



PBS

*NATIONAL PROGRAM FUNDING
STANDARDS AND PRACTICES*

I. Introduction & Background

A. Policy Base

The *PBS National Program Funding Standards and Practices* rest on three fundamental principles:

- Public television is a major participant in the great tradition of a free and independent American press. Therefore, public television must protect its journalistic integrity and it must reinforce the accurate perception that it is a free and independent institution.
- Public television's nonprofit, noncommercial status contributes to its independence and public television also enjoys certain financial and other benefits by virtue of its noncommercial, nonprofit status. Therefore, its noncommercial character must be preserved.
- The diversity of program funding sources is a key element in the preservation of a free and independent public television system. Therefore, these guidelines should encourage national program underwriting from all corners of the public and private sector.

B. Policy Objectives

Based on these fundamental principles, PBS has developed guidelines for the acceptance of program funding from third parties. These guidelines are intended to ensure:

- That editorial control of programming remains in the hands of the producer;
- That funding arrangements will not create the perception that editorial control had been exercised by someone other than the producer, or that the program has been inappropriately influenced by its funding sources; and
- That the noncommercial character of public broadcasting is protected and preserved.

C. Policy Application

1. By PBS: These program funding policies are applied to the funding arrangements and on-air credits for programs intended for distribution by the Public Broadcasting Service (as distinguished from programs produced or acquired by individual public television stations for local or regional use).¹

For the purposes of these guidelines, a program "funder" or "underwriter" or "grantor" is a third party that has voluntarily contributed cash (or substantial in-kind services) to finance, in whole or in part, the production or

¹ Although this document refers generally to programs in the singular, these policies apply equally to series of programs. And unless otherwise indicated, the word "program" is intended to include PBS Internet content.

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acquisition of a PBS program, and that may not, and has not, exercised any inappropriate influence over the content of the program it has funded.

Entities that are normally engaged in the production of television programs (such as public television stations, commercial production companies and foreign broadcasters like the BBC), and that finance their own productions in whole or in part, are not regarded as underwriters and are not subject to these guidelines. These parties are regarded as “producers” or “co-producers” who are solely responsible for the content of the programs they produce and who are subject to separate PBS policies.

2. By PBS Member Stations: The PBS Board of Directors strongly encourages all PBS member stations to adopt and implement local underwriting guidelines that are consistent with these national guidelines. Nevertheless, producers and funders should be aware that individual judgments may differ in a given situation, even when the same policies are being administered, and that individual public television licensees may administer local program underwriting policies that vary from these policies.

D. Policy Procedures

1. Full Disclosure: Upon offering a program to PBS, producers must identify all funders and the amounts they have provided. Producers are required to disclose all written or oral funding arrangements for the program in question including any arrangements for ownership or control of copyright, any arrangements for ownership or control of ancillary rights and products,² and any arrangements for the provision of valuable in-kind goods and services or any other consideration. PBS may also examine other relevant facts and circumstances to arrive at a reasoned judgment concerning the acceptability of a program in connection with these principles.

2. Advance Approval: PBS’s principal goal in administering these guidelines is to maintain its reputation for editorial integrity and the noncommercial nature of public television. At the same time, however, PBS is also committed to assisting producers and underwriters to achieve their communications objectives to the fullest extent possible within the limits of the guidelines. Therefore, PBS strongly urges producers to provide to PBS any storyboards, scripts or any other information that will facilitate an understanding of the design and intended execution of the proposed credit before it is produced. Underwriting credits produced prior to PBS’s review and approval are produced at the sole financial risk of the program producer and/or the funder.

3. Right to Decline to Distribute: Programs that are not in compliance with these guidelines will be returned to the producer for editing if time permits, or, with the producer’s permission, the credits will be edited by PBS at the producer’s expense. Programs that do not conform to these guidelines will not be distributed as a PBS program and will not carry the PBS logo.

E. Regulatory Requirements

In addition to achieving the policy objectives established by the PBS member stations, these guidelines also serve to ensure that broadcast programs will be in compliance with regulations of the Federal Communications Commission (FCC). The FCC’s rules require broadcasters to “fully and fairly disclose the true identity” of all broadcast program funders. From the Commission’s standpoint, the purpose served by underwriting credits is to identify the funder in the interests of full disclosure, not to promote the funder or its products and services. Consistent with this purpose, the FCC has determined that underwriting credits broadcast on public television programs may include the following identifying information in addition to the underwriter’s name:

- Logograms or slogans which identify and do not promote
- Location information and telephone numbers
- Value neutral descriptions of a product line or service
- Brand and trade names and product or service listings

At the same time, however, the FCC has indicated that *the public broadcaster’s good faith judgment must be the key element in meeting Congress’ determination that the service should remain free of commercial and commercial-like matter*. Therefore, with the advice of its member stations, PBS has developed these guidelines which govern how funders of PBS programs may be identified on-air.

² “Ancillary rights and products” include but are not limited to program distribution rights, such as videocassette and foreign broadcast rights; or the right to market and distribute derivative works, such as trade books, text books, CD recordings, CD-ROMS or other products and merchandise that are based on or derived from the program.

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In addition to FCC regulations, the television depiction or description of some products or services is also regulated by the Federal Trade Commission, the Food and Drug Administration, and other federal agencies. Due to the volume and complexity of these regulations, PBS must rely on the underwriter and its advertising agency to ensure that credits are produced in compliance with applicable regulations. In addition, PBS will reserve the right to require the underwriter to indemnify PBS and its member stations against claims or losses arising from alleged or actual non-compliance with such regulations.

In addition to ensuring that underwriting credits on PBS programs comply with federal regulations, these guidelines are also intended to ensure that the funders of PBS programs are all treated fairly and consistently with respect to on-air credits; to ensure that all funding credits are presented in ways that are aesthetically pleasing, to minimize clutter and extraneous material, and to establish clear standards that can be incorporated by all public television stations in the administration of local underwriting policies.

F. Who May be Identified as a broadcast Underwriter?

As noted above, the FCC requires broadcasters to “fully and fairly disclose the true identity” of all broadcast program funders. Therefore, an underwriting credit on the air must contain the legal corporate name of the underwriter (or the legal name of any private person who has contributed to the production).³

1. Corporate divisions and subsidiaries: If the funding comes from a *bona fide* operating division or subsidiary of a corporation, that division or subsidiary may be identified by its logo or name. It is not necessary to identify the parent corporation, but it is permissible to do so (*e.g.*, a credit may be given to Lincoln-Mercury or to the Lincoln-Mercury Division of the Ford Motor Company).

