

CARU® NEWS

Immediate Release

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CARU REVIEWS ADVERTISING FOR ‘ULTIMATE AVENGERS’ *Lionsgate Entertainment Declines to Provide CARU with Requested Information*

New York, NY – May 25, 2006 – The Children’s Advertising Review Unit (CARU) of the Council of Better Business Bureaus, Inc., has recommended Lionsgate Entertainment refrain from advertising the “*Ultimate Avengers*” DVD, rated PG-13, during television children’s programming hours.

The advertising came to the attention of CARU, the children’s advertising industry’s self-regulatory forum, through routine monitoring of advertising directed to children.

The advertisement was broadcast on the Fox Networks 4 Kids TV block of programming, which airs on Saturday morning between the hours of 8 a.m. and noon and attracts a large number of children under 12 years of age.

At issue in the CARU inquiry is whether the placement during children’s programming, of advertising for a film which carries a PG-13 rating for action violence, as determined by the film industry’s regulatory agency, is in violation of CARU’s *Self-Regulatory Guidelines for Children’s Advertising*.

“In advertising videos, films and interactive software, advertisers should take care that only those which are age-appropriate are advertised to children. If an industry rating system is available, the rating label should be prominently displayed,” CARU’s decision states.

Although the company, which is not a traditional children’s marketer, responded to CARU’s inquiry, it declined to provide any of the materials CARU requested in the course of its inquiry. As is its standard procedure, CARU requested a product sample, samples of all “Ultimate Avengers” DVD advertisements directed to young children and a commercial flight schedule.

The company, in its advertiser's statement, noted that the advertising for the DVD has ended and said the company would not air the commercial again.

"[L]ionsgate reviewed its internal procedures and policies with respect to advertising directed to children," the company said.

"Going forward, Lionsgate shall take CARU's guidelines into account in reviewing the placement of advertising for its PG-13 animated movie titles to ensure the appropriateness of the advertising for the audience. In particular, in connection with the release of 'Ultimate Avengers 2' DVD and taking CARU's guidelines into account, Lionsgate will not air advertisements for this PG-13 animated movie during certain programming blocks aimed at children. Again, Lionsgate applauds CARU's efforts in protecting children," the company added.

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.