

For Immediate Release

CARU RECOMMENDS IMP MODIFY ADVERTISING TO BETTER DISCLOSE TERMS OF PROMOTION, AVOID CONVEYING URGENCY

New York, NY – April 8, 2009 – The Children’s Advertising Review Unit of the Council of Better Business Bureaus, Inc., has recommended that International Masters Publishers, Inc., modify print advertising to better disclose the terms of two promotions and to avoid suggesting that children must act immediately to obtain an extra bonus gift. The company has agreed to do so.

CARU, children’s advertising industry’s self-regulatory forum, examined magazine inserts for IMP’s “Wild Life Explorer” and “Weird n’ Wild Creatures collections.”

The May 2008 edition of National Geographic Kids (NGK) contained an advertisement for “Weird n’ Wild Creatures,” which offered free merchandise, including trading cards, a storage box and a glowing die. The word “free” appeared 22 times in the four page ads, in bold, colorful font. To receive the gifts, parents were directed to fill out and return a reply-mail card.

The June/July 2008 edition of National Geographic Kids contained an advertisement for a “Wild Life Explorer” free gift package, which included a free binder, free backpack, free explorer cards and free dividers. The word “free” appeared 18 times, in bold, colorful font. Again, to receive the gifts, parents were directed to fill out and return a reply-mail card.

Both offers were accompanied by parent-directed disclosures that set out terms and conditions. Neither offer was accompanied by a child-directed disclosure.

CARU questioned whether there were adequate disclosures to children regarding the material terms of the promotions and whether the advertisements induced a sense of urgency to participate, in contravention of CARU’s guidelines.

CARU recommended that the advertiser place the disclosures somewhere in the actual advertisement in close proximity to the offer of free merchandise, and that the disclosures appear in a conspicuous format.

CARU further determined that certain language used in the advertising suggested a sense of urgency and recommended the advertiser modify the language. The advertiser agreed to do so.

IMP, in its advertiser’s statement, said the company “accepts CARU’s decision in its entirety and agrees to modify its advertising directed to children.”

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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.