2. Brand names: In some cases, the name of a corporation and its brand are the same; for example, Coca Cola, Apple and VISA. But in some cases, brand names are not the same as the corporation’s name, nor are they *bona fide* divisions or subsidiaries of the parent company. For example, “Jell-O” is a brand owned by Kraft, “Crest” is a brand owned by Procter & Gamble, and “Tylenol” is a brand owned by McNeil Consumer Products Co. Brand names that are not corporate entities may still be identified as an underwriter provided that the corporate owner of the brand name, *i.e.*, the accountable entity, is also fully and clearly disclosed on-air. One way this can be accomplished is by superimposing a lower-third disclosure statement, *e.g.*, “*Jell-O™ is a registered trademark of Kraft.*”

3. Endowments: Program funding provided by station-owned endowments may or may not require disclosure (*i.e.*, an on-air credit). See *Appendix A* for fuller discussion. Program funding provided by third party endowments must always be disclosed as provided for in these guidelines.

4. Dual Credits: While these guidelines permit *bona fide* corporate divisions, subsidiaries and brands to be identified as underwriters, this accommodation may not be used as the pretext for providing a single underwriter with two underwriting announcements in a single credit pod. In the case of multiple grants to the same program from multiple divisions, subsidiaries or brands of a single corporate parent, PBS will examine the facts on a case-by-case basis to determine whether the grants were sufficiently separate or coincidental to warrant separate credits. The main concern will be whether the underwriting is indeed being provided by separate and independent entities, and will so be perceived; or whether, taking into account all the circumstances of the financial commitments and the creative elements of the spots, the separate underwriting is, or will be seen as, an attempt to circumvent the guidelines.

³ For these purposes, terms such as “Corporation, Inc.,” etc., need not be used. For example, Exxon need not be identified as the “Exxon Corporation.”

G. Special Restrictions

1. Restrictions on Certain Classes of Underwriters

(a) Cigarettes and Distilled Spirits: PBS will not accept programs partially or fully underwritten by entities engaged solely in the manufacture or marketing of cigarettes, little cigars, and/or smokeless tobacco, as those terms are defined in Title 15, United States Code, Sections 1332 and 4408; or distilled spirits, as that term is defined in Title 26, United States Code, Section 5002 (a) (8).

It should be noted that this prohibition relates only to cigarettes, little cigars, smokeless tobacco and distilled spirits and not to companies that manufacture or market other tobacco products, or to companies that manufacture or market wine and beer. Nonetheless, the latter may be inappropriate underwriters for certain programs or in certain dayparts.

It should also be noted that diversified companies engaged only in part in the marketing or manufacture of cigarettes, little cigars, smokeless tobacco or distilled spirits may be acceptable as underwriters. However, on-air credits acknowledging the support of such diversified companies may neither depict nor refer to the above-named products in any manner whatsoever.

(b) **Personal Products:** While underwriting by entities engaged in the manufacture or marketing of personal products is acceptable, such underwriting may not be appropriate for certain programs or in certain dayparts. Such determination will be made by PBS on a case-by-case basis.

2. Restrictions on Identification of Certain Products

No underwriting credit may in any manner whatsoever depict or refer to any tobacco products, distilled spirits, or firearms. Display of personal products shall be evaluated on a case-by-case basis by PBS, subject to a general "waist-to-knee" prohibition.

3. Restrictions on Certain Types of Programming

Children's programs: PBS and its member stations believe that children are a special audience with fewer critical skills and greater vulnerability with respect to televised messages. In addition, public television has a special place in the minds of the public with respect to children's programming. Therefore, every effort must be made to avoid even the possibility that children are being exploited by public television programs, including the underwriting credits.

How-to programs: PBS must exercise care to ensure that the editorial integrity and the noncommercial nature of its programs are vigorously maintained. Because how-to programs contain frequent references to consumer products, such as food, gardening and building items and implements, the underwriting credits on how-to programs must not contain any product identifications that would create the perception of a commercial connection between the program and the underwriter or its products or services.

Special rules pertaining to underwriting credits for children's and how-to programs are set forth in **Section III, Rules 2 and 3.**

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II. General Principles for Determining the Acceptability of National Program Funding

This section addresses the process for determining the acceptability of proposed program funding arrangements. If the funding arrangement is determined to be acceptable, a separate evaluation of the proposed funding credit will then take place (see Sections III and IV).

Three “tests” are applied to every proposed funding arrangement in order to determine its acceptability:

- **Editorial Control Test:** Has the underwriter exercised editorial control? Could it?
- **Perception Test:** Might the public perceive that the underwriter has exercised editorial control?
- **Commercialism Test:** Might the public conclude the program is on PBS principally because it promotes the underwriter’s products, services or other business interests?

The following describes these tests and their application in more detail.

A. Editorial Control Test

American public television, comprised of free and independent noncommercial broadcasters, is committed to providing programming that is produced in accordance with the very highest ethical, journalistic and professional standards. Therefore, PBS will always hold the producer fully accountable for the program and will not allow editorial control to be exercised by anyone else, including program funders.

Public television is an independent participant in the American system of a free and independent press. So long as public television continues to hold itself out as a major independent broadcast enterprise, it must guard assiduously against abusing the trust placed in its programming by the public. The audience has a right to feel secure in its assumption that program judgments are being made by professional journalists and by the broadcast licensees who are held accountable as trustees of the public airwaves. To allow program judgments to be controlled by program funders would be to breach the public’s trust. Therefore, PBS will not accept a program if the program funder has asserted, or has the right to assert, editorial control over a program.

PBS’s consideration of issues of actual editorial control also includes arrangements with third parties regarding control of program copyright, ancillary rights, and/or the provision of in-kind goods or services made prior to PBS distribution of the program. To the extent that, through such arrangements, a third party exercises or attempts to exercise editorial control over a program’s content, the program will not be acceptable for PBS distribution.

PBS recognizes that the key to the application of this principle is the definition of inappropriate editorial participation or program control by a program funder (or other third party), and that the definition of “inappropriate participation or control” may vary depending upon the general nature of the program or the stage at which the participation occurs.

