

CARU NEWS

For Immediate Release

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MGA ENTERTAINMENT WORKS WITH CARU TO PROTECT CHILDREN'S PRIVACY ON BRATZPACK.COM

New York, NY – May 19, 2005 - The Children's Advertising Review Unit (CARU) of the Council of Better Business Bureaus, Inc., the children's advertising industry's self-regulatory forum, is pleased to announce that **MGA Entertainment (MGA)** has modified its Website, www.bratzpack.com, in order to protect the privacy of children on its Website.

CARU, which monitors Websites for compliance with its *Self-Regulatory Guidelines for Children's Advertising* (the *Guidelines*), as well as the federal Children's Online Privacy and Protection Act, found that the privacy policy posted on the Website contained statements inconsistent with its actual practices and did not provide a child with notification when she was leaving the host Website. Also, the Website's method of verifying parental consent did not provide a sufficient time delay in the confirmatory email to the child's parent.

The operator informed CARU that at the onset of CARU's investigation, MGA was already in the process of redesigning its Website. Furthermore, MGA agreed to address CARU's concerns and stated that the redesigned bratzpack.com Website would be completed in accordance with CARU's *Guidelines* and COPPA. In CARU's follow-up review of bratzpack.com it was found that the modifications have been made.

CARU's inquiry was conducted under NAD/NARB/CARU Procedures for Voluntary Self-Regulation of National Advertising. Details of the inquiry, CARU's decision and the advertiser's response will be included in the next NAD/CARU Case Report. Members of the press who wish to see a copy of the decision now should email elascoutx@caru.bbb.org.

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The National Advertising Review Council (NARC) was formed in 1971 by the Association of National Advertisers, Inc. (ANA), the American Association of Advertising Agencies, Inc. (AAAA), the American Advertising Federation, Inc. (AAF), and the Council of Better Business Bureaus, Inc. (CBBB). Its purpose is to foster truth and accuracy in national advertising through voluntary self-regulation. NARC is the body that establishes the policies and procedures for the CBBB's National Advertising Division (NAD), the Children's Advertising Review Unit (CARU), and the National Advertising Review Board (NARB).

NAD and CARU are the investigative arms of the advertising industry's voluntary self-regulation program. Their casework results from competitive challenges from other advertisers, and also from self-monitoring traditional and new media, including the Internet. The National Advertising Review Board (NARB), the appeals body, is a peer group from which ad-hoc panels are selected to adjudicate those cases that are not resolved at the NAD/CARU level. This unique, self-regulatory system is funded entirely by the business community; CARU is financed by the children's advertising

industry, while NAD/NARB's sole source of funding is derived from membership fees paid to the Council of Better Business Bureaus.