

INFORMATION SHEET

Producing TVCs with Disclaimers & Other On-Screen Text

Disclaimers & Other On-Screen Text

Disclaimers must be clearly legible and easily comprehensible and held on screen long enough for all text on screen, not just the disclaimers, to be read by the average viewer to avoid rendering a commercial potentially misleading under the *Trade Practices Act*.

Disclaimers are generally used to expand or clarify an advertised offer or to make minor qualifications and should, where possible, be introduced at the same time as the representations they qualify. Disclaimers should simply explain the representation in further detail and should not be used in an attempt to correct a misleading impression created by the advertisement as a whole.

Disclaimers should not be used to conceal important information.

A disclaimer must be effective – this means it must be:

- able to be readily identified by a consumer;
- placed close to the main representation; and
- clear in meaning.

Disclaimers should appear for sufficient time on screen for them to be noticed, read and understood by the audience. Important disclaimers should be reinforced by voice-overs.

To assist in making the process easier for producers when submitting final commercials for CAD classification, CAD makes the following recommendations:

Duration on Screen

CAD recommends allowing a minimum of 0.2 seconds per word or 2 seconds minimum duration if less than 5 words, taking into account all text on screen at the same time as any disclaimer. Registered trademark legal lines need not be included in the calculation of duration on screen for other text.

Text Size

Taking into account the duration of on-screen text and the additional factors below, the size of text and choice of font should allow any disclaimer to be easily read.

Additional Factors

Some other factors to be taken into account when producing a commercial to ensure all on-screen text is clearly legible include:

- the contrast between text and its background must allow for the text to be clearly legible.
- if the background is moving, on-screen text may need to be placed on a single-coloured box.
- certain colour combinations eg white on yellow or red may increase the difficulty of reading any on-screen text.
- fading text in and out of vision is not recommended unless the text is held to allow for the fact that at some points the text will be less visible.

Limits on price disclaimers

From 25 May 2009, the *Trade Practices Act* requires any price advertising to include the 'single price' (i.e. total cost) at least as prominently as the most prominent price component advertised. This means that the total price cannot simply be stated in a disclaimer except for when services are supplied under a contract and that also provides for periodic payments. While a prominent 'single price' needs to be provided it does not need to be as prominent as any of the component prices.

The 'single price' is calculated by adding up each of the price components that are quantifiable at the time of the advertisement, including all mandatory charges.

A charge is quantifiable if, at the time of the advertisement, it can readily be converted into a dollar amount. The 'single price' does not need to include charges that are payable only at the option of the customer.

Displaying the 'single price' at least as prominently as the component or part of the total price which is advertised means that a consumer should be able to identify the 'single price' as easily as the component or part of that total. In meeting these requirements producers should consider factors such as the size, placement, colour and font of the prices in the advertisement, as well as the background of the advertisement.

See: *Component Pricing, Motor Vehicles*

Refer: ACCC publication – *Advertising and Selling* www.accc.gov.au

Refer: ACCC publication – *Pricing manual for the motor vehicle industry* www.accc.gov.au

For further information please contact CAD on 02 8968 7200 or email us at cad@freetv.com.au