be difficult at times to distinguish between announcements that promote and those that identify. For that reason, we expressly stated that we expect public broadcast licensees to review their donor or underwriter acknowledgements and make reasonable good faith judgements as to whether they identify, rather than promote. We saw no purpose at the time, or at the time we adopted our 1984 Order, in fashioning rigid regulations or guidelines to ensure the noncommercial nature of public broadcasting, and we were concerned that such guidelines would inhibit public broadcasters' ability to seek and obtain the funds needed to present quality programming and to remain financially viable. It continues to be our view that the public broadcaster's good faith judgement must be the key element in meeting Congress' determination that the service should remain free of commercial and commercial-like matter. In response to requests for guidance, however, we will attempt to further clarify the guidelines applicable to public broadcasters' exercise of their discretion.

We reiterate that acknowledgements should be made for identification purposes only and should not promote the contributor's products, services, or company. For example, logos or logograms used by corporations or businesses are permitted so long as they do not contain comparative or qualitative descriptions of the donor's products or services. Similarly, company slogans which contain general product-line descriptions are acceptable if not designed to be promotional in nature. Visual depictions of specific products are permissible. We also believe that the inclusion of a

telephone number in an acknowledgement is within these general guidelines and, therefore, permissible.

Several examples of announcements that would clearly violate the rule may be helpful:

- A. Announcements containing price information are not permissible. This would include any announcement of interest rate information or other indication of savings or value associated with the product. An example of such an announcement is:
  - "7.7% interest rate available now."
- B. Announcements containing a call to action are not permissible. Examples of such announcements are:
  - "Stop by our showroom to see a model"
  - "Try product X next time you buy oil."
- C. Announcements containing an inducement to buy, sell, rent, or lease are not permissible. Examples of such announcements are:
  - "Six months' free service"
  - "A bonus available this week"
  - "Special gift for the first 50 visitors."

Additionally, examples of proscribed product messages can be seen in the instances where the Commission has assessed forfeitures or issued letters of warning for rule violations.

We repeat that the Commission will continue to rely on the good faith determinations of public broadcasters in interpreting our non-commercialization guidelines. We emphasize, however, that we will review complaints and, in the event of clear abuses of discretion, will implement appropriate sanctions, including monetary forfeitures."

## Key FCC Takeaways

1. Section 317 of the Communications Act requires public broadcasters to acknowledge the sponsors of underwriting announcements.
2. Section 317 states that when a sponsor provides a noncommercial licensee with consideration (money in most cases) in exchange for transmitting any program matter, the licensee must announce that such programming was paid for or furnished by funds, goods, or services provided by that sponsor.

Because the purpose of Section 317 is to ensure that the public knows the source of support for programming, noncommercial licensees are required to acknowledge their sponsors.

3. Section 399A provides that public radio and television stations may air acknowledgements that:

- Contain a logogram, which the Act defines as any aural or visual letters or words, or any symbol or sign used for the exclusive purpose of identifying, rather than promoting, the sponsor
  - Provide information relating to the type of business and its location
  - Do not interrupt regular programming
  - Section 399B prohibits licensees from advertising any for-profit entity.
4. Section 399B defines an “advertisement” as any message or other programming material broadcast in exchange for remuneration and intended to:
    - Promote any service, facility, or product offered by any person who is engaged in such offering for profit
    - Express the views of any person with respect to any matter of public importance or interest
    - Support or oppose any candidate for political office (47 U.S.C. [399B])
  5. The Communications Act defines an “advertisement” as a promotional acknowledgement on behalf of a for-profit entity. Thus, FCC rules permit a station to air promotional acknowledgements on behalf of non-profit entities if the station determines the announcement is in the public interest.
  6. In addition, such announcements may not contain comparative or qualitative descriptions; price information (sales or discounts); calls to action; inducements to buy, sell, rent, or lease; and excessively detailed “menu listings” of services offered by the entity.
  7. The Commission has found that the longer the announcement, the more likely it is to contain material that is inconsistent with its “identification only” purpose.
  8. The Commission expects that licensees exercise reasonable “good faith” judgment in this area and affords some latitude to the judgments of licensees who do so.
  9. The Commission identified LPFM stations as noncommercial entities.
  10. The FCC has repeatedly stated that it relies heavily on the good faith judgments of noncommercial licensees to determine whether the acknowledgement of an underwriter or sponsor has “crossed the line” from permissible acknowledgement to impermissible advertisement. The FCC has occasionally accepted a station’s documented effort (such as consulting an attorney, NFCB, or other relevant organization) to make a good faith judgment, even if the FCC finds the station in violation. This good faith effort may result in an admonishment rather than a fine.

## **A Note on FCC Penalties**

The FCC may fine noncommercial licensees that violate the rules concerning underwriting acknowledgements.



The FCC is made aware of possible violations through complaints. Complaints may be filed by anyone who claims to listen to the station including other commercial or noncommercial stations in the market, concerned listeners, disgruntled volunteers or staff, or competitors of station underwriters.

If a complaint indicates that the underwriting rules may have been violated, the FCC sends the station a “letter of inquiry.”

The station must respond within a specified period of time, usually 30 days. Its response must disclose whether the station aired the acknowledgement and explain why the acknowledgement was deemed permissible.

Generally, the FCC will reject the following arguments in defense of a licensee’s conduct:

- It was not the station’s fault the offending acknowledgement aired. Rather, it aired as a result of an employee’s or volunteer’s decision.
- The station was not represented by a lawyer at the time the offending acknowledgement aired.
- The station was not aware of FCC rules or regulations at the time the offending acknowledgement aired.
- The announcement was humorous or ironic, not really an attempt to promote a commercial product or service.

If the FCC determines that an acknowledgement violates its underwriting rules, it may either warn or fine the licensee. In the past, fines for violations of underwriting rules have ranged from a couple of thousand dollars all the way up over \$100,000 in some extreme recent cases. Fines depend on the frequency, number, and severity of a station’s violations.

By understanding why fines were levied, stations can gain important insight into some of the nuances that exist. The FCC has a [website](#) that shares recent cases, which can be enlightening to read.

For example, in a July 2020 case, a Low Power FM station was fined \$15,000 for airing “over 1,600 advertisements promoting the products, services or businesses of at least 14 of their financial supporters.” Clearly, this is an egregious case, and yet it should motivate any community broadcaster to make sure they are in compliance.

Sometimes the FCC will reduce a fine if shown the violation was a first offense, or was inadvertent or isolated. The licensee must show that proper procedures were in place and prompt corrective measures were taken. A well-documented showing of financial hardship also may reduce a fine.

Although the FCC generally will not reduce a fine because a station has ceased broadcasting prohibited acknowledgements, it will almost certainly increase a fine if a licensee continues

broadcasting such acknowledgements after a complaint has been filed. Once a fine is imposed, it is due unless the fine is appealed within 30 days.

A finding that the licensee has violated the underwriting rules by airing an advertisement could have tax ramifications as well. "Advertisements" are treated as [unrelated business income](#), on which taxes may be due.

# Chapter 3: Permissible Language in an Underwriting Announcement

## Overview

When it comes to permissible language, keep in mind that if an announcement makes it seem like shopping at the underwriter's store, attending their events or purchasing their products is better than doing those activities elsewhere, it's not permissible. Underwriting announcements (or sponsor credits) should identify the following:

1. Name
2. What the underwriter does [which can include a value-neutral description of product(s) or service(s)]
3. Address, website, telephone number
4. Non-promotional slogan
5. Historical information, such as the length of time the sponsor's establishment has served the area

Seems so simple, right? But it's all in how you word these things that the complications arise.

For example, here are two credits that seem to include the items above:

SUPPORT FOR WABC COMES FROM BOB'S PLUMBING, OFFERING PLUMBING SERVICES FOR RESIDENTIAL AND COMMERCIAL CUSTOMERS IN THE GREATER ANYTOWN AREA SINCE 1984. APPOINTMENTS CAN BE SCHEDULED BY CALLING 123-456-7890 OR ONLINE AT BOBS PLUMBING DOT COM. BOB'S PLUMBING, "THE WATER GUYS".

Compare to this:

SUPPORT FOR WABC COMES FROM BOB'S PLUMBING – THE OLDEST AND BEST PLUMBERS IN ANYTOWN. BOB'S EXPERT TECHNICIANS AND TWENTY-FOUR-HOUR SERVICE CAN'T BE BEAT. CALL FOR AN APPOINTMENT AT 123-456-7890 OR GO ONLINE AT BOBS PLUMBING DOT COM. BOB'S PLUMBING- "NOBODY DOES IT BETTER FOR LESS!"

In the second example there are multiple words and phrases that are not permissible. And while this is an extreme example, it illustrates what we mean by some of the terms that are outlined below.