In general, a program funder’s participation in the development of broad program concepts or proposals it might wish to fund is not considered an aspect of editorial control unless the facts and circumstances warrant a different conclusion. Thus, a program would be acceptable where the potential program funder were to make it known that it would be interested in funding, for example, a series on the performing arts or, more narrowly, modern dance.⁴

Though program ideas will, in most cases, be generated by program producers, public television does not prevent funders that have conceived ideas for new programs from acting as a catalyst to see their ideas realized on television. On the other hand, PBS will not accept a program where the potential funder has removed control and discretion from the producer by specifying in detail what the resulting program or series should be, or by pre-ordaining the conclusion the viewer should draw from the materials presented. What constitutes such control will depend on the circumstances, although the strictest standard will be applied to current affairs programs.

⁴ This assumes, of course, that the proposed series has not been created to serve the business or other interests of the funder, which would be unacceptable.

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A program funder's actual participation (or right to participate) in the program production process after the initial idea stages are complete and after a producer has been engaged will be considered to be the assertion (or the right to assert) editorial control over the program or program series, and the proposed program funding will be unacceptable for PBS distribution. The right to, or the actual assertion of, such control can take many forms. For example:

- The program funder's insistence, by contract or otherwise, on choosing, for example, individual dramas within a drama series, or holding or exercising veto power over a producer's selection of dramas.
- The program funder's insistence, by contract or otherwise, on reviewing scripts, outlines or treatments after the initial funding decision is made, whether or not such review could result in termination of the grant. The same would be true where the funder retains the right to bar delivery of the programs to PBS. The ability to withhold or control distribution will be treated in the same manner as the ability to control content.
- The program funder's insistence, by contract or otherwise, on appointing or approving the appointment of experts to an editorial advisory panel when content decisions are expected to be a primary function of that panel.
- The program funder's insistence, by contract or otherwise, on being present in the editing room, or approving or even reviewing rough cuts, fine cuts or the final program prior to broadcast. The potential for influence is so palpable in these situations that, even if nothing were changed as a result of such participation, the resulting program would not be acceptable.
- The program funder's insistence, by contract or otherwise, on owning or controlling the copyright or other program rights to the production it funds. Ownership of copyright establishes actual editorial control in terms of both program content and the right to control program distribution. Therefore, program funders may not hold or control copyright to a program. A program funder may, however, participate in the distribution of revenue derived from the exploitation of ancillary rights by the producer, so long as the funder does not hold or exercise such rights itself.⁵
- The deliberate avoidance or alteration of certain material topics within a program or treatment in order that a particular underwriter be deemed acceptable by PBS.
- The program funder's insistence, by contract or otherwise, on participating in or attempting to control the program scheduling process. Funding arrangements which call for such participation would be unacceptable.
- The program funder's insistence, by contract or otherwise, on a "stepped" or contingent funding arrangement that enables the funder to become involved with program content.

⁵ An exception to this rule has been granted from time to time for underwriters that are engaged in the manufacturing and marketing of educational software that is based on or derived from the program, provided that the producer holds final editorial approval over the software.

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B. Perception Test

Public television, comprised of free and independent noncommercial broadcasters, provides a program service resulting from good faith professional judgments that are free from inappropriate restraints or controls. This commitment has enabled public television to earn the trust and respect of its viewers. Therefore, PBS must guard against the public perception that editorial control might have been exercised by program funders.

One of public television's objectives is to be accepted by the public as a free and independent broadcast enterprise, and to sustain that acceptance through the quality and integrity of its programming. Only if so regarded can public television maintain the confidence of its viewers -- a confidence that is essential if public television is to accomplish the goal of serving the public with a program service that is enriching and enlightening. Therefore, even if the public television professionals know that programs have not been inappropriately influenced by program funders and therefore would be acceptable under the editorial control principles set forth above, steps must also be taken to avoid the public perception that program funders have influenced professional judgments. Should a significant number of reasonable viewers conclude that PBS has sold its professionalism and independence to its program funders, whether or not their conclusions are justified, then the entire program service of public television will be suspect and the goal of serving the public will be unachievable.

As PBS has matured and established a reputation for independence and integrity, it has been able to exercise increased latitude with respect to the perception test. However, there will still be cases where a clear and direct connection between the products, services or other interests of a proposed funder and the subject matter of the program would be likely to lead a significant portion of the public to conclude that the program has been influenced by that funder.⁶

In general, the perception test will be applied most vigorously to current affairs programs and programs that address controversial issues. In these cases, when there exists a clear and direct connection between the interests or products or services of a proposed funder and the subject matter of the program, the proposed funding will be deemed unacceptable regardless of the funder's actual compliance with the editorial control provisions of this policy.

In some cases, the joining of a problematic funder with one or more neutral funders may make the problematic funder acceptable, as any perception that it may have exercised content control would be mitigated by the presence of the other funders.⁷ In such cases, the problematic funder should be a minority rather than a majority funder, and should be credited as such. Caution should be exercised to ensure that the mitigating effect of multiple funding arrangements is not offset by advertising or promotion by the producer or underwriter that would tend to suggest sole or primary funding by the problematic underwriter.

Perhaps the most difficult aspect in administering these guidelines is the question of the possible public perception of editorial involvement and the direct and immediate interests of the funder in the subject matter. Each situation is unique and requires careful, thorough analysis.

The most important factor to be considered is the character and directness of the perceived connection between the program funder and the subject matter of the program. For the purpose of this analysis, the subject of a program will be considered to be those subjects and issues which a program might reasonably be expected to cover -- not simply those subjects that are actually covered or proposed to be covered. In assessing the potential impact on the public of a perceived connection, various other factors will be considered as well. For example, the reputation of a continuing program series; the type and number of funders; the actual funding arrangements; the existence, character and role of any independent panel of experts; any on-air disclaimer; whether or not the program was produced before the funding relationship was established; and any other factors that may appear to be relevant to the circumstance.

⁶ For these purposes, a corporate foundation -- that is, one funded with revenues from the corporate parent and answerable in some way to the parent -- is considered to have the same business or other interests as the parent corporation.

⁷ It should be noted, however, that some funders will be too problematic under any circumstance to be deemed acceptable -- even as one of multiple funders.

