

For Immediate Release

CARU RECOMMENDS BUSRADIO MODIFY WEBSITE TO BETTER PROTECT CHILDREN'S PRIVACY; COMPANY AGREES TO DO SO

New York, NY – August 10, 2009 – The Children's Advertising Review Unit of the Council of Better Business Bureaus has recommended that BusRadio Inc., which operates the Website www.busradio.com, modify the site to better protect children's privacy.

CARU, the children's advertising industry's self-regulatory forum, 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 (COPPA).

BusRadio is a media company that provides radio programming for elementary, middle and high school buses nationwide. The Bus Radio Website supports the radio programming and provides additional entertainment news, games, message boards, contests, and advertising directed to children.

When CARU first reviewed the Website, visitors of all ages could register to become members and interact with other members on the site. In order to register, a visitor had to choose a screen name and enter state, city, school and birth date.

Once registered, members under the age of 13 who wanted to post messages were required to provide a parent's email address. If a parent's email address was submitted, an email was sent to the parent. A parent could give consent for a child to use the message boards by replying to the email and providing his or her full name. Members with parental consent had the ability to post personally identifiable information on the message boards.

With regard to its method of parental consent for posting on its message boards, BusRadio explained that in addition to receiving parental consent via email, the Website's policy was to also follow up with a phone call or subsequent email to ensure that the person providing the consent was a parent. It noted that the Website currently had 60 members under the age of 13 and that it confirmed approval via telephone for all 60 members.

Following its review, CARU determined that the Website's method of obtaining parental consent for its message boards was insufficient for its information collection practices. Where children's personal information can be disclosed to other members, COPPA and the guidelines require that Websites use a reliable method of parental consent such as the print and send method, a credit card transaction, or a toll free number staffed by trained personnel. Further, COPPA requires that a parent affirmatively call in consent, rather than the operator making a follow-up call.

CARU further determined that the Website's privacy policy did not contain the name, address, telephone number and e-mail for the Website operator. The operator asserted that its name, address, phone number and email address were available on pages one link away from the privacy-policy page. However, to address CARU's concerns, it stated that it would add this information to its privacy page.

CARU noted in its decision that BusRadio agreed to update its privacy policy and to modify its method of obtaining parental consent for its message boards to include a permission form that must be mailed or faxed in to the company.

The company, in its operator's statement, said that it "accepts CARU's decision in its entirety and agrees to modify its advertising and web interactions as described in all correspondence to date."

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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.