- "Oldest and best" and "expert" – these are **comparative** words because they serve to compare Bob's Plumbing to other plumbing businesses.
- "Service can't be beat" – this is a **claim**, which is not permissible. It is promotional, can't be proven, and therefore turns this credit into an advertisement. Claims, even if they are true (e.g., "the oldest shoe business in town...") are **promotional** in most cases.
- "Nobody does it better for less" – even though this would seem to be a slogan, it clearly is **value-based**, and includes a **claim**.
- "Call for an appointment" – this is a **call to action**, which is not permissible. Credits

should be written in a passive voice. By saying, “Call for an appointment,” you are directly addressing your audience and asking them to take action, which is not allowed by the FCC.

There are other nuances in terms of permissible language. For example, a company can include a non-promotional “aural slogan” or “logo” if it doesn’t break other rules, as outlined above. It must be universally recognized, trademarked, or used in all other marketing, including on the underwriter’s website. Though the FCC has not given any guidance for determining when a slogan is “established,” generally, the longer it has been in use, the less likely it is to be considered promotional. The degree to which your station will allow an “established” slogan to be included in an underwriting script should be outlined in your station’s [underwriting guidelines](#).

#### **What underwriters can’t include in an announcement:**

- Slogans, positioning statements and URL’s created only for your station in order to get around the rules. Example: a company wants to use the URL: “bobs plumbing dot com slash save 50 percent”.
- Calls to action or inducements to buy or sell, rent or lease.
- Pricing or other inducements, which may include interest rates, promotional offers, buy one-get one, mention of discounts or sales, happy hour, or anything free or complimentary. This also includes an announcement stating that the client will donate a portion of their sales to the station (e.g., “Every Tuesday in December, Business X will donate 10% of the cost of every sandwich sold that day to Station X”).
- Qualitative, comparative, or promotional language. This includes mention of awards, third-party endorsements, or pretty much any word that ends in “est.” (One exception could be lemon *zest* if describing a recipe!) Many stations ask about mentioning awards, such as “Pulitzer Prize winning author,” or “Grammy Award winning performer.” Even though it may be factual and true, it breaks the rules, because mentioning the prize/award makes the book or performer sound better, which is comparative.
- Many stations consider music beds to be promotional and do not use them in underwriting announcements, whether they are live-read or automated. If your station uses them, be aware of the overall effect on the sound and audio atmosphere of your station. If your staff believes it makes you feel more like a commercial station, your listeners will pick up on that and you’ve removed one of the things that makes you special. Sound effects are never appropriate in an underwriting announcement.
- Use of personal pronouns, (i.e., “you,” “your”), or other content that speaks directly to the listeners that creates the impression of a station endorsement. Example: “ABC Realtors can help you find the right home for your family. We’re here for you, and you can call us at 123-456-7890.” Underwriting scripts should always be in the station’s voice. An exception to this would be the use of an established slogan.
- Words that imply the value is better at the underwriter’s business are not permissible.
- Menu listing of products. From recent FCC rulings, four seems to be the maximum number of products allowable in an announcement, although many stations limit this to three. If the underwriter has more products or services it wants to include in a script,

consider creating multiple scripts that can be rotated in the schedule.

#### **What underwriters can include in an announcement:**

- Companies can say how long they have been in business, include the names of products they sell, and in most cases, include the name of the owner of the business.\*

\* If the owner is a celebrity or politician, mentioning them in a script would be considered comparable; it implies that doing business there would be better because the owner is famous, or in the case of a politician, mentioning their name could be considered a benefit to his or her campaign.

- They can include some of the products and brand names they sell but should not mention more than four as this constitutes a “laundry list,” (aka “menu listing”), which the FCC does not allow.
- Their address, website URL, and hours of operation. Generally, though a telephone number can be included, most listeners won’t remember that as easily as a web address.
- Some companies want to use a landmark to identify their location. This may include using another business’s name as a location identifier, if it is a recognizable landmark. For example, “Located next to the Amtrak Terminal.” However, it is important to note that it is not permissible to mention other for-profit businesses unless they are also sponsoring those specific underwriting scripts (as in co-paying, along with the other business mentioned, for those specific underwriting announcements), other than as a location identifier.
- When tickets are available for an event and where they can be purchased. NOTE: Avoid using language that states that tickets are “on sale.” Information can be included regarding where tickets are available as long as it is clear in the script who the sponsor of the underwriting is.
- Brief, value-neutral description of the products or services the underwriter offers, such as type of food on the menu in the case of a restaurant, or the style of clothing, jewelry, etc. that a store sells. Again, it’s important to avoid menu listing (aka “laundry list”) what the business does or offers.
- Slogans that are trademarked and/or used in all or most of marketing for that organization – **and** don’t break any other guidelines that are laid out. For example, Walmart has a slogan “Always Low Prices” which is trademarked and used in much of their marketing. But it clearly breaks the rules around pricing, which would not be permissible.

#### **Aren’t Guidelines Different for Non-Profits?**

Some stations allow non-profits more latitude in what they can say in their announcements. The FCC has said this is fine, but it does open the station up to paying [Unrelated Business Income Tax \(UBIT\)](#) because these announcements are no longer underwriting – they are commercials. This also creates a new set of challenges when a for-profit company asks why

they can't mention their recent award, when the Anytown Symphony could mention Tony Award-winning artists. For these reasons, most stations choose to [keep their guidelines](#) the same for all underwriters.

### **Paid PSAs**

A paid public service announcement (PSA) is an announcement from a nonprofit entity, often concerning a public event or activity such as a blood drive or other public service. Some stations allow more latitude in the language of a paid PSA than they do in a nonprofit underwriting announcement, and they may be scheduled differently. Only nonprofit entities can buy PSAs — if for-profits bought them, the FCC would consider them advertisements, which are not permissible for a noncommercial station to air. Also, the IRS would consider a paid PSA that is promotional in nature to be [subject to UBIT](#).

### **The F Word – “Free”**

Here, context is everything. “Free” usually, but not always, has price connotations, which is not permissible in an underwriting script. There are situations where “free” could be legitimately used, such as in a script for a “gluten-free bakery.” However, regarding the use of “free” to reference price, while it is very tempting to look in the thesaurus for alternatives to “free,” it still means the same thing.

Consider one of the more angst-ridden phrases that underwriters want to use: “free parking.” This implies greater value, ease of access, and is not permissible. Nor are any of the following phrases, as they are all value-based statements and therefore considered an inducement:

- Complimentary parking
- No extra charge for parking
- Easy parking included
- Parking is included with ticket

Letting listeners know that parking is free is just not a viable option within the underwriting script. Surely there is something about the business that is more important to talk about in the short time it has on air!

That said, the underwriter could include one of the following in a script:

- Info on parking is online at [storename.com](#).
- Parking is available behind the store (this is more informational than promotional).

## Aspirational Language

There are many stations that are using aspirational language these days to get around some of the FCC's guidelines. For example, "Committed to excellence." This is tempting to do – it allows us to satisfy the underwriter and stay legal, right? But this can be a slippery slope and is worth some internal discussion at your station. These kinds of announcements are clearly trying to make your underwriter sound better and more desirable than their competitors.

Let's consider two examples:

Example 1:

SUPPORT FROM ALLBIRDS, WITH A GOAL TO HAVE NO CARBON FOOTPRINT. OFFERING SHOES AND CLOTHING MADE FROM ALL-NATURAL FIBERS LIKE MERINO WOOL AND EUCALYPTUS TREES. INFO ONLINE AT ALLBIRDS DOT COM.

The above announcement uses the stated goal of the organization as found on their website. They don't embellish from there; they simply state their goal and a step they are taking to reach it.

Example 2:

SUPPORT FROM BINGHAM AUDI, WITH A GOAL OF OFFERING THE BEST CAR BUYING EXPERIENCE IN THE TRISTATE AREA. FROM A LOW-PRESSURE SALES PROCESS, TO EXCELLENT CUSTOMER SERVICE, AND A COMPLIMENTARY LOANER CAR FOR ALL SERVICE APPOINTMENTS, BINGHAM AUDI STRIVES TO DELIGHT EVERY CUSTOMER. INFO AT BINGHAM AUDI DOT COM.

This second announcement is clearly over the line. It sounds like they took a commercial script and just put the words "with a goal of" and "strives to" in front of it.

For more context, there are a number of places where aspirational language is fine. A consignment store might say, "committed to recycling household goods and clothing," or a food bank might want to say, "with a goal of making sure that no one goes to bed hungry." These two examples are just stating the purpose of the business or non-profit, and therefore are fine.

So how do you handle this situation? There haven't been fines levied for this exact issue – YET – and National Public Radio (NPR) spots often use aspirational language, so do you just run with it? It's best to make these kinds of decisions on a case-by-case basis, and as always, consider the *intent* of the FCC guidelines to help form your decision. Also, remember that the chances are likely that you can rewrite an over-the-line script to be acceptable to both the station and the client. The client needs to be shown that, though underwriting cannot be advertising, public radio offers a desirable audience to hear their "uncluttered" message.

# Chapter 4: Copy Examples – The Good, The Bad, and The Ugly

## The Good: Can Underwriting Credits be Creative?

While the FCC's guidelines would seem to point towards fact-based, non-promotional language, and the spots are typically delivered in the public media "neutral voice," that doesn't mean that subtle humor, creative use of vocabulary, and alliteration can't be included. Keep in mind the highly educated listeners we are targeting and how they would appreciate a flash of creativity in an underwriting message.

