

CARU[®] NEWS

Immediate Release

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CARU REFERS AMERICAN POGO STICK TO FTC *Company's Website Doesn't Comply with CARU's Guidelines, COPPA*

New York, NY – April 27, 2006 – The Children's Advertising Review Unit (CARU) of the Council of Better Business Bureaus, Inc., has referred American Pogo Stick Company to the Federal Trade Commission, following the company's failure to bring its Website into compliance with CARU's *Self-Regulatory Guidelines for Children's Advertising* and the federal Children Online Privacy Protection Act (COPPA).

CARU, the children's advertising industry's self-regulatory forum, had earlier expressed several concerns about the company's Website advertising, including the depiction of children using its products without appropriate safety equipment and promotion of a sweepstakes that failed to prominently disclose that entrants must be at least 18 years of age, prior to the collection of personal information from young children. Further, the sign-up for an email newsletter featured on the Website contained neither age screening nor a tracking mechanism.

In resolving the matter, the Advertiser agreed to show children wearing safety gear if it continued running photographs of children using pogo sticks, to post a prominent disclosure of the age requirement for sweepstakes entry and to implement age-screening and a tracking mechanism at the newsletter registration.

During a routine follow-up review, CARU determined "that the same or similar problems still existed," the decision states.

"The safety and sweepstakes issues had not been addressed, and in place of the newsletter, the site contained an 'email mailing list' sign-up which lacked the required age-screening and tracking mechanism.

Upon notification that its Website was not in compliance, Pogo Stick did take steps to address the safety and sweepstakes issues. However, the company did not implement the necessary age-screening and tracking mechanism required by the *Guidelines* and COPPA.

By "failing to remove its email mailing list feature during CARU's investigation or commit to a reasonable time frame in which the feature would be removed" the Website remains in violation, the decision states. Pursuant to the *NAD/CARU/NARB Procedures* section 4.1B, CARU will refer the matter to the Federal Trade Commission.

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) and Children's Advertising Review Unit (CARU), as well as for 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. 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/NARC/NARB's sole source of funding is derived from membership fees paid to the CBBB. For more information about advertising self regulation, please visit www.narcpartners.org.