

The Canadian Children's Food and Beverage Advertising Initiative:

2014 Compliance Report



ABOUT ADVERTISING STANDARDS CANADA

Founded in 1957, Advertising Standards Canada (ASC) is the national, independent, not-for-profit advertising industry self-regulatory body. ASC members – leading advertisers, advertising agencies, media organizations and suppliers – are committed to responsible and effective advertising self-regulation.

ASC administers the Canadian Code of Advertising Standards (Code), the principal instrument of advertising self-regulation. The Code sets the criteria for acceptable advertising and provides a procedure for accepting and responding to consumers' complaints about advertising. Complaints are adjudicated by independent volunteer councils, comprising senior industry and public representatives. ASC reports to the public on upheld complaints in its online Ad Complaints Reports. Complaints may be submitted online at: adstandards.com/complaints.

As well, ASC administers the Canadian Children's Food and Beverage Advertising Initiative, the Accountability component of Canada's Self-Regulatory Program for Online Behavioural Advertising, and the Voluntary National Automobile Advertising Guidelines. And, through ASC Clearance Services, ASC provides copy review in five regulated categories to help ensure compliance with specific laws, regulations and guidelines.

Foreword

It has been seven years since leading Canadian food and beverage companies joined forces to launch the *Canadian Children's Food and Beverage Advertising Initiative* (CAI). Through this voluntary program, participating companies commit to either advertise only food and beverages that meet specified nutrition criteria to children under the age of 12, or not to direct advertising to this child audience.

As the independent CAI program administrator, ASC is pleased to again report outstanding Participant compliance for the calendar year 2014, as detailed in the pages that follow.

The CAI is a living program that is continually being improved. In October 2014, the Participants announced a major program milestone – the adoption of stronger new uniform nutrition criteria by product category.

Now, one set of consistent and meaningful nutrition criteria will be used by Participants to determine which products can and cannot be advertised to children.

The criteria provide calorie maximums for products within each category; set limits on fat, sodium and sugar; and include criteria for nutrients to encourage, such as vitamins, minerals and fibre. These new criteria, which come into effect at the end of 2015, represent a significant step forward that will drive product enhancements in order to help parents make healthier dietary choices for their families.

On behalf of the Participants, ASC gratefully acknowledges the contribution of Elaine D. Kolish, who administers the US Children's Food and Beverage Advertising Initiative, which operates under the aegis of the Council of Better Business Bureaus. Her knowledge, expertise and wise counsel have been invaluable to the growth and development of our Canadian program.

We invite you to review this Report, and to visit adstandards.com/childrensinitiative to learn more about the CAI. As always, your feedback is welcome.

Linda J. Nagel
President & CEO
Advertising Standards Canada

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The Canadian Children's Food and Beverage Advertising Initiative: 2014 Compliance Report documents the continuing progress made by the participating companies (Participants) in the Canadian Children's Food and Beverage Advertising Initiative (CAI). As Canada's national, independent, advertising industry self-regulatory body, Advertising Standards Canada (ASC) serves as the CAI program administrator. This public Report provides an assessment of the Participants' performance in meeting their CAI commitments from January 1 to December 31, 2014.

The Report sets out the CAI's key principles and criteria, and assesses the Participants' compliance with each principle.

The Participants reviewed in this Report are:
Campbell Company of Canada; Coca-Cola Ltd.; Danone
Inc.; Ferrero Canada Ltd.; General Mills Canada
Corporation; Hershey Canada Inc.; Kellogg Canada Inc.;
Kraft Canada Inc.; Mars Canada Inc.; McCain Foods
(Canada); McDonald's Restaurants of Canada Limited;
Mondelēz Canada; Nestlé Canada Inc.; Parmalat
Canada; PepsiCo Canada ULC; Post Foods Canada Inc.;
Unilever Canada Inc.; and Weston Bakeries Limited.

Eleven of these Participants did not engage in advertising directed primarily to children under 12 years of age. The balance committed to include only better-for-you products¹ in child-directed advertising².

In assessing Participant compliance, ASC's methodology consisted of an independent assessment process, as well as a detailed review of reports and documentation submitted by each Participant.

2014 Performance

ASC is pleased to report excellent compliance by all Participants with their commitments. This is consistent with findings over the previous six years and demonstrates the ongoing commitment to the program by Participants and their advertising and media-buying partners.

