

CARU NEWS

For Immediate Release

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CARU FINDS MTV NETWORKS' NICKELODEON MAGAZINE ADVERTISEMENTS COMPLY WITH CARU GUIDELINES

New York, NY – MARCH 22, 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 it has found that advertisements appearing in *Nickelodeon Magazine* for programs whose stars or background are featured in articles in the same issue of that magazine are exempt from the host-selling prohibitions of CARU's *Self-Regulatory Guidelines for Children's Advertising* (the *Guidelines*). CARU was concerned that the advertising, which appeared on the February and March 2006 issues of the magazine, might confuse children with regard to the distinction between advertising and editorial content. CARU's *Guidelines* state,

“5. In print media primarily designed for children, a character or personality associated with the editorial content of a publication should not be used to sell products, premiums or services in the same publication.”

However, in section 6, an exemption is made for magazines that are product-driven or character-driven, as long as the advertisements are prominently labeled as such. The rationale for this exemption was that children subscribing to these magazines, such as *Barbie* or *GI Joe*, were sufficiently interested in the characters to want to know about products related to them and to expect to see advertising for these products.

After reviewing the contents of *Nickelodeon Magazine*, CARU concluded that children buying and reading the magazine expect to see articles on and advertisements for Nickelodeon shows and stars and therefore, the magazine falls under the exemption provided in the *Guidelines*. Because the advertisements were prominently labeled, CARU found that the matter was substantiated.

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.