

CARU REVIEWS DAN DEE WEBSITE

CARU Recommends Changes; Operator Takes Immediate Steps to Comply

New York, NY – Feb. 6, 2008 – The Children’s Advertising Review Unit of the Council of Better Business Bureaus has recommended that **Dan Dee International, Inc.**, operator of the Website, www.koolkids.com, modify the site to better protect children’s privacy. The site operator has taken steps to do so.

CARU, the children’s advertising industry’s self-regulatory forum, examined the Website – which was advertised in the November 2007 issue of *Discovery Girls* magazine – pursuant to CARU’s ongoing monitoring program. The site featured the entire line of Dan Dee’s Kool Kids toys. At that time, the homepage promoted a “Princess of the Month” contest whereby children could win the Princess of the Month title, which allowed their picture to be featured prominently on the Website, along with a short story describing them. The site featured the current princess of the month prominently, with links that allowed visitors to view all of previously selected princesses.

During its initial review of the site, CARU determined that, in entering the monthly “Princess” contests, visitors were asked to submit via e-mail a photo of themselves with a Kool Kids product as well as the corresponding short story. Visitors were informed that they could either “start typing! (or have your parents do it)...” There was no indication that parental consent was required, nor was there a request for parental contact information on the Website.

The Online Privacy Protection section of CARU’s guidelines, as well as the federal Children’s Online Privacy Protection Act, requires Website operators to obtain verifiable parental consent before collecting and publicly posting personally identifiable information (PII) about children under the age of 13.

CARU found that the site did not have a privacy policy describing the site’s privacy practices or the name, address or phone number of the operator(s) collecting the information, as required by both the online privacy protection section of the guidelines and COPPA.

Finally, the “Fun Time” section of the site featured a link to another site – www.jigzone.com – that did not appear to comply with CARU’s guidelines. CARU’s guidelines state that Website operators should not knowingly link to sites that are not in compliance with the guidelines.

Upon receiving CARU’s initial letter, Dan Dee immediately agreed to implement the various changes needed to bring the site into compliance with the guidelines and COPPA and stated that it would halt the collection and posting of children’s PII.

The site operator removed the “Princess of the Month” section from the site, and said it would no longer collect or publicly display children’s PII. Given that there was no longer any PII being collected, the Website was not required to have a privacy policy. Regarding the previous Princesses of the Month whose information had been collected, the operator agreed to delete any PII that had been submitted and retained. In addition, the operator removed the www.jigzone.com link from the site.

CARU, in its decision, noted that the changes to the Website were effective almost immediately upon the operator's receipt of CARU's initial inquiry.

The company, in its advertiser's statement, said it accepts CARU's decision in its entirety.

"As supporters of CARU's mission, Dan Dee appreciates the opportunity to participate in the process of self-regulation."

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 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 the 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. ERSP's funding is derived from membership in the Electronic Retailing Association. For more information about advertising self regulation, please visit www.narcpartners.org.