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PBS's consideration of issues of perceived editorial control also includes arrangements for ancillary rights made prior to PBS distribution. Pre-broadcast sales of ancillary rights to *bona fide* program distributors (or other entities such as publishers) with an established business interest in the exploitation of ancillary rights is not ordinarily a matter for concern. However, ancillary rights arrangements with entities that are not normally in the distribution business can create the perception that the rights purchaser may have an editorial interest in the content of the program, and may therefore have inappropriately influenced the content of that program. If the purchaser of such rights has, or could be perceived to have, the kind of direct or immediate interest in the content of the program that would be unacceptable if the purchaser were seeking to underwrite the program, then the program will not be accepted for distribution.

Similarly, the perception of inappropriate editorial influence can also be created by the provision of in-kind goods and services to a production by a party that has, or could be perceived to have, the sort of direct or immediate interest in the content of a program that would be unacceptable if the party were seeking to underwrite the program.

Thus, upon offering a program to PBS, in addition to providing information about the funders of the program, it is the responsibility of the program producer/presenter to disclose to PBS any arrangements for ancillary rights or in-kind goods and services, made either orally or in writing, with any entity that has, or could be perceived to have, any direct or immediate interest in the content of the program.

The perception of editorial control can also occur when underwriters seek to fund only selected programs within a series. Therefore, in general, programs within a current affairs or controversial issues series must be treated as a single unit, funding must be sought for the series as a whole rather than for individual episodes, and funders must be credited for the run of the series and must not vary from program to program. This is to avoid situations where an underwriter seeks, or would appear to seek, to fund only that part of a series in which it has a particular interest, or may offer to fund one part of a series in order to ensure production of some other part for which such funding would be unacceptable due to a direct interest of the funder in the subject matter. As a general rule, a funder that would not be acceptable for any single program in a series would not be acceptable to fund any other part of the same series.

There can be exceptions to this rule: For example, an anthology series might incorporate diverse acquisitions, each funded independently of the umbrella anthology and with each crediting its own set of funders (but with all episodes crediting the funder of the umbrella series). In another case, additional funds may be received after a series begins and the funder may be credited on only the remaining programs in the series. However, PBS must approve in advance any such exceptions.⁸

The following examples are offered to further illustrate the application of the perception test:

- A long-standing series of debates, accepted by the public as having an unassailable reputation, could be funded by a corporation that might have a stake in one or more of the individual subjects debated. Here, the credibility of the series has been established and the debate format is less susceptible to manipulation than other formats.
- A series of documentaries, interviews, and commentary on the subject of drug abuse would not be accepted if funded by a special purpose nonprofit corporation whose principal mission is to foster the understanding of drug-related community programs, even if the series proposal suggests that it will not deal with the more controversial aspects of drug abuse and its proposed solutions. A reasonable segment of the informed public might readily conclude that the series was funded in order to foster the views and objectives of the program funder.
- Similarly, a nonprofit organization whose mission is to eradicate heart disease or to raise money for leukemia research could not fund a program designed to educate the public about these respective illnesses. Again, even though the program may not contain controversial subject matter, and even though there might be few who would criticize the goals of these organizations, a reasonable segment of the public might readily conclude that the program was created solely to promote the interests of the funder.

⁸ When the additional contribution is received after the series begins and is small relative to the entire program budget, a producer may be permitted to credit the new funder on only a fixed block of episodes, even though the series may be repeated at a future date. This may also be permitted where there is little risk that viewers would perceive that unacceptable control had been exercised by the additional funder.

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- A Jewish social welfare organization could not fund a documentary on a prominent Nazi figure. The inherently controversial nature of the program, along with the organization's presumed direct interest and stake in the subject matter, combine to make this underwriting arrangement unacceptable. Again, the public might readily conclude that the program was created to foster the views and objectives of the funder.
- Conversely, a major oil company could be the sole funder of a three-part documentary examining the American presidency from early times to the present. Here, the format of the program does not lend itself to any perception of manipulation by the funder, the program has a strong historical focus, and although an oil company does have an interest or stake in administration policy, any reference to or coverage of energy issues would be minor and incidental to an examination of the office of the presidency.

C. Commercialism Test

Public television, comprised of free and independent noncommercial broadcasters, licensed as such by the FCC and expected to be noncommercial by the public, must vigorously protect its noncommercial character.

One of public television's obligations to the FCC, the Congress and the public is to respect and maintain its noncommercial character. Public television's nonprofit, noncommercial status contributes to its journalistic independence. Moreover, because of its noncommercial, nonprofit status, public television receives special treatment from the FCC and various taxing authorities, and it receives direct funding from federal, state and local governments. Public television is also eligible for special tariff provisions from common carriers, it receives special rates from unions and performers, and it has special privileges for the use of copyrighted materials. Most important, public television, because of the character, quality and integrity of its program service, has received a special place in the public's mind. Therefore, in addition to the editorial principles already set forth, a commercialism test will also be applied to determine whether certain proposed program funding arrangements are acceptable to PBS.

In applying this test, PBS will carefully analyze the relationship of the funder and its business interests to the subject matter of the program. Earlier versions of these guidelines provided that when a clear and direct commercial connection existed between the interests, products or services of a corporation and the subject of a program, the proposed funding arrangement would be deemed unacceptable. In more recent years, however, the application of this principle has been limited to only those proposed funding arrangements that are blatantly commercial or self-congratulatory.

The interest to be protected here is both the fact and the public perception that public television's selection of programs and the content of those programs is responsive solely to the perceived needs of the public which it serves -- not to the commercial interests of corporations or other entities who may fund public television programs. The concern is less that the connection might bring about actual funder control of the program content, although this danger may indeed be present. Instead, the concern is the damage to public television's reputation that could result from a funding arrangement that is so self-serving or self-congratulatory that a reasonable public could conclude that the program is on public television solely or principally because it promotes the funder's products, services or other business interests.

Thus, the policy is intended to prohibit any funding arrangement where the primary emphasis of the program is on products or services that are identical or similar to those of the underwriter. If, however, the product or service depicted is merely incidental or of secondary importance to the program, the funding would be allowed.

