

Facebook Eases Restrictions on Sweepstakes and Contests

Many companies use social media platforms, like Facebook, as a vehicle for marketing. Some of these marketing efforts may include the use of sweepstakes and contests to promote the company's brands.

At the end of August, Facebook revised the section of its "Pages Terms" (accessible at www.facebook.com/page_guidelines.php) that applies to administering sweepstakes and contests on Facebook. With the revised terms, Facebook relaxed most of the prior rules and restrictions it had in place, making it much easier for businesses to run sweepstakes and contests on Facebook.

Businesses should be aware of the changes that Facebook made, as well as the legal ramifications of these changes, particularly since these changes may be beneficial to brand owners' promotional and marketing practices.

Here is a summary of the most significant changes:

- Previously, Facebook required promotions to be administered via third party apps. Now, promotions may be administered directly on companies' Timelines, or via third party apps.
- Previously, Facebook features/functionality could not be used as a mechanism to enter a promotion. Now, people may enter a brand's promotion by, for instance, liking a page, posting a comment on a page or sending a message to a page.
- "Likes" may also now be used as a voting mechanism in contests, which Facebook previously prohibited.

As before, however, businesses may not administer promotions on personal Timelines. For instance, people cannot be

required to post something on their own Timeline or a friend's Timeline for an entry into a contest or sweepstakes.

The revised terms also continue several other prior requirements, namely, companies must still include a complete release of Facebook in their promotion terms, as well as a statement that the promotion is in no way sponsored, endorsed or administered by, or associated with, Facebook; and companies are still responsible for the lawful operation of their promotions, and ensuring that their promotions comply with all applicable laws and regulations.

Finally, Facebook added a new prohibition against tagging people, or encouraging people to tag themselves, in content they are not actually depicted in. This is, according to Facebook, in order to maintain the accuracy of page content. Thus, for instance, while it would be allowable to ask people to submit names of a new product in exchange for a chance to win a prize, it would not be allowable to ask people to tag themselves in pictures of a new product in exchange for a chance to win a prize.

Facebook's articulated reason for these revisions is to make it easier for businesses of all sizes to create and administer promotions on Facebook. See: www.facebook.com/facebookforbusiness/news/page-promotions-terms.

While companies may indeed benefit from these relaxed rules, they may also need to address some technical challenges. For instance, providing a link and checkbox to a promotion's complete official rules was easily accomplished in the past because promotion participants were required to enter a promotion via a separate entry form. Prior to hitting

"submit" to enter the promotion, entrants typically were made to check a box indicating their agreement with the official rules.

With Facebook's revised rules, however, entrants will be able to enter a promotion directly on a brand's Facebook page via the simple act of, for example, liking a page. Business owners will need to come up with a way to make sure that entrants still see and agree to the complete official rules, which typically contain important disclosures that govern a promotion.

The next time you are preparing to administer a promotion on your company's Facebook page, check in with your promotions law counsel to ensure that your promotion remains compliant with applicable law, while at the same time taking advantage of Facebook's new relaxed regulations.



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