

New Referral Agreement on Film Advertising *CARU Will Refer PG-13 Advertising in Children's Programming to MPAA*

New York, NY – March 4, 2008 – The Children's Advertising Review Unit (CARU) of the Council of Better Business Bureaus today announced a new referral agreement with the Motion Picture Association of America (MPAA).

CARU monitors advertising primarily directed to children under 12, for all products, for compliance with CARU's self-regulatory guidelines. CARU also monitors advertising for videos, films and interactive software to assure that only age-appropriate videos, films and interactive software products are advertised to children.

The new referral agreement will coordinate CARU's ad monitoring with MPAA ratings and advertising-review efforts, thus helping to ensure that MPAA advertising guidelines are followed by film distributors.

Under the terms of the agreement, if CARU finds an advertisement for a film rated PG-13, R or NC-17 in any medium primarily directed to children under 12, CARU will take steps to determine whether the advertisement was placed there unintentionally. If this is the case, CARU will ask the advertiser to pull the ad and to make sure the placement does not reoccur. If the advertiser complies, CARU will close its inquiry. If the placement was intentional, CARU will refer the matter to the MPAA Advertising Administration to determine whether the film is appropriate to be advertised to children. CARU will publicly report both its closings and referrals.

Film distributors who submit films to the MPAA's Classification and Rating Administration (CARA) for ratings also must have their advertising approved by the MPAA Advertising Administration. The primary goal of the Advertising Administration is to ensure that advertising is suitable for the audiences who will view it and, specifically, to protect children from exposure to advertising for films which is not age-appropriate.

According to MPAA Advertising guidelines, PG-13 films with certain content may only be advertised to particular audiences. The Advertising Administration works with film companies in targeting ads appropriately; ads for films containing mature content may not be directed toward children.

"This agreement leverages the strength of the CARU advertising monitoring program and the expertise of the MPAA in film ratings and advertising," said C. Lee Peeler, President of the National Advertising Review Council.

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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.