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The following examples illustrate how the commercialism principle is applied:

- A manufacturer of photography equipment would be permitted to underwrite a general how-to series on photography composition and film developing, but could not fund a program which prominently featured the company's products or which compared products or services similar to those offered by the underwriter.
- A pharmaceutical company could fund a 13-part series examining the working and functions of the human body. The commercial tie between the funder's products and interests and the subject matter of the series is too attenuated to prohibit this funding arrangement, since the series deals with the human anatomy, not health care.
- An oil-producing company could fund a program concerning an art exhibit it has sponsored, provided that the company has not exercised control over the exhibit itself.
- A company could underwrite a program focusing on the life and career of a famous architect who designed the building which houses that company, even though the program might include a brief or coincidental reference to the architect's connection to the funder's building. This situation would not be acceptable, however, if the program focused entirely or primarily on the building in question.

Finally, producers are cautioned to scrupulously avoid "product placement" arrangements, *i.e.*, the deliberate or gratuitous appearance in the program of an underwriter's product or service in a way that draws attention to or features that product or service in any way whatsoever. Producers need not substitute a competitor's products for those of an underwriter, but must use care to ensure that any appearance of an underwriter's product is purely incidental and could not be misconstrued as a product placement.

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III. Guidelines for On-Air Underwriting Credits

Once an underwriting arrangement has been approved, the next step is to review and approve the proposed on-air credit that will identify the underwriter(s). This section sets forth the rules applying to credit content, duration and placement.

RULE 1 Overall Appearance and Effect of Credits

The on-air appearance and overall effect of each credit and credit sequence must be in keeping with the noncommercial nature of public television.

FCC Requirements: From the FCC's standpoint, the purpose served by underwriting credits is to identify the funder in the interests of full disclosure, not to promote the funder or its products and services. At the same time, however, the FCC has indicated that it will rely on the good faith determinations of public broadcasters in interpreting the FCC's noncommercialization guidelines.

A. Underwriter Name or Logo

All underwriters must be identified in video by their name and/or logo. If a logo by itself does not adequately disclose the identity of a funder, then the funder's name must be stated in audio or video. An underwriter may not be anonymous.

B. Additional Identifying Information in a Credit

Besides identifying the funder clearly by name and/or logo (as required above), a credit may contain additional information in audio, video, or both, to help identify a funder. Any language that in PBS's judgment is gratuitously or blatantly promotional is not acceptable. In addition, information that would appear to be self-congratulatory or that could be construed as an advocacy position on a particular issue or subject will not be acceptable.

FCC policy statements, rulings, advisory opinions and letters applying its rules and policies to specific underwriting announcements have cautioned against the use of certain types of language, phrases, and visuals, such as the following, which it deems promotional:

- call to action (*e.g.*, "come in today and take a test drive")
- superlative description or qualitative claim about the company, its products, or its services (*e.g.*, "the most intelligent car ever built")
- direct comparison with other companies, or with other companies' products or services
- price or value information (*e.g.*, "only \$160 down and \$160 per month," or "7.7% interest rate available now," "affordable," "discount," or "free")
- inducements to buy, sell, rent, or lease (*e.g.*, "six months' free service when you buy," or "guaranteed for life")
- endorsements (*e.g.*, "recommended by 4 out of 5 doctors for headache pain")
- demonstrations of consumer satisfaction.

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Some of the words and phrases that the FCC has found unacceptably promotional include:

Efficient	Economical	Dependable
Dedicated	Prompt	Fair price
Reliable	Excellent	Leading
Luxury	Quick and clear	Very accommodating
Delightfully honest	Quality	Number One

The context in which the word or phrase appears must always be taken into account and a separate judgment must be made for each credit. The line separating permissible from impermissible, in wording and visuals, is not always a bright one.⁹ Accordingly, PBS retains the authority to interpret language and other elements for purposes of compliance with FCC requirements and toward maintaining our own uniquely noncommercial service.

The following types of additional identifying information are acceptable, according to FCC statements concerning enhanced underwriting announcements:

- Value neutral descriptions of a product line or service
- Brand and trade names and product or service listings
- Visual depictions of specific products
- Location information, including telephone numbers and Web addresses
- Logograms or slogans which identify and do not promote¹⁰

C. Other Factors to be Considered

Inevitably, no set of specific rules or guidelines will anticipate every use or possible combination of creative elements that constitutes an underwriting credit or sequence of credits. In evaluating a proposed underwriting message, PBS will consider FCC decisions as well as elements of the creative content which can affect the overall tone and character of an underwriting announcement, such as:

- music
- number and speed of video cuts
- voice quality and inflections
- verbosity
- “dwelling” on product features
- primary emphasis¹¹

In general, a corporate, institutional, or “image” spot may be more easily adaptable than other types of spots for a PBS underwriting message. Messages that seek primarily to promote public television generally or align with the PBS mission are encouraged. In any event, in reviewing proposed underwriting messages, PBS may suggest appropriate revisions and shall have final judgment regarding acceptability.

⁹ A more complete discussion of applicable federal statutes and FCC regulations is available on request.

¹⁰ Slogans or corporate positioning statements are evaluated in the same way as any other additional identifying information. The degree to which a slogan is an established part of an underwriter’s identity will also be taken into account.

¹¹ In some cases the sequence of certain visual or audio elements may impermissibly tip a message in a promotional direction, and PBS may suggest re-ordering certain elements for a more appropriate result.

PBS National Program Funding Standards and Practices

RULE 2 Children's Programs

PBS and its member stations believe that children are a special audience with fewer critical skills and greater vulnerability with respect to televised messages. In addition, public television has a special place in the minds of the public with respect to children's programming. Therefore, every effort must be made to avoid even the possibility that children are being exploited by public television programs, including the underwriting credits.¹²

These special rules are intended to provide guidance on underwriting credits that are directed to children and that involve brands and products that may be especially appealing to young viewers (such as foods, beverages and toys). These are the kinds of credits that will most often raise concerns about the commercial exploitation of young viewers.

These rules are not meant to prohibit conventional underwriting credits on children's programs where the message is clearly targeted to an adult audience and the product or service is of little interest to the young viewer. Each case will be evaluated on its individual merits.

PBS is committed to providing a safe haven for children, free from the influence of commercial messages. With regard to food and beverage funders, PBS is committed to fostering the health, well-being and nutritional values of children. With this in mind, in keeping with the advice of its nutrition experts, PBS will apply a higher standard in the review of funding from food and beverage companies/brands.

Underwriting credits designed and intended to be appealing to audiences under twelve (12) years of age must comply with the following rules. These rules may also apply to special versions of children's programs distributed by PBS in other dayparts. These rules for children's programs apply to underwriting credits on all distribution platforms.

