

CARU® NEWS

Immediate Release

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CARU REFERS PAWS, INC. ADVERTISING TO FTC *Operator of 'Garfield' Themed Websites Declines to Participate in CARU Forum*

New York, NY – July 6, 2006 – The Children’s Advertising Review Unit (CARU) of the Council of Better Business Bureaus, Inc., has referred advertising for Websites operated by Paws, Inc., to the Federal Trade Commission (FTC), following the company’s refusal to participate in the self-regulatory process.

Paws, Inc. operates Garfield.com, GarfieldGames.com, and GarfieldMobile.com. The Websites came to CARU’s attention through its routine monitoring of advertising directed to children.

Following its review, CARU determined that:

- The Websites do not employ effective age-screening (including age-neutral screening and tracking) mechanisms.
- The operator permits the disclosure of children’s personal information without obtaining verifiable parental consent as is required under the Children’s Online Privacy Protection Act of 1998 (15 U.S.C. 6501, *et seq.*) (COPPA).
- The operator allows children to purchase mobile phone services without first ensuring that children understand that these services involve a daily charge, notifying the person responsible for the costs of the transaction (the parent or guardian) prior to the incurrence of a charge, and providing instructions that clearly and prominently state that a child must have a parent’s permission to order.

Paws, Inc., in response to CARU’s inquiry, said that its attorneys have approved its Website procedures and have assured the company that it is in compliance with all applicable laws and regulations. Further, Paws, Inc. stated that it does not wish to be contacted by CARU regarding this or any other matter.

CARU did not receive a substantive written response to its inquiry.

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.