

CARU® NEWS

For Immediate Release

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MGA Entertainment Participates in CARU Self-Regulatory Process *CARU Finds Some Claims Supported, Recommends Company Modify Some Claims for Bratz Rock Angelz*

New York, NY – December 20, 2005 – The Children's Advertising Review Unit (CARU) of the Council of Better Business Bureaus, Inc. (CBBB), is pleased to announce that in response to CARU's concerns regarding product presentation, MGA Entertainment, Inc. (MGA) stated that it will take CARU's position into account should it air commercials in the Bratz Rock Angelz product line. The advertising in question was challenged by Mattel Inc., a competing toy maker.

CARU, the children's advertising industry's self-regulatory forum, reviewed the challenge, which asserted that misleading special effects and exaggerated demonstrations inflated or over-glamorized the actual performance and capabilities of the toy, in violation of CARU's *Self-Regulatory Guidelines for Children's Advertising* (the *Guidelines*).

CARU determined that the advertising at issue would not cause a child to believe that these dolls can move or play music by themselves. Given the fact that CARU saw hand manipulation in several shots, CARU believed that the use of hands was adequate. However, CARU was not able to replicate the dolls holding their instruments as shown in the advertising and found this representation in violation of the *Guidelines* which require that a product should perform out of the box as it is shown performing in the commercial.

MGA, in its advertiser's statement, said that the advertisements in question are no longer being aired and that there are no current plans to air them in the future. MGA also stated that although it does not agree with CARU's decisions in its entirety it will take CARU's position into account before running future commercials for the Bratz Rock Angelz product line.

CARU's inquiry was conducted under NAD/CARU/NARB Procedures for Voluntary Self-Regulation of National Advertising and resolved within 60 business days. Details of the inquiry, CARU's decision and the advertiser's response will be included in the next NAD/CARU Case Report.

For a copy of the decision or for press inquiries, please contact Linda Bean, Director of Communications, 212-705-0129.

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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.