A. As in all cases, the credit must identify the underwriter in the manner described in RULE 1(A) above. The credit may also include a brief, generic, value-neutral description of the underwriter's product or service.

B. The credit may use the underwriter's logo in video, and may also for further identification include a brief depiction of the underwriter's mascot or spokescharacter to accompany the funder name or logo (subject to RULE 1 sensitivities concerning placement, size, and other factors). To avoid encouraging children to use or consume an underwriter's products, product depictions are not allowed; further, an underwriter's name or logo may not be shown on a product package.

C. The remainder of the underwriting credit should be either (1) a message of support for PBS and public television, or (2) a message that promotes learning and education. Examples:

- "Microsoft Home supports The Magic School Bus and other programs that further learning, exploration and discovery."
- "Exercise your head. Read! Ghostwriter is brought to you in part by Nike."
- "Reading Rainbow is made possible in part by a grant from Kellogg's, who reminds you to take time each day for reading."

Funder messages that are unrelated to PBS, public television or program content are strongly discouraged and are unlikely to be accepted.¹³

¹² To this end, Internet website addresses may only be displayed during or adjacent to children's programming provided that the page to which viewers are directed contains no links to commercial material, as required by the FCC website address rule.

¹³ More recent sample credits are available by request from Program Underwriting Policy.

PBS National Program Funding Standards and Practices

RULE 3 How-To Programs

As noted in Section I (G), public television must always exercise care to ensure that the editorial integrity and the noncommercial nature of its programs are vigorously maintained. Because how-to programs frequently contain references to consumer products (such as food items, gardening and building products and implements, etc.), the underwriting credits on how-to programs must not contain any product identification that would create the perception of a commercial connection between the program content and the underwriter's products or services.

As noted in the section on Commercialism (Section II[C]), producers are also cautioned to scrupulously avoid "product placement" arrangements, or the appearance thereof, i.e., the deliberate or gratuitous appearance in the program of an underwriter's product or service in a way that draws attention to or features that product or service in any way whatsoever. Producers need not substitute a competitor's products for those of an underwriter, but must use care to ensure that any appearance of an underwriter's product is purely incidental and could not be misconstrued as a product placement.

RULE 4 Treatment of PBS and CPB Funding

A. PBS-provided Funding

To communicate the importance of viewer support, all programs funded in whole or in part by PBS must be identified in audio as having been "Made possible by contributions to your PBS station from viewers like you. Thank you." In addition, "Viewers Like You" must be fonted on screen, then transition to a "Thank you" font on screen. Graphic elements may be obtained from PBS Technical Operations.

B. CPB-provided Funding

All programs funded in whole or in part by CPB must be identified in audio as having been "Made possible by the Corporation for Public Broadcasting," and in video by animation that is available on request from PBS Technical Operations. The video consists of the CPB logo with the fonting: "A private corporation funded by the American people" and web address. With CPB's (and PBS's) approval in advance, producers may use alternative audio or video for the CPB funding credit, but it must include the language as indicated above.

C. PBS/CPB Combined Animation

PBS Technical Operations will also provide on request animation that combines the "Viewers Like You" and CPB credits. Note, however, that the two funding sources are independent, and it should not be assumed, as in the past, that both credits should always appear together.

PBS National Program Funding Standards and Practices

RULE 5 Text of Credits for Production or Acquisition Funding

The introductory text of an underwriting credit is generally left to the discretion of the producer. In any of these options, the producer may use the name of the program or series title in place of "This program."

"Preambles"

- "This program is/was made possible (in part) by (a grant from) . . ."
- "(National) funding for this program was provided (in part) by . . ."
- "This program is/was underwritten (in part) by . . ."
- "Major funding for this program was provided by . . . Additional funding was provided by . . ." [To be used when there is a significant difference in the amounts of underwriting from two or more funders.]
- "This program is brought to you (in part) by . . ." [This phrase may not be used when there is a close commercial connection between the funder's products or services and the content or focus of the program. The use of the phrase "brought to you by" must be specifically approved by PBS.]
- "(National) presentation/acquisition of this program is/was made possible (in part, in major part) by (a grant from) . . . (and by (an) additional grant(s) from . . .)." [To be used when when a program or series is acquired by public television and the acquisition costs are provided by an underwriter, indicating that the funding credit is solely for acquisition costs and not for production costs.]

Comment

The name of the funder may be preceded by the phrase "the people of" or "the people at." However, phrases such as "your friends at" or "the experts at" are not acceptable.

The words "in part" should be used when production costs are only partially funded by underwriters and the balance is assumed by the producer of the program. This is intended to avoid any misimpression that the program was funded in its entirety by the funder when that is not the case. (Program producers are never credited as underwriters, even though they may have contributed to the cost of the production.)

The alternatives above are suggestions. Subject to PBS's approval in advance, other language may be used¹⁴ so long as phrases do not closely imply a commercial interest or editorial participation by the funder. For this reason, "presents" may not be used. "Sponsored by," because of its extensive use in commercial television, will not be an acceptable way of identifying underwriters; however, variations of that phrase, such as, "Corporate sponsorship provided by," may be acceptable in limited cases, and only in connection with major corporate contributions.

¹⁴ e.g., in place of the introduction, a clear support message ("We're proud to support Great Performances on PBS") may be woven into the body of the credit.

PBS National Program Funding Standards and Practices

RULE 6 Disclaimer for Controversial Issue Programs

If the program treats a controversial issue,¹⁵ the closing funding credit should also include the following statement as part of the funding announcement, preceding the identification of any funders:

“This program was produced by WXXX-TV, which is solely responsible for its content.”

Following this statement, any of the alternative preambles listed above may be used. In the case of acquisition funding, it would read like this:

“This program was produced by (producer), which is solely responsible for its content. (National) presentation of this program (or “title”) was made possible (in part, in major part) by (a grant from)...(and by (an) additional grant(s) from...)”

RULE 7 Frequency of Credits

No single underwriter may be credited with greater frequency than any other underwriter of the same program, and all underwriters of a particular program must be mentioned in each underwriting credit pod for that program. (But see RULE 11.)

A. Non-Controversial Issue Programs

Underwriters may be given a credit at the beginning of a program and must be given a credit at the end of the program. (Although not required by FCC rules, it is PBS’s practice to permit underwriting credits to appear at the beginning and end of programs, and in mid-breaks where applicable.)