Uniform Nutrition Criteria

The CAI is a living program that has been continually strengthened and improved. The latest improvement – the adoption of category-specific uniform nutrition criteria – was announced in October 2014. In order to continue to be advertised to children under 12, products must meet the new criteria by December 31, 2015.

¹ Throughout this report the terms "better-for-you" and "healthy dietary choices" are used interchangeably.

² In this report, the phrase "child-directed advertising" is used interchangeably with the phrase "advertising directed primarily to children under 12".



I. Report Overview

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The 2014 Compliance Report assesses the performance of the participating companies (Participants) in the Canadian Children's Food and Beverage Advertising Initiative (CAI) in meeting their public commitments under the program. This Report covers the period from January 1 to December 31, 2014.

The following Participants are assessed in this Report:

- 1. Campbell Company of Canada (Campbell Canada)
- 2. Coca-Cola Ltd. (Coca-Cola)
- 3. Danone Inc. (Danone)
- 4. Ferrero Canada Ltd. (Ferrero)
- 5. General Mills Canada Corporation (General Mills)
- 6. Hershey Canada Inc. (Hershey)
- 7. Kellogg Canada Inc. (Kellogg)
- 8. Kraft Canada Inc. (Kraft Canada)
- 9. Mars Canada Inc. (Mars)
- 10. McCain Foods (Canada) (McCain)
- 11. McDonald's Restaurants of Canada Limited (McDonald's)
- 12. Mondelēz Canada (Mondelēz)
- 13. Nestlé Canada Inc. (Nestlé)
- 14. Parmalat Canada (Parmalat)
- 15. PepsiCo Canada ULC (PepsiCo)
- 16. Post Foods Canada Inc. (Post)
- 17. Unilever Canada Inc. (Unilever)
- 18. Weston Bakeries Limited (Weston Bakeries)







i'm Jovin' it































II. Background and **Developments**

As the issue of childhood health and obesity came to the fore as a serious and complex global issue, leading Canadian food and beverage companies recognized they could make a meaningful contribution to support the health of Canadian children. To this end, the CAI was launched in 2007. The program was developed to promote better-for-you dietary choices and healthy lifestyles to children under 12, and to shift the emphasis in advertising directed to children by the Participants to food and beverages that are consistent with the principles of sound nutrition guidance.

A. CAI Core Principles and Key **Improvements**

There are five Core Principles under the program.

1. Advertising Messaging and Content Principle Participants devote 100% of their advertising directed

primarily to children under 12 years of age in covered media to products that represent healthier dietary

choices (better-for-you products) in accordance with company-developed standards that are consistent with established scientific and/or government standards. Alternatively, they may commit to not engage in advertising directed primarily to children under 12 years of age.

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Media covered:

- television, radio, print and Internet advertising;
- video and computer games rated Early Childhood (EC) that are inherently directed primarily to children under 12, and other games that are age-graded on the label and packaging as being directed primarily to children under 12;
- DVDs of G-rated movies in which content is directed primarily to children under 12, and other DVDs in which content is directed primarily to children under 12: and
- mobile media such as cellphones, PDAs and through word of mouth³, where advertising on those media is directed primarily to children under 12.

7 YEARS OF **PROGRESS**

2008



Members commit to promote healthier dietary choices in ads directed to children under 12, or to not advertise to them at all



³ The commitment regarding word of mouth advertising refers to advertising where a Participant provides incentives (financial or otherwise), product samples or other support to individuals or groups who are not employees to promote consumption of branded food or beverage products or to promote discussion of such products, and the advertising is directed primarily to children under 12 years of age.

2. Use of Products in Interactive Games

Incorporate only products that represent healthier dietary choices in interactive games directed primarily to children under 12 years of age.

3. Use of Licensed Characters, Celebrities and Movie Tie-Ins

Reduce the use of third-party licensed characters in advertising directed primarily to children under 12 for products that do not meet the CAI's product criteria⁴.

4. Product Placement

Not pay for or actively seek to place food and beverage products in program/editorial content of any medium directed primarily to children.

5. Advertising in Schools

Not advertise food or beverage products in elementary schools⁵.

In consultation with ASC, each Participant develops, and updates as necessary, its individual commitment which, once approved by ASC, is published on a dedicated section of ASC's website at www.adstandards.com/childrensinitiative.