Here are several examples of creative spots written by Laureatte Loy of WETS in Tennessee. Notice how she stays within legal boundaries, but uses great words and some witty humor that jump off the page and will stand out to listeners, gaining their attention and appreciation. In fact, one of these announcements garnered her a handwritten thank you note from the client who had multiple customers comment on the language!

SUPPORT FROM THEATRE BRISTOL, PRESENTING "MIRACLE ON 34TH STREET." SENIOR RETIREMENT HOME RESIDENT KRIS KRINGLE LANDS A JOB AS SANTA FOR MACY'S DEPARTMENT STORE IN NEW YORK CITY AND ENDS UP ON TRIAL FOR IDENTITY THEFT. WEEKENDS, DECEMBER 6TH THROUGH THE 22ND. THEATRE BRISTOL DOT ORG.

SUPPORT FROM THE JOHNSON CITY HABITAT RESTORE – ACCEPTING DONATIONS OF THE FLOTSAM AND JETSAM FROM PRE-HOLIDAY CLEANING AND REMODELING – INCLUDING BUILDING SUPPLIES, FURNITURE, AND HOME DECOR. RESTORE SALES PROCEEDS SUPPORT LOCAL HABITAT FOR HUMANITY PROJECTS. HOLSTON HABITAT DOT ORG.

SUPPORT FROM THE JOHNSON CITY HABITAT RE-STORE, OFFERING SEVENTEEN THOUSAND SQUARE FEET OF OPPORTUNITY TO REDUCE, REUSE AND RECYCLE HOME FURNISHING, APPLIANCES, SPORTING GOODS AND BUILDING SUPPLIES – BY DONATION OR PURCHASE. ON KIMBERLY COURT IN JOHNSON CITY. HOLSTON HABITAT DOT ORG.

SUPPORT FROM THE JOHNSON CITY HABITAT RE-STORE OFFERING DONATION OPPORTUNITIES FOR BUDDING MINIMALISTS AND SEVENTEEN THOUSAND SQUARE FEET OF RETAIL THERAPY FOR DETERMINED HUNTER-GATHERERS. PROCEEDS BENEFIT LOCAL HABITAT FOR HUMANITY PROJECTS. ON KIMBERLY COURT IN JOHNSON CITY. HOLSTON HABITAT DOT ORG

SUPPORT FROM THE SPICE WORLD INTERNATIONAL MARKET, AN ETHNIC GROCERY FEATURING IMPORTED INDIAN, MIDDLE EASTERN AND ASIAN FOODS. SPICE WORLD OFFERS GIFT CERTIFICATES FOR KITCHEN ADVENTURERS AND FOODIES CELEBRATING BIRTHDAYS, WEDDINGS, ANNIVERSARIES, AND OTHER LIFE EVENTS. OFF I-26, EXIT NINETEEN, ON BROWNS MILL ROAD IN JOHNSON CITY.



IS SUPPORTED BY THE “SHAEFER CENTER PRESENTS” SERIES AT APPALACHIAN STATE UNIVERSITY, PRESENTING SINGER, SONGWRITER **AND TEXAN**, LYLE LOVETT AND HIS ACOUSTIC GROUP ON FEBRUARY FIRST. ON APRIL FIRST, ROSEANNE CASH CARRIES ON A MUSICAL FAMILY LEGACY WITH HER “SHE REMEMBERS EVERYTHING” TOUR. HOLIDAY GIFT CERTIFICATES AVAILABLE. SHAEFER CENTER PRESENTS DOT ORG.

SUPPORT FROM WALLACE SUBARU OF BRISTOL, OFFERING RED, GREEN, SILVER AND GOLD – SUBARUS THAT IS – READY FOR THE HOLIDAYS WITH FULL-TIME ALL-WHEEL DRIVE FOR WEATHER THAT COMES WITH THE SEASON. ON THE VOLUNTEER PARKWAY IN BRISTOL, TENNESSEE. LOVE, IT’S WHAT MAKES A SUBARU A SUBARU. ONLINE AT WALLACE SUBARU DOT COM.

## **The Bad**

Here are several scripts that are not in compliance, along with explanations and examples of how to make them legal.

### **Example 1:**

#### **What the client wants to say:**

SUPPORT FROM DAVE’S GARDENING CENTER – FEATURING THE LARGEST DISPLAY OF JAPANESE MAPLES ON THE WEST COAST. DAVE’S ALSO CARRIES SHRUBS, PERENNIALS, ANNUALS, BULBS, ORGANIC FERTILIZERS, NON-TOXIC WEED KILLERS AND SO MUCH MORE. WITH A STAFF OF MASTER GARDENERS ON HAND, DAVE’S CAN SOLVE ANY GARDEN CHALLENGE. ONLINE AT DAVES GARDENS DOT COM – “YOUR ONE STOP GARDEN CENTER.”

#### **What’s wrong?**

This spot has multiple problems. It includes qualitative language, a menu listing of products, promotional language, impermissibly mentions a certification (which could serve to differentiate this business from its competitors), plus a claim. The slogan is fine if it is a recognized trademark and/or appears in all their other marketing.

#### **How to fix it**

Here are two spots that could rotate in the schedule to include all the products Dave’s wants to mention:

SUPPORT FROM DAVE’S GARDENING CENTER – SPECIALIZING IN JAPANESE MAPLES WITH MANY VARIETIES IN STOCK NOW FOR FALL PLANTING. DAVE’S ALSO CARRIES SHRUBS, PERENNIALS, WEED KILLERS AND MORE. WITH A STAFF TRAINED TO HELP SOLVE GARDENING CHALLENGES. ONLINE AT DAVES GARDENS DOT COM – “YOUR ONE STOP GARDEN CENTER.”

SUPPORT FROM DAVE’S GARDENING CENTER – SPECIALIZING IN JAPANESE MAPLES WITH MANY VARIETIES IN STOCK NOW FOR FALL PLANTING. DAVE’S ALSO CARRIES ANNUALS, FERTILIZERS AND MORE. WITH A STAFF TRAINED TO HELP SOLVE GARDENING

CHALLENGES. ONLINE AT DAVES GARDENS DOT COM – “YOUR ONE STOP GARDEN CENTER.”

**Example 2:**

**What the client wants to say:**

SUPPORT FROM THE ANYTOWN HOME SHOW, PRESENTED BY TOM’S APPLIANCE STORE AND FIRST FEDERAL BANK. WITH OVER THIRTY THOUSAND SQUARE FEET OF DISPLAY SPACE FEATURING OVER TWO HUNDRED BOOTHS FULL OF HOME BUILDING TIPS, DÉCOR, GARDEN IDEAS AND MORE. ALSO OFFERING SEMINARS ALL DAY, EVERY DAY – STARTING JANUARY 10<sup>TH</sup> AND RUNNING THROUGH THE EIGHTEENTH. ONLINE AT HOME SHOW DOT COM.

**What’s wrong?**

This spot is problematic because a for-profit business can’t mention other for-profit businesses. The exception would be if the other businesses mentioned are also paying for these specific underwriting spots. And even then, this is a gray area that needs to be discussed as you establish a station policy. The FCC has not officially ruled on this topic, so tread carefully. The most important thing is that the entities paying for the announcement(s) are clearly identified. The script also contains a menu listing of what is happening at the home show – thirty thousand square feet of display space, two hundred booths, tips, décor, garden ideas, seminars all day, every day, and more! This spot contains seven features!

**How to fix it**

Consider this version instead that still gives consumers plenty of reasons to attend:

SUPPORT FROM THE ANYTOWN HOME SHOW, FEATURING OVER THIRTY THOUSAND SQUARE FEET OF DISPLAYS DESIGNED TO HELP HOMEOWNERS REALIZE THEIR REMODELING, DECORATING, AND GARDENING GOALS. WITH A DAILY SEMINAR SCHEDULE FROM SPECIALISTS IN A VARIETY OF AREAS. STARTING JANUARY 10<sup>TH</sup> AND RUNNING THROUGH THE EIGHTEENTH. ONLINE AT HOME SHOW DOT COM.

**Example 3:**

**What the client wants to say:**

SUPPORT FROM THE ANYTOWN SPEAKER SERIES – PRESENTING PULITZER PRIZE WINNING AUTHOR HISHAM MATAR, WHO WILL BE READING FROM HIS BOOK “THE RETURN.” THIS SATURDAY AT 11AM AT TOWN HALL. AUTOGRAPHED BOOKS WILL BE AVAILABLE FOR PURCHASE AT THE EVENT. TICKETS AT ANYTOWN SPEAKERS DOT ORG.

**What’s wrong?**

Mention of the Pulitzer Prize turns this from an underwriting credit into an advertisement. While it may be a fact that the author is a Pulitzer Prize winner, it serves as comparative language in an underwriting script. The organization hosting the event is a non-profit, and if your station allows more latitude in underwriting scripts for non-profits, you could allow this, but you’d be technically liable for paying UBIT on the revenue. Also, mentioning that the author will be autographing books is inducement, and therefore not permissible in an underwriting credit.

