



NEWS

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This is an unofficial announcement of Commission action. Release of the full text of a Commission order constitutes official action.
See MCI v. FCC, 515 F.2d 385 (D.C. Circ 1974).

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UNIVISION RADIO PAYS \$1 MILLION TO RESOLVE “PAY-FOR-PLAY” INVESTIGATION

*FCC Settlement Requires Univision to Adopt Significant Business Reforms to
Ensure Future Compliance and Protect Consumers*

Washington, D.C. -- Today, the Federal Communications Commission's Enforcement Bureau released a Consent Decree entered into with Univision Radio, Inc. to resolve allegations that Univision radio stations or their employees secretly accepted payment from a record label in exchange for the radio stations giving more frequent airplay to the label's artists, without making the disclosures to listeners required by section 507 of the Communications Act. In a companion criminal action, a federal district court has accepted the plea of Univision Services, Inc. to charges filed by the U.S. Department of Justice ("DOJ"), based on the same facts. The FCC and the DOJ coordinated their respective investigations and enforcement actions.

"Payola -- the idea of pay-for-play -- misleads the listening public," said FCC Chairman Julius Genachowski. "This agreement with Univision underscores the FCC's focus on consumer protection and our commitment to ensuring that broadcasters play it straight with the public."

As part of the FCC settlement and the DOJ action, the Univision companies will pay \$1 million to the U.S. Treasury. The FCC-Univision Consent Decree also obligates Univision to implement certain business reforms and compliance measures designed to ensure future compliance with the Commission's rules. Key provisions of the settlement include:

- General prohibition on Univision stations and employees exchanging airplay for cash or other items of value, except under specified conditions, and provided that such exchanges comply with sponsorship identification laws;
- Limits on the size of gifts, concert tickets, and other valuable items that Univision stations and employees can accept from record labels;
- Appointment of a Compliance Officer and regional Compliance Contacts responsible for monitoring and reporting company performance under the settlement; and
- Regular training of programming personnel on payola restrictions.

FCC Enforcement Bureau Chief Michele Ellison stated, "Broadcasters play a critical role in educating and entertaining the public and along with that special role comes some fundamental obligations. We will continue to work with other government agencies, including criminal law enforcement authorities where appropriate, leveraging all the tools at our disposal to protect consumers and prevent them from being misled."

The FCC's Media Bureau concurred in today's settlement, and the FCC's Office of Inspector General coordinated with DOJ on the criminal proceeding.

Action by the Enforcement Bureau of the FCC on July 26, 2010, by Order (DA 10-45).

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on the Commission's website www.fcc.gov.