Complete details of the CAI Core Principles can be found in Appendix 5 of this Report.

B. Definition of Advertising Directed Primarily to Children Under 12⁶

The CAI's Advertising Messaging and Content Principle requires Participants to commit that 100% of their "advertising directed primarily to children under 12 years of age" in media covered by the program will be for the promotion of better-for-you products, or that they will not direct advertising to children under 12.

In the case of a measured medium, such as television, Participants use a threshold definition of "advertising directed primarily to children" that is tied to audience composition percentages. These audience composition percentages are derived from third-party measurements, such as BBM Nielsen or ComScore for Internet, supplemented in many cases by a company's existing corporate policies and procedures. Most CAI Participants have committed to definitions of advertising to children as advertising in programming for which the percentage of viewers who are children under 12 is greater than 35, as shown in the following table.

2009

2010

2014



First Compliance Report Published

Members met or exceeded commitments



Expanded Coverage

to ads in digital and mobile media channels, children's video games and DVDs of G-rated movies



⁴ This criterion applies to advertising in media other than broadcast advertising, as the use of licensed characters in children's broadcast advertising is already restricted under *The Broadcast Code for Advertising to Children*.

⁵ This limitation does not apply to displays of food and beverage products, charitable/not-for-profit activities, including fundraising, public service messaging and educational programs.

⁶ The CAI does not extend to Quebec, where the Quebec Consumer Protection Act prohibits advertising in that province to children under the age of 13.

Summary of Participants' Definitions of Advertising Directed Primarily to Children Under 12 Years of Age

	Threshold Audience % Under 12	Status
Campbell Company of Canada	35% or more of audience	Advertise approved products only
Coca-Cola Ltd.	35% or more of audience	No advertising
Danone Inc.	35% or more of audience	Advertise approved products only
Ferrero Canada Ltd.	30% or more of audience	No advertising
General Mills Canada Corporation	35% or more of audience	Advertise approved products only
Hershey Canada Inc.	30% or more of audience	No advertising
Kellogg Canada Inc.	35% or more of audience	Advertise approved products only
Kraft Canada Inc.	35% or more of audience	No advertising
Mars Canada Inc.	25% or more of audience	No advertising
McCain Foods (Canada)	35% or more of audience	No advertising
McDonald's Restaurants of Canada Limited	35% or more of audience	Advertise approved products only
Mondelēz Canada	35% or more of audience	No advertising
Nestlé Canada Inc.	35% or more of audience	No advertising
Parmalat Canada	35% or more of audience	Advertise approved products only
PepsiCo Canada ULC	35% or more of audience	No advertising
Post Foods Canada Inc.	35% or more of audience	Advertise approved products only
Unilever Canada Inc.	35% or more of audience	No advertising
Weston Bakeries Limited	35% or more of audience	No advertising

It is important to note that the Participants' commitments address only advertising directed primarily to children under 12. As a result, advertising directed primarily to parents/caregivers or aired in family programming or non-children's programming where viewership by children under 12 represents less than 35% falls outside the scope of the CAI.

For non-measured media, such as interactive games, a number of factors are used to determine if advertising is directed primarily to children, e.g. the overall impression of the advertisement, the target demographic, whether the medium is used primarily by children under 12 years of age, and whether age-screening mechanisms are in place.

C. CAI Nutrition Criteria (2007–2014)

During the review period, each Participant directing advertising primarily to children under 12 identified the specific nutrition criteria it used to determine those products to be included in its commitment. The CAI permitted Participants to use, subject to ASC assessment and approval, company-specific nutrition criteria that were based on Canadian regulations and international scientific reports/guidelines, including those published by Health Canada and the U.S. Institute of Medicine.

The CAI required that a Participant's nutrition criteria meet at least one of the following:

- foods that reflect the dietary guidelines of Canada's Food Guide;
- foods that meet criteria for disease risk-reduction claims, function claims and nutrient function claims as per the Canadian Food Inspection Agency's (CFIA) Food Labelling for Industry⁷;
- foods that meet the criteria for nutrient content claims as per CFIA's Food Labelling for Industry⁸; or
- foods that meet the standards for participating in the Heart & Stroke Foundation's Health Check[™] program⁹.