If program content (not including station pledge breaks, if applicable) is longer than one hour and fifteen minutes, underwriters may be credited at the beginning of the program, at the 60-minute interval (or at a natural break as close to the hour as possible), and at the end of the program. If the program is longer than two hours and fifteen minutes, underwriters may receive a credit at the beginning of the program, at each 60-minute interval (or at a natural break as close to the hour as possible), and at the end of the program. A fifth credit may be given in programs exceeding three hours and fifteen minutes in length, and so on.

Comment

This rule outlines the maximum permissible frequency of credits. The FCC’s regulations do not establish any specific limits on the number of times underwriters may be credited; the rules only state that underwriting acknowledgments may not interrupt regular programming. PBS continues to urge, however, that underwriting credits during natural program breaks should be kept to a minimum.

B. Controversial Issue Programs

Pursuant to FCC rules, the underwriter(s) of programs involving a discussion of controversial issues of public importance must be identified at both the open and close of the program.¹⁶

¹⁵Special FCC regulations apply to programs that address “controversial issues of public importance.” Since the application of these guidelines requires a judgment as to whether a program includes a “controversial issue of public importance,” producers are urged contact the Program Underwriting Policy Office at PBS, (703) 739-5184, to determine whether this condition applies, and for guidance on the appropriate treatment of credits and disclaimers.

¹⁶ If the program or series is funded solely by PBS and/or the producer, no funding credit is required by the FCC. However, it is PBS’s practice to require the inclusion of the “Viewers Like You” credit at the beginning and ending of all programs which have received funding from PBS.

PBS National Program Funding Standards and Practices

RULE 8 Placement of Underwriting Credits

A. Opening Credits

The underwriting credit pod at the beginning of any program must begin no later than three minutes into the program. The funding credits must be presented in such a way as to maintain a clear separation from program content. Subject to the producer's artistic judgment, PBS strongly encourages opening credits to be placed after a program tease in order to help separate national program funding credits from local funding credits and other material that may appear during the preceding local station break.

B. Mid-Break Credits

All mid-breaks must be cleared with Program Management and/or with Fundraising & Syndicated Programming, as appropriate. Once approved, the sequence of events, including whether to make time available for the underwriting credit pod, and switching transitions, are to be determined by those offices. Language and content of underwriting announcements in mid-breaks, if any, are to be consistent with these guidelines.

C. Closing Credits

Closing funding credits must appear either immediately before or immediately after the final production credits. PBS encourages producers to insert funding credits before production credits in order to separate and differentiate them from similar credits that may appear in the subsequent local station break.

RULE 9 Order of Underwriting Credits

When there is more than one underwriter for a program, underwriters should be credited in descending order of the amount of their grants. Therefore, the underwriter that has made the largest grant should appear first, and each additional grantor should appear in descending order based on the amount of its grant. When two or more underwriters provide grants of identical (or nearly identical) amounts, the order of their names may vary at the will of the producer.

It may be appropriate under certain circumstances to vary the order of the funders in a credit. In those cases, producers should take steps to ensure appropriate identification and avoid any confusion between major and minor funders. Note that the terms "major" and "minor" are imprecise and subject to interpretation.

RULE 10 Duration of Underwriting Credits

A. Premier Sponsorship

The category of Premier Sponsorship is intended to recognize the extraordinarily generous corporate underwriter whose support has made possible certain costly programs.¹⁷ The maximum allowable credit for a Premier Sponsor is 30 seconds. The aggregate time for acknowledging corporate contributions in any underwriting pod containing a Premier Sponsor must not exceed 60 seconds; acknowledgments of corporate and non-corporate funding together must not exceed 90 seconds.

¹⁷ Note that Premier Sponsorship is not available for PBS KIDS. Further details about Premier Sponsorship are available from Program Underwriting Policy.

PBS National Program Funding Standards and Practices

B. Standard Underwriting

The maximum allowable credit for any other underwriter is 15 seconds. If there are no Premier Sponsors, the aggregate time for acknowledging all underwriters in an underwriting sequence is 60 seconds.

Comment

Producers are strongly urged to parse credit time carefully and in a manner that is consistent with the relative level of each underwriter's contribution, so as to treat all funders in a fair and consistent manner.

Note that introductory language (sometimes called a "preamble") or its equivalent, pursuant to RULE 5, may count toward the maximum duration of an underwriting credit or credit pod.

RULE 11 Number of Permissible Underwriters

There is no limit on the number of underwriters that may contribute to a program. Given the time limitations established in RULE 10, however, the number of underwriters that can be individually acknowledged must be limited to that which can be comfortably and reasonably read within the time allowed.

If a program has more underwriters than can be comfortably and reasonably read within that time period, it will then be necessary to identify the major underwriters individually and the remainder generally. The general reference to any minor contributors must include a statement advising the public that a complete donor list is available from either PBS or the local station, whichever is appropriate. In any event, however, all this information must fit within the appropriate time period.

Comment

There is no minimum limitation on the size of an underwriter's contribution, and no maximum limitation on the number of underwriters that may contribute to the production of a program or series. In determining who are major underwriters and who are minor underwriters for purposes of specific (versus generic) identification, the FCC rules suggest that "the substantiality or insubstantiality of contributions should relate to and be determined by the actual programming costs." In general, if a generic credit is required, any funder providing less than 5% of the funding for a program or series cannot be assured of receiving identification on air, but may be subsumed in a generic credit.

PBS must be advised in any case where it is anticipated there will be more funders than can be comfortably and reasonably accommodated within the time periods established by RULE 10. PBS will help decide on a case-by-case basis whether the approach suggested by the FCC is appropriate; which funders must be individually credited and which may be generally acknowledged; and what announcement is appropriate with regard to the availability of a complete list of funders of the program.

PBS National Program Funding Standards and Practices

RULE 12 In-Kind Goods and Services

A production assistance credit may be given for in-kind goods and services that have been provided to the producer at no or nominal cost. Because clutter should be avoided, producers should give such credits only when important and necessary to do so. In-kind credits may appear as text in video only and must appear within the normal production credits using the same style, font, color and background as all other production credits. Production assistance credits may identify the actual product or service provided. The text of the video-only credit will generally incorporate one of the following phrases:

“Production assistance provided by . . .”

“(Item/service) provided by . . .”

“Special thanks to . . .”

