

CARU NEWS

For Immediate Release

Contact: Elizabeth Lascoutx
212 705-0123

CARU EMPHASIZES IMPORTANCE OF CLEAR DISCLOSURES IN CASE WITH RADIO DISNEY

New York, NY – January 25, 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 CARU has reached a decision in regards to a radio commercial for the “Action Packed Adventure” sweepstakes, sponsored by ABC Radio Networks Inc. d/b/a Radio Disney (Radio Disney), which came to CARU’s attention through its routine monitoring of children’s advertising.

The commercial’s disclosure announcement contained the following information in an extremely rapid voice-over:

“No purchase necessary. Void where prohibited. Some restrictions apply. Open to resident of the 50 states and D.C. 14 and younger. Complete rules at radiodisney.com. Contest ends November 8, 2004. Many will enter, one will win.”

CARU had concerns that because of the rapid-fire succession of many necessary sweepstakes disclosures, the disclosure concerning likelihood of winning, “many will enter, one will win” would be lost in the clutter. Radio Disney asserted that it is required by law to provide a number of disclosures in a sweepstakes commercial such as that for the “Action Packed Adventure” promotion. Three academic experts listened to the commercial and all agreed that a child would not be able to attend to, comprehend, or remember the odds disclosure.

Although Radio Disney disagreed with these findings it did agree to take CARU’s concerns into consideration in similar future advertising campaigns.

CARU’s inquiry was conducted under NAD/CARU/NARB 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 CARU at 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.