Company-specific nutrition criteria for those Participants engaged in child-directed advertising are summarized in Exhibit 1.

Uniform Nutrition Criteria

The science-based, company-specific nutrition criteria have worked to drive a significant shift in the foods and beverages advertised to children under 12 years of age to better-for-you products. However, the Participants recognized the advantages of developing and adopting one set of nutrition criteria that is consistent, clear and transparent. With this in mind, in 2012, Participants struck a Nutrition Review Committee of dietitians and nutritionists from Participant companies, assisted by an independent dietitian, to develop category-specific uniform nutrition criteria for all Participants to use in making decisions on what to advertise and market to children.

New uniform nutrition criteria were announced in October 2014, and will provide a roadmap for Participants as they develop and reformulate products. The new criteria:

- set uniform nutrition criteria for eight distinct product categories: milk and alternatives; grain; soups; meat and alternatives; vegetables and fruit; occasional snacks; mixed dishes; and meals on the go;
- include calorie limits for products within all eight product categories;
- include criteria for "nutrition components to limit", i.e. saturated and trans fats, sodium and total sugars; and
- include criteria for "nutrition components to encourage", i.e. vitamins, minerals and fibre.

These new and more stringent criteria, which become effective on December 31, 2015, significantly raise the bar for products that will be included in commitments under the program. As well, for the first time, all products that a Participant wishes to advertise directly to children under 12 must meet criteria for both Nutrition Components to Limit and Nutrition Components to Encourage. Any products that have not been reformulated to meet the new criteria can no longer be advertised to children under 12 years of age after December 31, 2015.

A summary of the category-specific uniform nutrition criteria can be found in Appendix 3. Additional information can be found in the Nutrition Criteria White Paper at: adstandards.com/NutritionCriteria

⁷ Formerly entitled "CFIA Guide to Food Labelling and Advertising".

⁸ Ibid

⁹ The Heart & Stroke Foundation's *Health Check*™ program concluded in 2014.

III. The Changing Landscape



80%

of Canadians are more aware now of the need to make healthier food choices for children than five years ago



72%

believe those options are more readily available now than five years ago



Canadians reported they make healthier food and beverage choices for their families now compared to five years ago

A. Canadian Families Making Healthier Choices

Since 2007, Canadians have become more aware of the need to make healthier food choices for their families and they believe that healthier options are more readily available to them now, than they were five years ago. This was revealed in a national omnibus survey of 1,021 Canadians conducted on behalf of ASC in July 2014. Over 80% of Canadians surveyed reported that over the past five years they have become more aware of the need to make healthier food choices for children, and 72% believe those options are now more readily available. Compared

to five years ago, nine out of ten Canadians reported they now make healthier food and beverage choices for their families.

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The majority of respondents also believed that parents are ultimately responsible for their children's eating habits, and 85% saw a role for the food and beverage industry to play in providing nutrition information that helps them make healthier choices.

The adoption of consistent and meaningful uniform nutrition criteria by the Participants is an important evolution in the program that will help parents make healthier choices for their families.

Further details about the survey are available at: adstandards.com/2014CAIresearch.

B. Product Changes

Since the CAI was launched in 2007, Participants have reformulated and enhanced the nutritional profile of many products they advertise to children under 12.

Reformulations and new entries include products that:

- · are made with whole grains;
- are a source of nutrients, including fibre, vitamins and/or minerals;
- · contain no trans fat; and
- are reduced in sodium and/or sugar.

Currently no advertised product in the program has more than 200 calories, and every advertised meal has fewer than 600 calories.

In order to meet the new uniform nutrition criteria, many products currently advertised by Participants will require further reformulation or replacement. It is estimated that about one-third of existing products will require reformulation in order for Participants to continue to advertise them to children under 12 after December 31, 2015.

C. ASC Television Spot Check of Food and Beverage Advertising to Children

In addition to ongoing monitoring, ASC conducts an annual spot check of children's television advertising. In 2014, ASC monitored eight days of child-directed television advertising on three Canadian stations that broadcast programming specifically intended for the under 12 audience. Each station classifies "children's programming" based on program content and audience viewership. These stations also identify "co-viewing" and "family" programming that is broadcast during times when the majority of viewers are over the age of 12. The spot check was limited to advertising broadcast during children's programming only.