### How to fix it

SUPPORT FROM THE ANYTOWN SPEAKER SERIES – PRESENTING AUTHOR HISHAM MATAR, WHO WILL BE READING FROM HIS BOOK “THE RETURN.” THIS SATURDAY AT 11AM AT TOWN HALL. “THE RETURN” AND OTHER TITLES FROM HISAM WILL BE AVAILABLE FOR PURCHASE AT THE EVENT. TICKETS AT ANYTOWN SPEAKERS DOT ORG.

### Example 4:

#### What the client wants to say:

SUPPORT FOR WABC COMES FROM XYZ, DESIGNER OF THE NOAA REGIONAL CENTER. PROVIDING ENVIRONMENTALLY SUSTAINABLE ARCHITECTURE, INTERIOR DESIGN AND RESEARCH FOR PROJECTS THROUGHOUT HAWAII AND THE PACIFIC. INFO AT XYZ DOT COM.

### What’s wrong?

“Environmentally sustainable” is a claim and is arguably qualitative and comparative.

### How to fix it:

SUPPORT FOR WABC COMES FROM XYZ, DESIGNER OF THE NOAA REGIONAL CENTER. OFFERING ARCHITECTURE AND INTERIOR DESIGN FOR PROJECTS THROUGHOUT HAWAII AND THE PACIFIC. XYZ ALSO PROVIDES RESEARCH INTO ENVIRONMENTAL SUSTAINABILITY. INFO AT XYZ DOT COM.

#### In legalizing overly-promotional copy, here are three tips to keep in mind:

- What are they really trying to accomplish?
- Does the script try to do too much and therefore lose impact?
- Go to the client’s website and craft a script that tells their story using their own words.

### The Ugly

The FCC has heavily fined several stations that are simply airing commercials on their station. While these may seem obvious, here are some best practices to follow:

- Don’t allow the local car dealer (or any other business owner) to voice their own spots.
- Don’t allow an on-air host to endorse an underwriter’s business.
- Don’t accept the produced :60 second ads from the biggest ad agency in town, or from programmatic ad buyers.
- Don’t bend your station’s guidelines for any underwriter – you will live to regret it!

### Tips on Writing Good Copy

#### What do they want to say?

To write a script that the client will like, you should first [draw on the needs analysis](#) you did with the prospect. In addition, visit their website to see the kinds of words they use to describe their own business. You can be sure that most organizations with a decent website spent many

hours word-smithing that site. By using some of their own (non-promotional) language, you can create synergy between their other marketing efforts and the messaging on your station.

Consider what is the most important thing to that client, who are they trying to attract, their geographic area of influence, and other factors you have uncovered. For example, if a home improvement underwriter only wants to do jobs in a particular portion of the listening area, they can specify those area(s) they serve in their copy. Home caregiver organizations will write copy targeting the children of seniors, knowing they are the ones making the decision. Hospitals will tout their stroke center or orthopedic surgeons – areas they are hoping to grow.

### **Bring up copy early!**

One of the most important things an underwriting salesperson can do is provide sample scripts in their proposals. This puts the issue of copy front and center from the beginning of the relationship. Using the phrase, “Effective Copy for the Campaign” is a good way to share copy examples. “Effective” is a positive word and lets the client know that to be effective, the language must be non-commercial.

### **Point to other successful underwriters.**

Explaining that the most successful underwriters air copy such as this will help guide them towards a solution that works for everyone – them, the station, and the listeners. While they will most likely change the copy you present, allowing them to see the length, style and presentation will help them come up with something that works and is permissible. Additionally, when they do start to talk about the copy and how they would change it, they have given you a big buying signal – they are already visualizing their campaign on your station!

### **Set realistic expectations.**

During the copywriting process, it’s important to talk about how public radio works in terms of results. It’s a good idea to prepare your client for what they can expect once the scripts begin airing. A few things to keep in mind are:

1. Not everyone is in the market for what your client is selling at a specific time.
2. It takes time to build up frequency, and it’s important to offer a schedule that facilitates listeners hearing the announcement more than once.
3. The closer your customer is to the point of sale, the more s/he will be aware of new customers. For example, a store owner is on the floor eight hours or more a day. She or he knows the store’s regulars and has some sort of involvement in most sales. That person is going to feel the effects of the campaign far sooner than a media buyer sitting in front of a computer all day.
4. An effective way to prepare your client for what will happen once their schedule starts may be something like this: “First, your friends and/or family may comment on hearing the announcements. Second, your existing customers will mention your campaign, and may even thank you for supporting their station. Third, there will be new customers, some of whom may say they came in because they heard about your business on public radio.”

# Chapter 5: Other Situations

## Fundraisers

There are many situations when businesses or non-profits engage in fundraising and want to involve your station. Here are some examples:

1. For-profit businesses: Sometimes restaurants or clubs will call and want to “do a fundraiser” for your station. All they ask is that the station promote the event. This is fine, but the station must get 100% of the proceeds (after expenses) of the event. Giving the station 10% of sales is not enough. Though there are certainly community-minded businesses that genuinely want to provide support to their community station in this manner, in many of these situations, stations find that the business is simply trying to get free marketing. They are also wanting to trade on your strong brand, so be aware before you choose to move forward with these arrangements. Ask yourself if you’d want your listeners to equate your station with the business in question. And if you do, have a signed agreement that spells out the terms of the arrangement.
2. Non-profit entities: If a non-profit wants to do a fundraiser with your station, this is fine, but many stations set a minimum percentage that the station must receive more than half of the proceeds. An example might be a theater bringing in a public media personality for a night of entertainment for listeners. The event will be a fundraiser for both the theater and the station. The station will promote the event and perhaps even sell tickets. In this situation, most stations will put in the contract what percentage of revenue each party receives.
3. Non-profit entities promoting their annual fundraiser: This is fine if you don’t interrupt regular programming to air these announcements. So, if they are going to simply air a schedule that mentions their annual gala or food drive, they should be scheduled the same as other credits. Just be careful they don’t contain a call to action.

## Recruitment Messaging

This has been a gray area for some time, but in recent years, legal analysis of this issue seems to point to this being an acceptable area for airing underwriting. The thinking goes that:

1. Part of what a business does is hire and fire people.
2. This could be a public service to let listeners know of job openings.
3. Companies who are in the business of recruiting (i.e., headhunters or employment agencies) can air messages because that is what their business is.
4. If the normal rules of underwriting are applied, it’s permissible to accept this form of messaging.

An area to be aware of pertains to mention of benefits such as 401K and health insurance. It would be considered an inducement to include this kind of information. So, it’s fine to mention a company is currently accepting applications for engineers, plumbers, or nurses. It’s not acceptable to mention that they offer benefits.

## **Mention of Other Businesses in the Credit**

There are several examples of how this might happen:

1. For-profit business mentioning other for-profit businesses. If they are mentioning the business for location reasons, as in, “Located next to the Bellevue Mall,” that is fine.
2. For-profit business including other businesses in their copy, due to a collaboration or event that the businesses are co-sponsoring. This is not permissible unless all of the businesses mentioned in the script are paying for those specific underwriting scripts.
3. Non-profit business mentioning for-profit business in their copy, such as acknowledging a for-profit business that has supported the non-profit. This is not permissible. The exception would be if the name of the non-profit event carries a sponsor name, such as the “T-Mobile Concert Series.”
4. For-profit business mentioning a non-profit entity. This is fine. For example, “Support from Kroger, proud to support the annual charity drive for Children’s Hospital. Listeners can donate at Childrens dot org.”

## **Length of Announcements**

While the FCC has not officially ruled on this issue, they have found that the longer the announcement, the more likely it is to contain material that is inconsistent with its “identification only” purpose, and therefore to be promotional. Most stations fall somewhere between :15 and :20 seconds for length. That amount of time will allow you to share enough information to please the underwriter without being tempted to over-embellish.

## **Is Underwriting Tax Deductible?**

This is a question that underwriters often ask, and it’s best to refer them to their own tax attorney or expert. Given that they do get something for their “donation,” it would probably be better to have them deduct it as a business/marketing expense.

## **Personal Pronouns**

The FCC has not formally offered guidance on this, but most stations prohibit the use of personal pronouns in underwriting scripts, as it can make the announcements sound like the station is endorsing the underwriter, rather than just describing them. “I,” “you,” “your,” “we,” “our,” and “us,” are all problematic. It is important to remember the basics of sponsorship identification: the FCC requires stations to identify what entities have helped to underwrite the cost of programming as an act of transparency to the station’s listeners. For this reason, sponsor messages are in the station’s voice.

## **Political Candidates**

Public broadcasters are prohibited from endorsing candidates or issues. Several years ago, the FCC did state that stations could accept money from candidates, but the copy could only say, “Support from John Smith, a candidate for Mayor,” (or “the Committee to Elect....” if

applicable). If stations do accept this kind of announcement, they must also then allow opposing candidates equal access, which would open the floodgates to many other candidates seeking to underwrite. Public radio has traditionally provided much needed shelter from the barrage of political advertising heard on commercial airwaves during election season, so just because your station could accept this kind of underwriting, it should think twice before doing so. Is the revenue really worth the impact on your listeners?

