

CARU[®] NEWS

Immediate Release

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CARU REFERS LIONS GATE TO FTC *Advertiser Declines to Participate in CARU Review Process*

New York, NY – December 20, 2006 – The Children’s Advertising Review Unit (CARU) of the Council of Better Business Bureaus, Inc., has referred advertising from Lions Gate Films for the movie “Employee of the Month,” to the Federal Trade Commission for review.

The movie is rated PG-13 for crude and sexual humor, and language. and it was advertised on Nickelodeon during 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.

At the outset of the CARU inquiry, the advertiser declined to provide a substantive response. Pursuant to its procedures, CARU has referred the matter to the Federal Trade Commission for review and possible law-enforcement action.

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.