

CARU[®] NEWS

Immediate Release

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KELLOGG COMPANY PARTICIPATES IN CARU SELF-REGULATORY PROCESS

CARU Recommends Company Discontinue 'Race to the Bowl' Campaign, Modify Advertising

New York, NY- February 16, 2006 – **The Children's Advertising Review Unit (CARU) of the Council of Better Business Bureaus, Inc.**, has recommended that Kellogg Company discontinue advertising for Apple Jacks breakfast cereal that references a "bad" apple. CARU recommended also that the company refrain in the future from denigrating or disparaging apples or other fruits, and refrain from stating or implying that cinnamon, by itself, gives Apple Jacks its sweet taste.

CARU, the children's advertising industry's self-regulatory forum, examined print, television and Website advertising that were part of Kellogg's "Race to the Bowl" advertising campaign for Apple Jacks. The ongoing television, Website and print advertising campaign features an agile, amiable, tall, thin, easygoing cinnamon stick, referred to as "CinnaMon" and a short, round, devious and grouchy apple referred to as "Bad Apple." The Apple is always scheming, but ultimately fails, to beat CinnaMon to the bowl of Apple Jacks.

The *Self-Regulatory Guidelines (Guidelines) for Children's Advertising* state that "representation of food products should be made so as to encourage sound use of the product with a view toward healthy development of the child and development of good nutritional practices."

CARU noted in its decision that an "advertiser is obligated to support all reasonable interpretations of its claims, not just the messages it intended to convey."

At the outset of its inquiry, CARU was aware of three relevant television commercials and Website advertising. During the course of the review, CARU, as part of its routine monitoring, found two more television commercials and a print advertisement that are also a part of this campaign. The print advertisement appears in the February 2006 issue of a children's magazine.

Following a review of the evidence, CARU determined that children could reasonably take away the message that apples are bad for them, do not taste good and that cinnamon, by itself, gives Apple Jacks its sweet taste. The campaign in question sets up a competition between sweet-tasting CinnaMon and the Apple.

"Regardless of whether children understand that the sweetness comes from sugar...or comes from the cinnamon itself, CARU finds that children viewing the advertisements can reasonably take away the message that apples do not taste good and are to be avoided as a breakfast food. CARU also finds that children can reasonably take away a message that cinnamon, by itself, gives Apple Jacks its sweet taste," the decision states.

Kellogg, in its advertiser's statement, noted that it "respectfully disagrees with CARU's conclusions with respect to the Apple Jacks "Race to the Bowl" campaign." The advertiser noted that it had made certain changes to the commercials during the inquiry and believed those changes were sufficient to address CARU's concerns.

"While Kellogg disagrees with the conclusions CARU reached in the decision and how it arrived at those conclusions, Kellogg fully supports the self-regulatory process. The advertisements complained about in CARU's initial inquiry are no longer running and because CARU has expressed remaining concerns, Kellogg does not plan to run them in the future. Kellogg continues to support advertising self-regulation and will of course take all of CARU's concerns into consideration as we proceed with this and our other child-directed advertising."

CARU's inquiry was conducted under NAD/CARU/NARB Procedures for Voluntary Self-Regulation of National Advertising. 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 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.