

Important changes to internet advertising regulation

A company's website marketing will, from **1 March 2011**, fall within and widen the scope of the **Advertising Standards Authority's (ASA)** regulatory remit.

Working to achieve the aim that advertising is '**legal, decent, honest and truthful**' the UK's advertising codes will now cover advertisers' own marketing on their websites and will also extend to other content which is not paid for and which the advertiser is able to control.

Of particular interest is the fact that consumers and rival business owners will be able to pursue an avenue of complaint via the ASA against misleading advertising displayed by businesses on their own websites. Previously this did not fall within the ASA's remit and so presented a risk; businesses could profess whatever they wished with little negative consequence from a false claim. In addition marketing communications displayed on social media sites such as Facebook and Twitter will now be regulated. This is a significant step forward and will uphold consistently high standards in advertising regulation across the board.

The impact of the communication in question will be assessed to see if it falls on the permitted side of the UK Code of Non-Broadcast Advertising, Sales Promotion and Direct Marketing (CAP Code). This applies in relation to any organisation's website or non-paid for space they control which operates from the UK, regardless of the type of domain name. This therefore includes .com websites. Furthermore, user generated content (UGC) will be regulated only if it is incorporated into the marketing communications of an organisation. This will be looked upon on an individual basis by observing the context and placing of any comments posted.

In the event of non-compliance the ASA are to be granted new sanctions. These include publishing details of 'offenders' on their website and the ability to remove paid-for search advertising. The emphasis however is not on the punishments but instead on the aim to ensure that at all times advertising remains responsible.

STEPS TO TAKE

- Examine your website to ensure you comply fully with the CAP code before 1 March 2011. The types of communication to look at are those which attempt to sell a product or service to consumers
- Consider a review of the websites of your competitors, in particular to see if they are making any misleading claims
- If you advertise your business on social networking platforms be mindful of the information you are posting
- Ensure you monitor user-generated content

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For further advice, please contact your HGF representative or email marketing@hgf.com with your query.

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