

CARU® NEWS

Immediate Release

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HASBRO PARTICIPATES IN CARU PROCESS

Advertiser Quickly Addresses CARU's Concerns Regarding Disclosures

New York, NY – March 20, 2006 – The Children’s Advertising Review Unit (CARU) of the Council of Better Business Bureaus, Inc., has recommended that toymaker Hasbro Inc. modify advertising for its “Littlest Petshop” and “Get Better Center” play sets to clearly disclose what is included and excluded in an initial purchase.

CARU, the children’s advertising industry’s self-regulatory forum, noted in its decision that Hasbro immediately responded to CARU’s concerns. As the result of an administrative error, Hasbro said, the advertisement was published with the wrong disclosures. Future advertisements, the company added, would clearly identify the toys included with the initial purchase, and note that additional pets and accessories are sold separately and that batteries are not included. The advertiser also provided CARU with a copy of proposed new advertisement.

The advertising at issue in the CARU inquiry appeared in the February/March 2006 issue of *Discovery Girls Magazine*. It came to CARU’s attention through CARU’s ongoing monitoring program.

Although the advertisement noted in small type that additional playsets, pets and accessories are sold separately, CARU was concerned that the advertisement did not adequately disclose which items depicted were included with the initial purchase and which items were not.

The advertisement depicted both the Center and the Littlest Pet Shop, the decision states, raising concern that “children could easily believe that everything shown in the advertisement comes with the Center.”

CARU’s *Self-Regulatory Guidelines for Children’s Advertising* (the *Guidelines*), state that “what is included and what is excluded in the initial purchase should be clearly established.”

“CARU’s *Guidelines* are cognizant of children’s as yet undeveloped intellectual capacities and their limited ability to evaluate advertising and make purchasing decisions” and “seek to ensure that advertisements will not mislead or misinform children” the decision states.

Hasbro, in its advertiser’s statement said it “is pleased to have worked together with CARU to resolve this matter quickly and to our mutual satisfaction.”

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 pressinquiries, 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.