## **Marijuana, CBD Products, Alcohol, Tobacco, and E-Cigarettes**

Even though your station may be located in a state that has legalized the sale of recreational and/or medical marijuana, it currently is still considered an illegal controlled substance at the federal level. Though the FCC (i.e., the federal entity that issues and renews broadcast licenses) has not specifically weighed in on this issue, best practices dictate that your station should stay away from taking marijuana-related underwriting, as tempting as it may be to tap into this multimillion-dollar business. In past FCC communications, it has generally warned stations to avoid airing underwriting for “illegal” products, and underwriting messages are protected by the First Amendment only if they are related to “lawful activity.” In addition, for those stations that are Corporation for Public Broadcasting (CPB) Community Service Grant (CSG) recipients, there is an additional risk of potentially losing that funding, as it is federal money.

Though recent changes in federal law have legalized many CBD products, underwriting for these products can still pose some thorny challenges. In order for a station to cover its bases should a complaint arise, it would need to be sure that 1) the products sold are derived from hemp (<.3%THC) and not marijuana, 2) the products are produced under an approved hemp production plan (state or federal), 3) the product complies with FDA requirements (e.g., the product is not ingestible), and 4) the business is licensed. The station would be wise to obtain a signed letter from the underwriting business that all of the above statements are true.

There are no legal restrictions on a station accepting alcohol underwriting. Underwriting for tobacco products and e-cigarettes is more problematic. Your station could air spots that list paraphernalia, but not the tobacco products themselves, the one exception being cigars. There are weight restrictions that get triggered for whether cigar or cigarillo products are permitted to be mentioned. Complicated, to say the least. In the words of one communications attorney, “I’d advise stations to stay away from it.” Regardless, your station’s policy should take into consideration its audience and donors before deciding to accept this kind of underwriting.

## **Lotteries and Casinos**

This is a gray area. Underwriting by lotteries or casinos that identifies or describes their gambling activity and/or price terms is not permitted. Language that identifies a casino as a concert venue would likely be acceptable, particularly if advertising for a casino is legal in your state, and if the word “casino” is part of the legal name of the sponsor.

# Chapter 6: UBIT – Unrelated Business Income Tax

If you are accepting digital advertising and/or allowing non-profit businesses to advertise on your platforms, you could be liable for UBIT or Unrelated Business Income Tax. UBIT rates start at 15% and go all the way up to 35% – no small amount.

Announcements that are promotional, include price information, inducement or use other impermissible language are not underwriting. Remember, underwriting is defined as acknowledgement of support. These announcements are deemed by the IRS as advertising and are not related to your station's core mission.

It is important to note two key points about how the FCC and IRS view advertising and public media. First, the IRS guidelines parallel, but do not duplicate, FCC criteria. They omit parts of the FCC definition of advertising and include some terms the FCC definition does not. Second, unlike the FCC, the IRS considers a paid promotional announcement for a non-profit to be an advertisement.

Specifically regarding UBIT, the IRS states:

“Even though an organization is recognized as tax exempt, it still may be liable for tax on its unrelated business income. For most organizations, unrelated business income is income from a trade or business, regularly carried on, that is not substantially related to the charitable, educational, or other purpose that is the basis of the organization's exemption. An exempt organization that has \$1,000 or more of gross income from an unrelated business must file Form 990-T PDF. An organization must pay estimated tax (on the net amount) if it expects its tax for the year to be \$500 or more.”

The IRS does allow for stations to deduct the cost of raising that revenue, which is defined as activity done solely to generate that revenue. Some stations will prorate sales expenses to determine how much money it cost them to generate UBI. That amount is what they deduct from the gross revenue.

For example, your total Corporate Support revenue is \$100,000 for the year. Of that amount, \$2,500 is digital revenue, which is liable for UBIT. Your salesperson earns \$30,000 per year. So, given that 2.5% of revenue is UBIT, you would take that percentage of the sales-person's wages, or \$750. That is the amount you would deduct from the \$2,500 in revenue. You would therefore be liable to pay UBIT on \$1,750.

Note: Stations are advised to do their own research into UBIT and consult their tax attorney to determine how commercial they want to go in both digital and for non-profit underwriters. Here is a good place to start: [IRS Publication 598](#).

When deciding whether to allow commercials from non-profits, here are a few other factors to keep in mind:



- Stations could lose their tax-exempt status if they engage in too much unrelated business activity.
- Listeners will not be pleased if you have commercials on your station.
- It will be hard to tell other underwriters why they can't use promotional language when they hear it from others.

# Chapter 7: Creating Underwriting Policies and Guidelines

Stations are strongly encouraged to formulate a written underwriting policy that establishes basic guidelines for what can be included in an announcement. Such a policy can spare stations from endless internal debate – as well as external debate with underwriters – over the acceptability of copy language; it can also help your station stay in the good graces of the FCC.

While it is important to understand as much as possible about the FCC’s rules and regulations surrounding underwriting, it is also important to remember that listeners are a critical part of the equation: they tune in because they value the non-commercial environment offered on public media stations. Focus group studies have shown that listeners are most annoyed when underwriting announcements sound too commercial due to things like tempo, loudness and tone – things that have nothing to do with FCC legal criteria.

**Keep in mind that the FCC does not have a corps of “spies” traveling around the country listening closely to public radio stations for underwriting violations. Rather, it is typically listeners who register complaints against stations.**

Those listeners could include competitors (both in broadcasting AND in the business community), ex-employees, disgruntled volunteers who have been let go, or just folks who get really upset when their public radio station starts airing underwriting that sounds too commercial.

Here are words of wisdom from legal minds for creating a solid underwriting approval process:

**Policy is Key:** First and foremost, have a written process for copy approval. A good faith effort is the most important thing in terms of defending your position should you be challenged. When you have a question of whether something is legal and you can’t quite figure it out internally, do consult your attorney, which would give you that good faith effort to show in case of a problem.

**The Process Becomes the Penalty:** The fine imposed may not be the biggest risk you face should the FCC find you in violation. A recent example of the largest fine yet imposed by the FCC was for \$115,000. That’s a scary enough number, but the legal fees were even more than that! There was also a four-year compliance plan that imposed huge documentation requirements on the station’s part – a logistics nightmare.

**Use Common Sense:** Consider the adage, “If it looks like a duck, swims like a duck, and quacks like a duck, then it probably is a duck.” If it sounds like a commercial, your listeners will hear that as well. Listeners trust public media to maintain the non-commercial, non-cluttered source of news, information, music, and entertainment that they love. Remember, they are a major source of funding, so show them some respect.

## Examples and templates

Before we begin, it's worth mentioning that a policy will have two audiences:

1. Internal staff
2. Underwriters

Some stations have two versions, with the internal staff document being quite detailed and regularly updated as new situations arise. The second version would be for underwriters and should be as clear and concise as possible. [Examples are available](#) at the end of this guide.

Key items to include are the FCC basics of what should be in a credit:

1. Sponsor name
2. What the sponsor does
3. How the sponsor can be reached
4. A logogram or slogan that is trademarked or universally recognized, and doesn't break other rules.

Then there are the major things that can't be included:

- Calls to action
- Qualitative or comparative language
- Price information
- Inducement to buy, sell, lease, or rent
- Menu listing of more than four items or features
- Personal pronouns
- Political/Issue ads

Examples are good to include, and stations might consider using the examples cited by the FCC that are listed in Chapter 2.

Some stations like to include some additional things that can be mentioned, which serves to balance out the "Don'ts". Things like:

- Products or services the client offers
- When tickets go on sale
- Hours of operation
- Ownership details such as length of time in business or local ownership

# Chapter 8: Overcoming Copy Objections

A vast majority of underwriters that you approach will not need to use promotional language to be effective in connecting with your station's listeners. The best way to insure this is to call on the right prospects to begin with. If you see a car dealer on your local TV station, with the owner standing in front of a row of cars shouting into the camera that he "won't be undersold!!" that is most likely not a good prospect for your station. On the other hand, if your local Subaru dealer is partnering with the local Boys and Girls Club for a fundraiser, that's your dealer!

So much of overcoming copy objections takes place early in the sale. Preparing prospects for how underwriting works, and what to expect will go a long way towards eliminating problems down the road. Sometimes an underwriting sales rep can get a little too hungry for a sale, fearing they won't hit their sales target, and doing everything possible to make up the difference. In those cases, it's easy to brush over the details, relying more on audience data to make the sale.

Then the client says, "When can I come in and record my spot?" And, at that moment, you know you're in trouble. The last thing you want to do when a client has just signed a big contract is start talking about all the things they **can't** say in their announcements. Talk about a bucket of cold water!

Here are a few times it's easy to talk about copy language before the sale is made.

