

CARU NEWS

For Immediate Release

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JAKKS-PACIFIC SUPPORTS CARU BY DISCONTINUING A TOY ADVERTISEMENT

New York, NY – August 31, 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 **Jakks-Pacific, Inc.** (Jakks) has discontinued a version of a television advertisement for its *Fly Wheels* toy that made claims the company could not substantiate.

CARU, which monitors child-directed advertising for truth, accuracy and compliance with its *Self-Regulatory Guidelines for Children's Advertising* (the *Guidelines*), found that the Jakks advertisement, which aired on Nickelodeon, inaccurately claimed that *Fly Wheels* are the "world's fastest wheels," and that the toy could reach speeds "over 300 scale miles per hour."

The advertiser informed CARU that its toy line is the "fastest in its class of toys," but it had no substantiation for the claim "world's fastest wheel." CARU found that the substantiation Jakks did provide proved to be inconsistent with claims made in its advertising for the product. Jakks stated that it discontinued the referenced advertisement effective July 1, 2005, and will work with CARU on future advertisements for its *Fly Wheels* toy.

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 Reports. Members of the press and general public who wish to see a copy of the decision should email lbean@narc.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.