

For Immediate Release

CARU RECOMMENDS PULSE PERFORMANCE PRODUCTS MODIFY WEBSITE, ADVERTISING CLAIMS FOR SCOOTER

New York, NY – Dec. 3, 2008 – The Children’s Advertising Review Unit of the Council of Better Business Bureaus has recommended that Pulse Performance Products modify or discontinue certain advertising for the company’s Kick N’ Go scooter and modify its Website to better protect children’s privacy. The company has agreed to do so.

CARU, the children’s advertising industry’s self-regulatory forum, examines advertising directed to children under 12 in all media and monitors Websites for compliance with CARU’s Self-Regulatory Program for Children’s Advertising, including guidelines on Online Privacy Protection, as well as with the federal Children’s Online Privacy Protection Act (COPPA).

CARU examined broadcast advertising for the Pulse Kick N’ Go scooter (Kick N’ Go), marketed by Pulse Performance Products. The commercial came to CARU’s attention through CARU’s routine monitoring of advertising directed to children. The advertising in question directed viewers to visit the company’s Website, www.pulsekickngo.com, where children could sign up to join the “Pulse Team.”

The commercial opens with a boy riding a Kick N’ Go scooter down a residential street while several children cheer him on.

An announcer states, “Part rocket... part science... part kid. Introducing the Pulse Kick ‘N Go, loaded with turbo fastronomic kick ‘n go technology, which means... the more you kick it, the more it screams. You can get your Pulse Kick ‘N Go today. For more information, go to pulsekickngo.com. ”

The advertisement contains alternate shots of the boy riding in slow motion, real time and what appeared to be high speed photography accompanied by sound effects that create the illusion of speed. At the bottom of a screen is a disclosure stating, “Visual and sound effects used.”

The Pulse Website provided information and videos about the Kick N’ Go scooter and other Pulse products. An area called “The Pulse Zone” allowed visitors to play games and submit product related comments and videos.

A video labeled, “Pulse Street Team Cruise,” featured three boys riding Kick N’ Go scooters on the sidewalk and on the street in a residential neighborhood. The video appeared to be shot using real time photography and did not contain sound effects.

The Website also allowed visitors to join the “Pulse Team” and receive emails about product information and contests. To sign-up, a user had to supply first name and email address. Below it stated,

“I certify that I am at least 13 years of age and have read the Pulse Online Safety Policy for Kids and Terms & Conditions.”

CARU questioned whether the advertisement created the impression that the scooter goes faster than it actually does; whether it is safe and appropriate to depict children riding scooters in the street and whether the product Website collected email addresses from children under 13 without providing proper notice to parents.

After reviewing the net impression of the advertisement, CARU concluded that one reasonable take away message conveyed to children was that the scooter would perform as fast as the one shown in the advertisement. CARU recommended an audio disclosure to inform children that special effects were used to achieve the appearance of speed.

With regards to safety, CARU concluded that the television commercial and Website promotional video did not comply with its Guidelines on safety by depicting children riding scooters on a road in addition to showing children riding the scooters without the recommended elbow and knee pads in the promotional video on the Website.

Finally, CARU determined that the Website did not neutrally age screen for the "Pulse Team" sign-up. CARU recommended that the Website age screen in a neutral manner by asking for age or birth date and either notify a parent and provide the opportunity to opt-out of the collection or prevent children under 13 from signing up for the promotional emails.

The company, in its advertiser's statement, said that while it does not "necessarily agree with CARU's conclusions," it would no longer air the commercial or promotional video at issue. The company also agreed to modify its Website to comply with CARU's decision.

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CARU's inquiry was conducted under NAD/CARU/NARB Procedures for the Voluntary Self-Regulation of National Advertising. Details of the initial inquiry, CARU's decision, and the advertiser's response will be included in the next NAD/CARU Case Report.

About Advertising Industry Self-Regulation: 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) and Electronic Retailing Self-Regulation Program (ERSP).

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. Funding for ERSP is derived from membership fees paid to the Electronic Retailing Association. For more information about advertising self regulation, please visit www.narcpartners.org.