## Needs Analysis

When you connect with the prospect for the first time you are in the driver's seat in terms of guiding the conversation. You should have lots of questions to ask and be a good listener to their responses. Be sure to write them down! You are trying to get inside the person's mind to understand their concerns, worries, hopes, and goals.

A good question to ask is about their business model. Are they working to be the low-cost leader, or do they want to be perceived as the quality player in their industry?

If the former, you'd be smart at that point to ask if they ever do any branding to compliment the price ads. If not, you might even suggest that your station may not be the best fit for them. If the latter, that would be a great time to talk about how public radio is a great place to build brand and we don't talk about price, setting the stage for what to expect in the copy.

Other good questions could include:

1. The three most important things they'd want people to know about them, (which will help you write sample copy in your proposal).
2. What do their best customers have in common?
3. What is the biggest misperception people have about their business? This can open a floodgate of information, grievances and a true insight into copy that would make them happy.

## Proposal

When you prepare a proposal based on your needs analysis, it's helpful to use a four-point proposal approach. Those four points are:

1. Client objectives
2. How your station answers those needs
3. Recommendation for schedule/campaign
4. Sample copy

By including in the proposal sample copy that is tailored to the things you learned about the business or organization, your prospect will see what kind of language can be used.

## Other Tactics

**Social Proof:** A great way to help new underwriters understand how public media sponsorship works is through Social Proof, one of [Cialdini's Six Levers of Influence](#). That means sharing information about successful campaigns others have aired. You can talk about the kind of copy other underwriters ran and show your prospect that the underwriting approach does work – social proof!

**Aircheck:** If you have an agreeable production person, have the proposed script recorded so the prospect can hear the public radio tone of voice. If they are a listener, they will love hearing the voice of your station reading their name and talking about their business. This is a great time to get feedback on your script; they will probably want to change it, and that is a good thing because they are visualizing hearing it on your station.

**Logic:** By simply sharing what we know about our listeners – their education levels, what they expect from your station, and how the underwriting credits become part of the information shared – you can convince them that this is what will be effective for their business or organization.

**Halo Effect:** Public radio listeners are pre-disposed to want to support underwriters, based on the well-documented influence of the “Halo Effect,” which is the positive association and shared values that listeners attribute to the companies that underwrite on their public radio station. Research conducted by [National Public Radio in 2011](#) showed that 74% of listeners said that their opinion of a business is more positive when they find out it supports public radio. This is extremely important research to share with your perspective client. And it helps them see that they don't have to hit listeners over the head with a hammer to get their attention.

**Lack of clutter:** Public radio is noticeably different from commercial radio and other for-profit marketing platforms. On public radio underwriters don't have to yell or try too hard to be noticed.

**Final word to the wise:** While it can be frustrating to deal with the grey areas of public radio underwriting guidelines, the FCC's rules are there for a reason. If we ourselves can see the guidelines as beneficial to our underwriters we will become experts at avoiding copy objections.

# Appendix I: Language Library

Below is a list of words that underwriters commonly ask to use in an underwriting script, and a rationale as to why those words are impermissible, or in some cases OK to use. It would be impossible to include every word that stations will question as promotional, comparative, or otherwise unacceptable. So, here is a simple trick to determine if the use of a word or phrase is legal or not – try using the “opposite test.” Just insert the word’s opposite into the copy. For example:

“Serving healthy, natural food”

“Serving unhealthy, unnatural food”

Clearly, “unhealthy, unnatural food” would sound undesirable to both the underwriter and listeners, so the words in question are comparative and probably not permissible in an underwriting script.

All the rationale included in this addendum assumes that your station doesn’t allow non-profit clients to run advertisements. If the station has different rules for non-profits, you can disregard many of these “forbidden” words and phrases for non-profit scripts only. However, see [“Non-Profit Advertising and UBIT”](#) to understand the station’s financial tax liability for airing advertisements for non-profits.

Finally, context is extremely important. We talk about not using words like “free,” but an argument could be made to allow a term like “smoke-free” or “gluten-free” as long as doing so isn’t setting up a script that is obviously comparative, relative to a competing business.

## Language Library

### A

**Accepts credit cards:** In an earlier ruling, the FCC deemed this to be an inducement and therefore not acceptable. Given that credit cards are almost universally accepted, this would not seem to be something worth the time to include anyway.

**Alcohol:** There is no legal reason stations can’t accept underwriting from alcohol companies including spirits, wine, and beer. The decision to accept or decline such underwriting falls under station policy.

**All you can eat:** Inducement, and therefore illegal.

**Annual event:** Stations like to use the word *event* to imply sale, but “stay legal”. Consider the intent of the guidelines when you determine if you will accept this terminology

Artisan: If this is indeed true and the food or crafts are artisan, then it's OK. If it's a fast-food chain trying to say they are selling artisan burgers, it's not true and therefore not permissible.  
Award-winning: Mention of an award, though it may be factual, (e.g., Grammy, Golden Globe, Tony, "voted best pizza place in town...") is not permissible as it is qualitative and promotional.

## B

Best outcomes: This is a claim and not permissible.

Best-selling: Mention of ranking is not permissible as it is qualitative and promotional.

Board certified: See "Certified"

BOGO: "Buy One, Get One" is an inducement and not permissible.

Bold: If this describes a coffee roast or a range of colors, it's OK. If it describes an approach to a problem, it is a claim and not permissible.

Boldly: Doing just about anything boldly (e.g., "boldly researching new methods") is very promotional and not permissible.

Broad: This is a term that can be used to describe a range of products. If the business does offer a wide array of services in their industry, it would be OK.

## C

Certified: Certifications (e.g., B Corporation, "certified Subaru mechanics," "board-certified by the American College of Surgeons," "Certified Financial Planner," "certified, licensed and insured tree removal service") are generally not allowed, as they imply better or more expert services. The only exception is for Certified Public Accountant (CPA) as that is an official title that an accountant must hold in order to practice.

Champion: This is a very promotional word and would not be allowed in nearly all cases. It is akin to citing an award.

Classic: It is all in the context for this word. Classic songs from the 80's would be acceptable as it is a genre of music. Mentioning a product as being classic would not be OK as it implies better or longer lasting.

Clinical trials: Recruiting for clinical trials is acceptable but be careful to avoid calls to action. Also, stations MUST check FDA regulations on what is allowed.

Comfort food: This is qualitative, and it would be better to mention menu items such as meatloaf, macaroni and cheese, etc.

Committed to: This is [aspirational language](#) so beware of what comes next in the copy. If what follows would be legal standing on its own, it's fine. If not, be careful.

Complimentary: This means "free" which is an inducement, and therefore not permissible  
Comprehensive: This can be permissible if used in the context of talking about a range of services. For example, "Valley Hospital, offering comprehensive stroke rehabilitation services."

Craft beer: This is an industry designation and therefore permissible.

Custom designed: This can be used if it is true. It would be talking about the service or products being offered and if each one is custom designed, such as a kitchen remodel, landscape or even wedding dress, it is simply a statement of what the underwriter does.

Custom made: Again, if it is true, it is permissible.

## D

Dedicated to: This is [aspirational language](#) so beware of what comes next in the copy. If it would be legal standing on its own, it's fine. If not, be careful.

Dependable: This is a comparative word and therefore not permissible.

## E

Early bird special: This is value-based, an inducement, and therefore not permissible.

Economical: This is value-based, and therefore not permissible.

Energy efficient: Value-based, also a claim, and therefore not permissible.

Energy Star: Many stations will mention that a store offers energy star appliances, which is a designation created by the EPA. It could be value-based and not permissible such as "Support from Bosc Appliances, 100% Energy Star certified." However, it could be argued that if an appliance store was talking about the range of appliances they carry, including Energy Star, that could be considered a description of their offerings, as in "Support from Don's Appliances, with a wide range of refrigerators to choose from including traditional, Energy Star and commercial."

Environmentally friendly: This is a claim, value-based and not permissible. It is also promotional and qualitative.



Established: Context is key on this word. Saying when a business was established is fine. Saying they are well-established is qualitative.

Every: This is similar to “broad” and is permissible if indeed true.

Excellent: A promotional word and not permissible.

Exotic: Context is important. If the underwriter is selling exotic pets, that would be fine. If they are describing their look, style, or merchandise, this could be qualitative and promotional, and thus impermissible.

## F

Fair price: Value-based and not permissible.

Family-style dining: This is an industry designation and therefore permissible.

Fast service: This is a claim and qualitative, therefore, not permissible.

Fastest service: Comparative and an inducement, not permissible.

Fast-food: This is fine, as it is an industry designation.

Favorite: Context is key here. If a theater says an artist will be playing their favorite hits from the past, it’s OK. If a underwriter wants to say their store is everyone’s favorite place to shop, it is not permissible.

Fine china: This is an industry designation and therefore permissible.

Fine dining: This is an industry designation and therefore permissible.

Fine furniture: This is an industry designation and therefore permissible.

First: This is comparative and being used to imply they are better. Or, it could be being used in a promotional manner, i.e., “first five shoppers receive a gift,” which is an inducement.

First time: This would be OK if used for describing loan products such as “first-time home buyers.”

