

CARU[®] NEWS

Immediate Release

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ECHO PARTICIPATES IN CARU PROCESS

Company Agrees to Modify Website to Comply with CARU Guidelines, COPPA

New York, NY – May 21, 2008 – The Children’s Advertising Review Unit of the Council of Better Business Bureaus has recommended that Echo, which operates the Website www.jonasbrothers.com, take steps to modify the Website to better protect children’s privacy. The company has agreed to do so.

The Website, www.jonasbrothers.com, administered by Echo, came to the attention of CARU through its routine monitoring of the Internet.

CARU, the children’s advertising industry’s self-regulatory forum, monitors Websites for compliance with CARU’s *Self-Regulatory Program for Children’s Advertising* (the *Guidelines*) including guidelines on Online Privacy Protection, as well as with the federal Children’s Online Privacy Protection Act (COPPA).

Jonasbrothers.com serves as the official Website for the Jonas Brothers, a band that is popular with children and that has been featured on several television shows that are popular with children. For example, the Jonas Brothers have appeared on the “Hannah Montana” show and toured with Miley Cyrus, the show’s star.

CARU was concerned that the Website was not in compliance with CARU’s *Guidelines* or COPPA because the operator collected personally identifiable information from children, including e-mail addresses and full names, without obtaining verifiable parental consent as required. CARU was also concerned that the Street Team section of the Website – which offered email updates akin to a newsletter – collected more personal information than is reasonably necessary to sign up for a newsletter.

Further, CARU was concerned that the Website used tip-off language that would alert younger children to enter a false age and did not have a neutral age-screening process in place for its registration.

CARU was also concerned that the Website was not in compliance with the COPPA requirement that a Website’s privacy policy contains the name, address, phone number and e-mail of the operator(s) collecting the information. Finally, CARU was concerned that the link to the Website’s privacy policy was not prominent as required by the *Guidelines*.

At the outset of CARU’s inquiry, the company said it would attempt to make all necessary changes. Upon receiving CARU’s initial inquiry, Echo immediately placed the Website “under construction,” pending CARU’s final review.

The operator noted that it had eliminated the tip-off language on registration areas of the site and stated that it was implementing neutral age-screening accompanied by a tracking mechanism.

The operator assured that when potential registrants reveal they are under 13 years of age, the operator will only ask for a username and password and no personal information will be collected. Echo further informed CARU that children under 13 will not be able to input messages or upload photos or images.

The operator informed CARU that the revised "Street Team" registration will ask for only username and password information. Echo stated that registrants will have access to downloading promotional material, taking polls and reading the missions but no demographic information will be collected or enabled for viewing for ages 13 and under.

The company, in its advertiser's statement, said it "appreciates CARU's valuable insight and assistance with updating our registration procedures and Privacy Policy."

"Echo is entirely committed to protecting the online privacy of its users and of children, as well as upholding COPPA compliancy and other applicable regulations. We support CARU's mission to protect children and appreciate the opportunity to participate in the self-regulatory process."

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.

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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.