Examples: “Scenes from Citizen Kane were provided by Turner Entertainment.”

“Special thanks to the Bettman Archives.”

“Production assistance provided by the National Geographic Society.”

“Air transportation provided by American Airlines.”

Production assistance credits may not incorporate or display the donor’s corporate or brand logo(s) or any other identifying information.

RULE 13 Credits for Program Distributors

Programs are often acquired from program distributors such as Time-Life, Turner Entertainment, Devillier-Donagan, etc., and questions have arisen about whether and how distributors should be credited. Distributor credits are strongly discouraged in order to minimize clutter. Subject, however, to obtaining PBS’s approval in advance, PBS’s practices with respect to distributor credits are as follows:

- Distributor credits are permitted only for bona fide program distributors that are generally recognized as being primarily in the business of television program distribution.
- If a program is acquired from a bona fide program distributor and funding has been provided from a different source, the distributor credit must be placed at the end of the program. Since the distributor is not an underwriter, the content of the credit is negotiable.
- Alternatively, if a distributor furnishes a program free of charge, it has the option of receiving a distributor credit or an underwriting credit, but not both. If the distributor chooses an underwriting credit, the credit must conform to these rules.
- If a program is furnished free of charge from a third party that is not a bona fide program distributor, the program provider will be treated as an underwriter.

IV. Guidelines for PBS Internet Sponsorship

Principles:

To maintain clear editorial separation, sponsorship messages should never be designed to appear as content.

Sponsorship messages on program Web sites must support a positive user experience. Accordingly, sponsor messaging must not interfere with the user's ability to access the content, and sponsor creative must be in keeping with the tone and character of the page where it appears.

It is our intent to adhere to the fundamental principles articulated in Sections I and II of these Guidelines to maintain the character and integrity of the content on PBS.org. At the same time, we recognize that the Internet represents broad new sponsorship terrain, with a quickly-changing landscape that will require PBS to react with a level of flexibility.

Accordingly, the Internet Sponsorship Parameters, reflecting up-to-date considerations of industry practices and feedback from a variety of sources, may be revised from time to time (consistent with these guidelines) to remain relevant in today's media landscape. These parameters include, among other things, message-to-content proportion, certain categorical exclusions, prohibited creative devices, unacceptable messages, and other special concerns as they arise.¹⁸ Sponsorship messages that seek to promote public television or align with the PBS mission are generally encouraged.

To the extent that the provisions articulated below seem to repeat or extrapolate from broadly applicable language appearing earlier in this document, this is for emphasis only and is not to be construed as implying that other sections are irrelevant for Online purposes.

A. PBS Review and Advance Approval

All online sponsorships are subject to review and approval by PBS in advance of implementation. Producers are strongly encouraged to submit wireframes and other materials to facilitate an understanding of the design and intended execution of the proposed sponsorship.

B. Full Disclosure

In addition to providing the full details of funding arrangements and other relevant facts and circumstances necessary for PBS to arrive at a reasoned judgment concerning sponsor acceptability, producers must use good faith effort to disclose (within the context of the web site) whether there is any mention of the sponsoring party in normal editorial coverage.

C. Privacy/Personal Data Collection

PBS is committed to protecting the private information of our visitors. PBS expects its sponsors to operate in a manner that is consistent with our collection and use of personal data, per the PBS privacy policy posted here:

http://www.pbs.org/aboutsite/aboutsite_privacy.html

¹⁸ For more information or questions concerning online sponsorship guidelines and parameters, please contact PBS Digital.

PBS National Program Funding Standards and Practices

PBS expects sponsors to have a privacy policy that is clearly posted and linked to on the destination site's landing page or home page.

Where personal information is collected on the sponsor's landing page, PBS expects that the:

- Collection of that information is in compliance with all privacy laws
- Sponsor states how it will use the information collected
- Collection of the information is in a secure environment
- Sponsor does not willfully disclose personal information collected to any third party without first receiving permission
- Sponsor only uses personally identifiable information for activities stated in its privacy policy
- If a user does not want their information to be collected or used, sponsor provides an opportunity for the user to opt out

Producers may not collect personally-identifiable information from program site users on behalf of a sponsor.

Last Amended October 27, 2015

PBS Funding & Editorial Standards

On-Air Acknowledgment of Funding from Station-Owned Endowments

As endowments become a major focus of station fundraising efforts, we have begun to receive inquiries from producers as to how station endowments, or major donors to station endowments, may be acknowledged on programs when income from these endowments is used to finance program research, development and/or production.¹⁹

For these purposes, the term “station endowment” means a sum of money where access to the principal is prohibited, but where endowment income is received by a public television station and the use of the income is left to the discretion of station management. Also included in this definition would be cases where endowment income may be limited in some respect; for example, to the support of “science” or “dramatic” or “educational” programming, but where station management retains full discretion as to exactly which science or which dramatic or which educational program will receive endowment support.

By contrast, in the unlikely event the income from an endowment were restricted solely to funding a specific, named program (e.g., “The Newshour Endowment”), this would be regarded as a conventional underwriting grant subject to the normal requirements of the PBS National Program Funding Standards and Practices.

Assuming, however, a reasonable degree of station discretion as to the use of endowment income, there is no requirement to identify an endowment as a program funder. However, we believe a permissive approach makes the most sense and would agree that under certain circumstances, it will be appropriate to acknowledge that support has been provided by an endowment or a major contributor to an endowment. To that end, producers may give a funding credit to an endowment, or to a major donor to an endowment, provided there is a clear and direct connection between the source of the funds and the resulting program.

For example, when a program receives support from an endowment created explicitly to finance the production of television programming or some genre of television programming, it would be permissible to credit that endowment, or a major contributor to it. Conversely, it would probably not be appropriate to credit an endowment, or a major contributor to it, when the endowment was established explicitly to fund the replacement cost of the station’s production equipment or to help meet the station’s general expenses. While a program might benefit indirectly from these contributions, the connection to the specific program is too attenuated to warrant a funding acknowledgment.

When there is a clear and direct connection between an endowment and a program, there are two ways in which credits can be included: as a conventional funding credit, or as a “special thanks” credit incorporated into closing production credits. The choice will depend on the amount of the contribution relative to other funders, and how direct the connection is between the endowment and program itself.

¹⁹ Underwriting provided by third party endowments must always be disclosed pursuant to the PBS National Program Funding Standards and Practices.