

# CARU<sup>®</sup> NEWS

Immediate Release

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## **CARU RECOMMENDS MODIFICATIONS TO LITTLE KIDS' JUNKBALL.COM WEBSITE**

*Operator Agrees to Modify Site to Better Ensure Privacy Protections*

*New York, NY – Jan. 22, 2008* – The Children’s Advertising Review Unit (CARU) of the Council of Better Business Bureaus, Inc., has recommended that Little Kids Inc., the operator of the Website [www.junkball.com](http://www.junkball.com), modify the site to better protect children’s privacy and assure parental notification for the release of all personally identifiable information. The company has agreed to do so.

The Website, [www.junkball.com](http://www.junkball.com), operated by Little Kids Inc., came to the attention of CARU, the children’s advertising industry’s self-regulatory forum, through CARU’s routine monitoring practices. CARU 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.

The Website features promotions and articles on Junk Ball products such as baseballs, bats and footballs. The homepage contained a link that stated, “Signup for Junk Ball E-News.”

Once a Website determines that a user is under the age of 13, it must obtain verifiable parental consent, unless the collection of PII falls under a specific exception to this requirement. The Online Privacy Protection section of CARU’s guidelines, as well as COPPA, require that when a Website collects a child’s email address for the purpose of responding more than once to a specific request (such as a newsletter) and will not use that information for any other purpose, it falls within the exception to the requirement for verifiable parental consent. The Website operator must, however, notify a parent and provide her with the opportunity to opt-out of the collection.

On the sign up page, the site featured the statement “I am at least 13 years of age: \*” with two circles labeled “Yes” and “No” for the user to check. It also had a number of fields where a child could enter personal information such as name, address and email address.

If a child clicked the “No” circle (indicating he was under 13 years of age), a notice appeared at the top of the screen that stated, “Sorry, you must be at least 13 years of age to sign up for Junk Ball E-News.”

A child could then change his choice and click the “Yes” button (indicating he was at least 13 years of age) and hit the “Sign Up” button to successfully sign up for the newsletter and submit personal information including first and last name, street address and email address.

CARU, in its initial inquiry, questioned whether the Website was properly age screening to determine if parental consent was necessary and whether the site potentially collected personally identifiable information from children without first receiving verifiable parental consent. CARU also questioned whether the operator was collecting more information than was necessary for the e-newsletter.

The operator, in response to CARU's inquiry, removed the E-newsletter sign-up section of the Website.

Following its review of the site, CARU further recommended that the operator request all previous recipients of the E-newsletter either re-register or be unsubscribed. CARU recommended the Website delete all information for users who fail to re-register.

The company, in its advertiser's statement, said it disagrees with CARU's findings, but "appreciates CARU's observation and suggestions concerning the Junk Ball Website and shares CARU's goals of protecting children's privacy."

The company noted that it is revising its Website and privacy policy and will include additional privacy safeguards in the revised site.

**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](http://www.narcpartners.org).