

CARU® NEWS

Immediate Release

Contact: Linda Bean
212.705.0129

XANGA PARTICIPATES IN CARU FORUM

Company Acts to Prevent Underage Users From Accessing Social-Networking Site

New York, NY – May 8, 2006 – The Children’s Advertising Review Unit (CARU) of the Council of Better Business Bureaus, Inc., recommended Xanga, the operator of the social-networking Website www.xanga.com, take several steps to prevent children under the age of 13 from accessing the site.

CARU, the children’s advertising industry’s self-regulatory forum, reviewed Xanga’s privacy practices following two consumer complaints.

CARU monitors Websites for compliance with CARU’s *Self-Regulatory Guidelines for Children’s Advertising* (the *Guidelines*) and the federal Children’s Online Privacy Protection Act (COPPA). The *Guidelines* and COPPA require full disclosure of an operator’s privacy practices and mandate prior parental permission before site operators can collect personally identifiable information -- first and last name, email address, street address, phone number -- from children under 13 years of age, or allow posting of such information by children.

CARU noted in its decision that “when there is a reasonable expectation that children under age 13 will be visiting a Website, age-screening mechanisms should be employed to determine whether verifiable parental consent is required, or to prevent underage users from disclosing personally identifiable information to or on the Website.”

Following its review of the Xanga site, CARU determined that site did not employ a neutral age-screening mechanism that would prevent users under the age of 13 from posting their personally identifiable information to the Website.

In response to CARU’s inquiry, Xanga immediately changed the site’s registration process to include neutral age screening, installed a mechanism that prevents underage children from circumventing the age-screening and closed the existing accounts of underage users. In addition, Xanga informed CARU that it intends to create a special customer service position to respond to parental and consumer reports of underage users and will create an Internet safety program it will promote on its site.

“Xanga takes the safety of children very seriously and is constantly working to make its site as safe as possible for all users,” the company said in its advertiser’s statement. “Looking forward, Xanga is pleased to have the opportunity to continue working with CARU to ensure its Website is as safe as possible, and its procedures are fully in compliance with CARU’s Guidelines.”

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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.