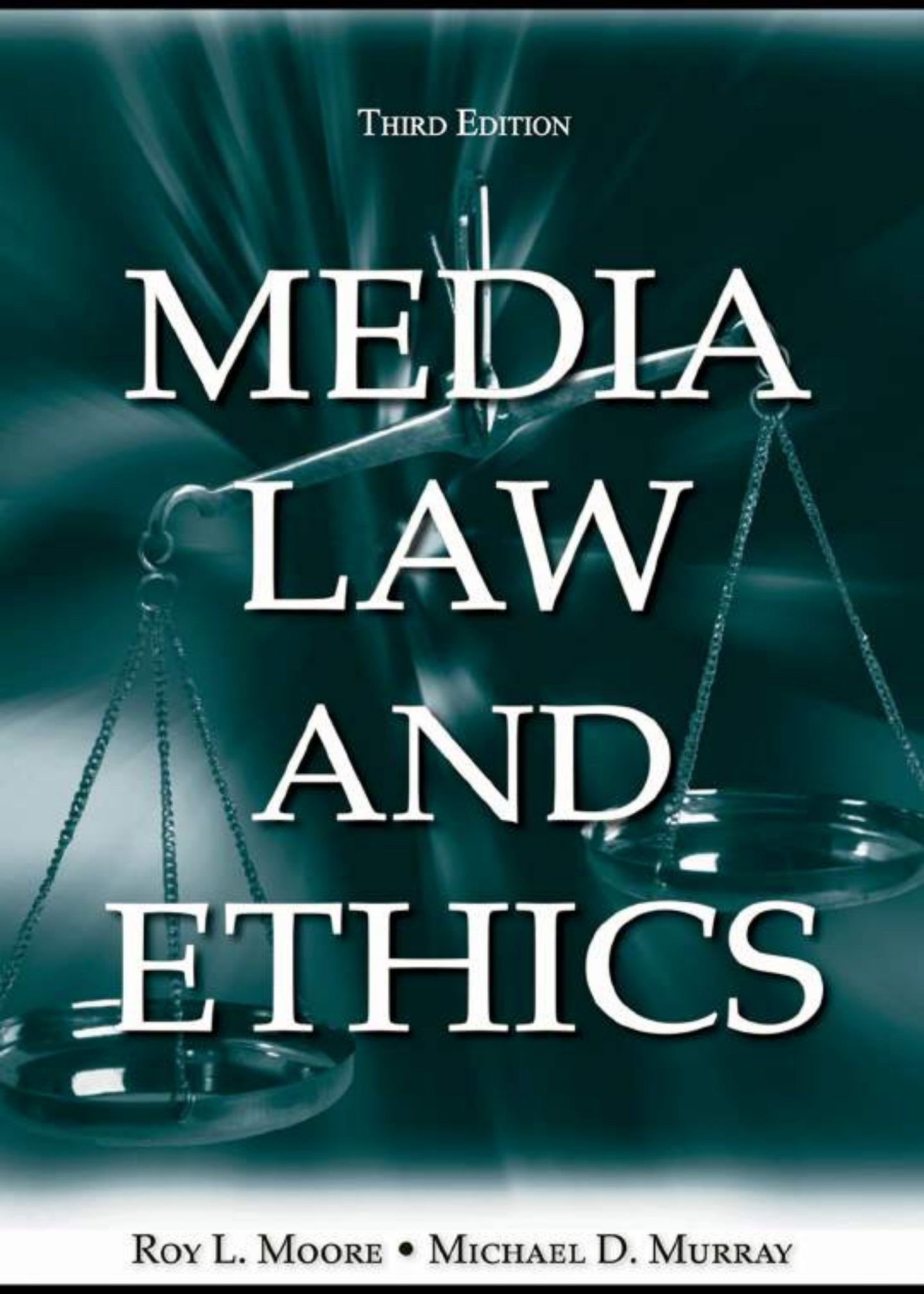


THIRD EDITION



MEDIA
LAW
AND
ETHICS

ROY L. MOORE • MICHAEL D. MURRAY

American Association of Advertising Agencies (AAAA) Standards of Practice

We hold that a responsibility of advertising agencies is to be a constructive force in business.

We hold that, to discharge this responsibility, advertising agencies must recognize an obligation, not only to their clients, but to the public, the media they employ, and to each other. As a business, the advertising agency must operate within the framework of competition. It is recognized that keen and vigorous competition, honestly conducted, is necessary to the growth and the health of American business. However, unethical competitive practices in the advertising agency business lead to financial waste, dilution of service, diversion of manpower, loss of prestige, and tend to weaken public confidence both in advertisements and in the institution of advertising.

We hold that the advertising agency should compete on merit and not by attempts at discrediting or disparaging a competitor agency, or its work, directly or by inference, or by circulating harmful rumors about another agency, or by making unwarranted claims of particular skill in judging or prejudging advertising copy.

To these ends, the American Association of Advertising Agencies has adopted the following Creative Code as being in the best interests of the public, the advertisers, the media, and the agencies themselves. The AAAA believes the Code's provisions serve as a guide to the kind of agency conduct that experience has shown to be wise, foresighted, and constructive. In accepting membership, an agency agrees to follow it.

Creative Code

We, the members of the American Association of Advertising Agencies, in addition to supporting and obeying the laws and legal regulations pertaining to advertising, undertake to extend and broaden the application of high ethical standards. Specifically, we will not knowingly create advertising that contains:

- a. False or misleading statements or exaggerations
- b. Testimonials that do not reflect the real opinion of the individual(s) involved
- c. Price claims that are misleading
- d. Claims insufficiently supported or that distort the true meaning or practicable application of statements made by professional or scientific authority
- e. Statements, suggestions, or pictures offensive to public decency or minority segments of the population

We recognize that there are areas that are subject to honestly different interpretations and judgment. Nevertheless, we agree not to recommend to an advertiser, and to discourage the use of, advertising that is in poor or questionable taste or that is deliberately irritating through aural or visual content or presentation.

Comparative advertising shall be governed by the same standards of truthfulness, claim substantiation, tastefulness, etc., as apply to other types of advertising.

These Standards of Practice of the American Association of Advertising Agencies come from the belief that sound and ethical practice is good business. Confidence and respect are indispensable to success in a business embracing the many intangibles of agency service and involving relationships so dependent upon good faith.

Clear and willful violations of these Standards of Practice may be referred to the Board of Directors of the American Association of Advertising Agencies for appropriate action, including possible annulment of membership as provided by Article IV, Section 5, of the Constitution and By-Laws.