Focusing on: This is similar to “specializing in,” which is permissible.

Free: Value-based, and therefore not permissible

Frequent flyer: Historically, this feature of airlines would not be permissible to include in copy. However, one could argue that since all airlines offer some sort of frequent flyer program, it is ubiquitous and therefore not comparative. Just be careful not to go into detail, such as, “members can earn free flights for each 20,000 miles flown.”

Full line of products: This is the same as “broad range of products” and therefore OK.

Full service: This is a designation, such as “full-service restaurant,” meaning there is table service. It can also be applied to a range of businesses, such as gas stations, banks, etc. It is permissible.

Fun: Qualitative and not permissible.

## G

Gift cards/certificates: Businesses can include the fact that they sell gift cards/certificates as part of what their business does.

Going out of business sale: See “Sale.”

Good living: This is a term that when turned around – “Bad living” — tells you that it is promotional and implying something qualitative.

Great: This is a subjective word, highly promotional and not permissible. One exception would be in talking about a “great-room” as a type of room in a house.

Greatest: This is qualitative and comparative and therefore not permissible

Guarantee: Mention of guarantees and warranties imply better value, are an inducement, therefore not permissible.

## H

Half price for kids: Inducement and therefore not permissible

Hand crafted: This is OK if it is true.

Happy hour: Inducement. It implies specials and/or better pricing and is therefore not permissible

Hard to find: Qualitative and not permissible.

Health grades: Health care providers love to brag about their health grades, but it is not permissible.

Healthy: This is a promotional term and meaningless when describing food or products. It would be permissible if used by a wellness clinic, e.g., “Support from Valley Wellness, helping patients learn healthy habits.”

Helping... : This is [aspirational language](#) so beware of what comes next in the copy. If it would be legal standing on its own, it’s fine. If not, be careful.

High/Highest quality: This is qualitative and comparative and therefore not permissible

Home cooked: Restaurants love to say this, but their food is not cooked in their homes, so it is not true and not permissible.

Home style: This is a designation of food and service. If people sit at large tables and serve themselves from large platters, this would be OK. If they are saying homestyle food, it’s a bit promotional. This would be a term to discuss internally as it’s not overly promotional.

Individually made: If it’s true, this is fine.

## I

Interest free: Value-based, an inducement, and therefore not permissible.

Interest rate (i.e., mentioning “X percent”): Value-based, an inducement, and therefore not permissible.

Inventory reduction: Implies a sale and is therefore not permissible.

## K

Kids enter for free: Inducement, and therefore not permissible.

## L

Largest showroom: This is qualitative and comparative and therefore not permissible. Some stations would allow the underwriter to state the size of the showroom, such as “30,000 square feet of home furnishings.” This is a gray area that your station can determine as permissible or not.

Latest anything: Technology, designs, fashions, styles, etc. This is qualitative and comparative and therefore not permissible.

Leading: This is qualitative language implying that the business is better and is not permissible.

LEED Certified: Certifications are not permissible to mention (see “Certified” for more info.)

Locally owned: This term is used by so many stations that most lawyers feel that since it is ubiquitous, it is OK. Given that saying the opposite – nationally owned – is not necessarily bad, “locally owned” falls under the same category as number of years in business, which is OK.

Low price guarantee: Value-based, inducement, and not permissible.

## M

Made from scratch: This term is sometimes used to imply the food is better. Consider the context and the actual business when making decisions like this. In some cases, this might be the restaurant’s entire business model, in which case it would be OK.

More styles: This is qualitative and comparative and therefore not permissible. However, you could say “many styles to choose from.”

Most experience: This is qualitative and comparative and therefore not permissible.

Most fuel efficient: Value-based and therefore not permissible.

Most reliable: This is a claim, and is qualitative and comparative and therefore not permissible.

Moving sale: See “Sale.”

MPG (miles per gallon): This has to do with fuel efficiency and therefore is a value-based statement intended to make the dealer look like their cars are better. Some stations believe that if you aren’t using this in a comparative way, it’s OK. Others believe it’s not legal due to the value-based nature of the statement.

## N

Named best: Awards are not permissible

Natural: This is a term that we all see a lot in grocery stores these days. As we know, it’s mostly meaningless and simply a marketing term. As such, if it’s used to make an underwriter sound like their products are superior, it is clearly not permissible. Consider the rule of opposites. If a underwriter wanted to say their products were un-natural, that would not be a good thing. Therefore, we can say this is a qualitative word and not permissible.

New management/owner: This is used to let listeners know that things are better now; therefore, it could be troublesome.

Newest models: This is qualitative and comparative and therefore not permissible. You could say that a dealer has the 2021 models.

No sales tax: Inducement, and therefore not permissible

Now hiring: [Recruitment messages](#) are being accepted by most stations.

Number one: Comparative and not permissible.

## O

Oldest: This is qualitative and comparative and therefore not permissible.

## P

Price: Value-based and therefore not permissible.

Prompt: Same as “fast.” This is qualitative and not permissible.

## Q

Quality: Some stations will accept the use of quality if the client doesn’t say high quality. This is splitting hairs and the word should be avoided. It doesn’t pass the “Opposite Test.”

Quickest turnaround: This is qualitative and comparative and therefore not permissible.

## R

Ranking: Ranks, certifications, awards, etc. are not permissible.

Rare: Same as “Hard to find” and not permissible.

Rebate programs: Value-based and therefore not permissible.

Recognized: Context is key. If saying “the recognized leader,” it is qualitative and not permissible. If saying the underwriter recognizes the needs of their clients, it could be OK.

Recruitment: Many stations are accepting spots that include [recruitment references](#).

Reliable: This implies dependable which is both a claim and qualitative. Not permissible.

## S

Sale: Mention of any sale event (e.g. “Going out of business sale,” “moving sale,” anniversary, annual, birthday, semi-annual) is not permissible.

Senior day pricing: Value-based, inducement and not permissible.

Softest bedding: This is qualitative and comparative and therefore not permissible.

Specialists/Specializing in: These terms are OK as they describes a legal or medical practice, auto repair shop where they specialize in Volvo’s, etc.

State of the art: This is qualitative and comparative and therefore not permissible.

## T

Tax free: Inducement, and therefore not permissible.

Tips: Including how-to tips in spots goes a bit beyond the basic three items of who they are, what they do and how they can be reached. And yet, many stations will accept this kind of announcement viewing them as public service. Examples might be health tips from hospitals or safety tips from public utility companies.

Top: Implies “best” and therefore not permissible. An exception could be “helping clients make it to the top of Mt. Hood.”

Top brands: Qualitative and therefore not permissible.

Top notch: Qualitative and therefore not permissible.

Trusted: Qualitative and therefore not permissible.

Two-for-one: Inducement, and therefore not permissible.

## U

Unforgettable: Qualitative and therefore not permissible.

Unique: Context is important. If an artist sells unique earrings and they truly only make one pair, they are unique. Any other use is promotional and qualitative and not permissible.

Upscale: Qualitative and not permissible.

**V**

Variety: This is acceptable if true. See “Broad.”

Voted best: Ranks, certifications, awards, etc. are not permissible.

**W**

Warranty: Value-based, inducement, and therefore not permissible.

Wide range: This is acceptable if true. See “Broad.”

World class: Qualitative and not permissible.

World premier: Station decision on this one. Many would say this could be OK if a theater is showing an actual world premiere. Others say this could be considered inducement and that they are comparing their offering to other theaters.

# Appendix II: Underwriting Guidelines Templates

## Template 1. [Example of Internal Guidelines] Underwriting Guidelines

The FCC has identified five practices that promote rather than identify and therefore are not permissible for broadcast on non-commercial stations: comparative descriptions, qualitative descriptions, pricing information, calls to action and inducements to buy, sell, rent or lease. Here are examples of each:

### 1. Comparative Descriptions

Donor acknowledgements that contain descriptive language comparing the underwriter's products with those of competitors are not permitted. Comparative descriptions usually include words that draw an explicit or implicit comparison to others, such as:

Best                  Better                  More                  Superior

Examples of acknowledgements that include these comparative terms are:

“Serving more cities than any other airline”

“With more assets than any other bank”

“Featuring the best products in town”

The relevant test is **not** whether these statements are true. A statement can be truthful and still be comparative and therefore promotional. The issue is whether a statement compares the underwriter's products with those of its competitors. If it does, the statement is impermissible and will not be included in underwriter's acknowledgements.

### 2. Qualitative Language

As a general rule, donor acknowledgements that contain qualitative descriptions of the underwriter's products are not permitted. Qualitative descriptions include words that describe the features, benefits, advantages or other qualities offered by the underwriter's products or services. Examples of qualitative words are:

Fine                  Excellent                  Tasty                  Good

Examples of descriptions that include qualitative words are:

“Distributor of fine furniture:

“Builder of homes of distinction”

“With twenty convenient locations”

As mentioned under “comparative descriptions”. Whether these statements are true makes no difference. If qualitative language is used to describe an underwriter's products or services, it probably serves to promote rather than identify the underwriter, and therefore would not be permissible.

