



UNITED STATES OF AMERICA
Federal Trade Commission
WASHINGTON, D.C. 20580

Division of Advertising Practices

March 10, 2014

Via Email and Overnight Courier

Michael Hill
President
News Broadcast Network
75 Broad Street, 15th Floor
New York, NY 10004

Re: News Broadcast Network, File No. 122 3133

Dear Mr. Hill:

As you are aware, staff of the Federal Trade Commission's Division of Advertising Practices has conducted an investigation into the role of News Broadcast Network ("NBN") in arranging for individuals to conduct media interviews on national television and radio programs to promote consumer products and services. Specifically, we investigated NBN's role in booking media appearances for Alison Rhodes-Jacobson to endorse the ADT Pulse home security system. Our inquiry focused on whether adequate disclosure was made in those media interviews that Ms. Rhodes-Jacobson was compensated to endorse the ADT Pulse.

The Federal Trade Commission recently entered into a consent agreement with ADT LLC, the manufacturer of the ADT Pulse, settling charges that ADT misrepresented that paid endorsements from safety and technology experts, including Ms. Rhodes-Jacobson, were independent and impartial reviews and failed to disclose that the experts were being paid by ADT to promote the Pulse system. A copy of the press release announcing that settlement is attached.

To avoid deception under Section 5 of the FTC Act, a material connection between an advertiser and an endorser, such as a financial relationship or compensation, should be clearly and conspicuously disclosed in the communication that contains the endorsement when that relationship is not otherwise apparent from the context. Any party that actively participates in the marketing of products through paid endorsers, including a public relations firm such as NBN, has a responsibility to make sure that those disclosures are made. We encourage you to review your company's current practices to determine whether there are additional measures you can take to ensure that paid endorsers make appropriate disclosures when reviewing products in the media.

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Staff appreciates NBN's cooperation in this matter. Upon careful review of NBN's role in booking media appearances for Ms. Rhodes-Jacobson, we have decided to close our investigation of NBN. Staff notes that NBN's submission documented that your company repeatedly advised ADT and other clients of the need to comply with the FTC's Endorsement Guides. In addition, the flyers that NBN used to solicit media bookings for Ms. Rhodes-Jacobson included a disclosure stating that the interview was sponsored by ADT.

Our decision to close this investigation without pursuing enforcement action is not to be construed as a determination that a violation may not have occurred, just as the pendency of an investigation should not be construed as a determination that a violation has occurred. The Commission reserves the right to take such further action as the public interest may warrant.

Very truly yours,

A handwritten signature in cursive script that reads "Mary K. Engle". The signature is written in black ink and is positioned above the printed name and title.

Mary K. Engle
Associate Director

Attachment