### 3. Pricing Information



Announcements containing pricing information are not permitted. This includes interest rate information or other indications of savings or value associated with the product.

Examples of pricing information are:

- “7.7% interest rate now available”
- “Making computer power affordable at every desk”
- “Office products at discount prices”
- “Free admission” or “Free parking”

#### **4. Calls to Action**

Announcements that contain a “call to action” are not permitted. Most calls to action contain imperative language, that is, a statement to the listener that tells him or her to take action.

Examples of calls to action are:

- “Call us at 555-2222 for more information”
- “Try Texaco next time you buy gasoline”
- “Enjoy a night out at John’s Restaurant”

The FCC has indicated that a telephone number may be part of the permissible identifying information provided about an underwriter. However, it would not be permissible if its purpose and effect are promotional.

#### **5. Inducements to Buy, Sell, Rent, or Lease**

Announcements containing any inducement to buy, sell, rent or lease are not permissible. Language or descriptions that give reasons for doing business with the underwriter should be suspected of serving promotional rather than identification purposes.

Examples are:

- “Six months free service”
- “A bonus available this week only”
- “Now offering free checking”
- “With twenty stores nearby to save you time and money”

#### **Additional Underwriting Policies:**

- The station does not accept corporate sponsorships which promote the use of illicit drugs, alcohol, tobacco, or firearms
- The station does not accept political advertising
- The station will produce all announcements with station voices

#### **Additional decisions made on specific cases:**

[Here you would list copy that was deemed either legal or illegal based on consulting an attorney or NFCB, or others. Listing such examples will help with future decisions. Perhaps a brief rationale would be included.]

## **Template 2. [Example of External Guidelines] [STATION CALL LETTERS] GUIDELINES FOR ON-AIR UNDERWRITING FOR PUBLIC RADIO STATIONS**

**Credits are a maximum of 15 seconds in length.**

**Underwriting credits must contain:**

- The legal name of the sponsor, to be read immediately after the station preamble.

**Credits may also include the following:**

- A neutral description of products or services
- Names of operating divisions or subsidiaries
- An established slogan (verbatim) that identifies your company or products and does not promote.
- Statement of business locations, World Wide Web address, or phone number.
- Your organization's mission
- Duration of time in business or services

To maintain public radio's non-commercial character, the FCC has determined that sponsor credits may not:

- Use comparative or qualitative language  
(Efficient, economical, dependable, prompt, leading, reliable, excellent)
- Offer price, discount or financing information  
(Offering a discount, financing is available)
- Use a call-to-action  
(“Stop by our showroom, come on out, go to, call today, visit”)
- Include any inducement to buy  
(Free service, special gift, bonus, guarantees)
- Third party endorsements from newspapers, magazines, etc.

Voicing is done by on-air announcers. Copy can be updated as necessary. Final copy approval lies with the station, which reserves the right to decline support that is deemed incompatible with the public broadcasting mission.

These regulations serve to protect the non-commercial content that public radio listeners value so highly. In this way, the special integrity of the relationship between our stations and our listeners extends to the sponsors as well.

## Template 3. [Example of External Guidelines]

### [STATION CALL LETTERS] Underwriting Guidelines

As a non-profit and non-commercial radio station, [CALL LETTERS] is required to follow FCC guidelines for underwriting announcements. The FCC has identified five practices that promote rather than identify and therefore are not permissible for broadcast on non-commercial stations: comparative descriptions, qualitative descriptions, pricing information, calls to action and inducements to buy, sell, rent or lease. Here are examples of each:

#### 1. Comparative Descriptions

Announcements that contain descriptive language comparing the underwriter's products with those of competitors are not permitted. Comparative descriptions usually include words that draw an explicit or implicit comparison to others, such as best, better, more, and superior

Examples of acknowledgements that include these comparative terms are:

"With more assets than any other bank"

"Featuring the best products in town"

The relevant test is **not** whether these statements are true. A statement can be truthful and still be comparative and therefore promotional.

#### 2. Qualitative Language

Announcements that contain qualitative descriptions of the underwriter's products are not permitted. Qualitative descriptions include words that describe the features, benefits, advantages or other qualities offered by the underwriter's products or services. Examples of qualitative words are fine, excellent, tasty and good.

Examples:

"Builder of homes of distinction"

"With twenty convenient locations"

#### 3. Pricing Information

Announcements containing pricing information are not permitted. This includes interest rate information or other indications of savings or value associated with the product.

Examples:

"7.7% interest rate now available"

"Making computer power affordable at every desk"

"Office products at discount prices"

#### 4. Calls to Action

Announcements that contain a "call to action" are not permitted. Most calls to action contain imperative language. That is a statement to the listener that tells him or her to take action.

Examples:

"Call us at 555-2222 for more information"

“Try Texaco next time you buy gasoline”  
“Enjoy a night out at John’s Restaurant”

**5. Inducements to Buy, Sell, Rent, or Lease**

Announcements containing any inducement to buy, sell, rent or lease are not permissible. Language or descriptions that give reasons for doing business with the underwriter should be suspected of serving promotional rather than identification purposes.

Examples:

“Six months free service”  
“A bonus available this week only”  
“With twenty stores nearby to save you time and money”

**Additional Underwriting Policies:**

6. The station does not accept corporate sponsorships which promote the use of illicit drugs, alcohol, tobacco, or firearm
7. The station does not accept political advertising
8. The station will produce all announcements with station voices

## Template 4. [Example of External Guidelines]

### Underwriting Copy Guidelines

As a public radio station, [STATION] is bound by FCC guidelines for underwriting announcements. These rules serve our sponsors well, as they provide for language that [STATION] listeners *prefer to hear and will respond to* more readily than language that is commercial in nature. These guidelines will help our corporate sponsors engage with the [STATION] audience most effectively.

#### General Guidelines

**Length:** [STATION] underwriting announcements are all 20-seconds in length, which includes the standard opening line, "Support for [STATION] comes from [BUSINESS]..."

**Content:** Underwriting announcements are objective, direct, and clearly identify the following:

1. The name of the underwriter/sponsor.
2. The mission, business, or event hosted by the underwriter.
3. A means to contact the underwriter/sponsor.

**Deadlines:** Please allow one week for production of announcements.

#### What to Include

- Name of the organization paying for the schedule
- Value neutral description of products or services offered, including brands or trade names
- Date and time of event
- Length of time in business
- Established slogan or tagline
- Telephone number or URL

#### What Not to Include

- Comparative, qualitative, or overtly promotional language
- Price or value information
- Inducement to buy, sell, rent, lease, borrow, or loan
- Third-party endorsements
- Calls to action
- First- or second-person language that implies station endorsement (e.g., you, we, us, I).

#### Underwriting Language Examples

##### 1. Comparative language

Permitted: "Serving 50 cities in the Western United States."

Not permitted: "Serving *more* cities than any other airline."

##### 2. Qualitative Language

Permitted: "With twenty locations throughout the Puget Sound."

Not permitted: "With twenty *convenient* locations."

##### 3. Pricing Information

Permitted: "Information on rates is available online at bank dot com."

Not permitted: "3.7% interest rate now available."

#### **4. Calls to Action**

Permitted: "More information available at [NUMBER]."

Not permitted: "Call us at [NUMBER] for more information."

#### **5. Inducements to Buy, Sell, Rent, or Lease**

Permitted: "Tickets go on sale this Friday."

Not permitted: "First 100 tickets are discounted."

#### **Sample Message**

**SUPPORT FROM ANYTOWN THEATER GROUP PRESENTING THE SESSION EUROPA. THE SEASON STARTS IN SEPTEMBER AND INCLUDES SIX PLAYS. INFO AT ANYTOWN THEATER GROUP DOT ORG.**

#### **Additional Underwriting Policies**

- The station does not accept corporate sponsorships which promote the use of illicit drugs, alcohol, tobacco, or firearms.
- The station does not accept political advertising.
- All announcements are produced in-house by [STATION] staff.

# Acknowledgements

This *NFCB Practical Guide to Underwriting*, published in the spring of 2021, is meant to provide practical advice, rather than a legal analysis based completely solely on FCC rulings. Sections of this guide are based on *The NFCB Underwriting Guide*, a legal analysis last published in 2004. This guide was authored by Beverly James and edited by NFCB Chief Operating Officer, Gretchen Aston-Puckett. Additional review was undertaken by John Crigler (retired partner) and Melodie Virtue (partner) of the law firm Foster Garvey, Washington, D.C. NFCB Executive Director, Ernesto Aguilar, contributed an additional review and his publishing expertise to the preparation of this document.

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Beverly James has spent her career in radio, first in the commercial world and then, as a sales representative at public radio station KPLU in Seattle. She then became the first Corporate Support person to represent KNHC at Nathan Hale High School. From there Beverly was tapped to become a Corporate Support Advisor for Greater Public, a professional development association for public media fundraisers. She now operates her own public media consulting business and is thrilled to be able to help sales professionals from stations large and small to learn, grow and thrive in an everchanging and challenging media environment.

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