Stations and children's programming covered by the spot check were¹⁰:

Teletoon 6am – 9am and 12pm – 1pm weekdays

6am - 6pm Saturday and Sunday

YTV 6am – 9am and 12pm – 1pm weekdays

6am - 6pm Saturday and Sunday

Nickelodeon 6am – 9am and 3pm – 6pm weekdays

6am – 6pm Saturday and Sunday

In total, the spot check covered 48 hours of children's programming during which 1,288 commercials were aired. As has been noted in ASC's previous reports, by far the majority of television advertising directed to children is for toys, games, DVDs, in-theatre movies and attractions. In 2014, food and beverage commercials accounted for 12% of the total. This is significantly less than in prior years, when approximately 20% of these commercials were for food and beverage products.

Of the commercials for food and beverage products aired during children's programming, virtually all (99%) were for products covered under the program. Only two food commercials by non-Participants aired during the children's programming covered by the spot check. Both were adult-directed advertising; one was for a family restaurant and one was for a cheese product.

In terms of food and beverage categories, two-thirds of the commercials sponsored by CAI Participants and covered under the CAI program were for grain products. The balance included dairy products, quick service restaurant meals and snack products.



17%

of all commercials directed primarily to children in 2014 were food and beverage ads

CAI Commercials by Product Type



67% Grains

15% Quick Service Restaurant Meals

14% Other 4% Dairy

¹⁰ Under CRTC policy, public service announcements, program promotions and statements of sponsorship that identify the sponsor of the program or the station are not considered to be commercial messages, and were not covered by the spot check.

IV. Evaluation of Participant Compliance

Of the 18 Participants evaluated in 2014:

- Eleven Participants did not direct advertising to children under 12 years of age: Coca-Cola, Ferrero, Hershey, Kraft Canada, Mars, McCain, Mondelēz, Nestlé, PepsiCo, Unilever and Weston Bakeries.
- Seven Participants committed to include only products meeting the nutrition criteria outlined in their individual commitments and approved by ASC in child-directed advertising: Campbell Canada, Danone, General Mills, Kellogg, McDonald's, Parmalat and Post. These Participants all committed to devote 100% of their television, radio, print, Internet, movie DVD, video and computer game, and mobile media advertising directed primarily to children under 12 years of age to better-for-you products.

Methodology

ASC evaluated each Participant's compliance with its individual CAI commitment through an independent audit and a detailed review of each Participant's compliance report, certified as complete and accurate by a senior corporate officer.

A. Independent Audit

ASC audits Participants' compliance in the following manner.

Television Advertising

As a condition of broadcast licence by the Canadian Radio-television and Telecommunications Commission, all children's commercials must be pre-cleared by ASC's Children's Clearance Committee under *The Broadcast Code for Advertising to Children*, and must carry a valid ASC approval number. ASC conducts a second review of these commercials to ensure that the advertised products are those approved for

inclusion in the Participants' CAI commitments. As an additional compliance check, ASC conducts an annual independent spot check of advertising directed to children on major children's channels.

Radio Advertising

No Participants utilized this medium to advertise to children under 12.

Print Advertising

ASC evaluates food and beverage advertisements in child-directed Canadian publications.

Internet Advertising

ASC regularly monitors both company-owned and thirdparty websites directed primarily to children under 12.

B. Consumer Complaints Review

All consumer complaints submitted to ASC in 2014 were reviewed to identify any concerns from members of the public with regard to a Participant's compliance with its CAI commitment. Of the 82 complaints involving advertising by food manufacturers, retailers and restaurants that were submitted to ASC in 2014, none involved concerns about Participant compliance with CAI commitments.

C. Participant Compliance Reports

Each Participant was required to submit a comprehensive report detailing its compliance during the reporting period. Participants that committed to not advertise directly to children under 12 were required to submit data demonstrating compliance with their commitments. Participants that engaged in advertising directed primarily to children under 12 submitted reports that included documentation from their advertising and

media-buying groups and copies of their child-directed advertising. Each Participant's report was certified by a senior executive or officer of the company as to the veracity and completeness of the report.

Participant compliance reports include details of: all products advertised directly to children under 12 years of age; the placement of these advertisements both by specific media and the programs or magazines in which the advertisements were run; and the percentage of the audience by age for the programs or magazines at the time the advertisement was placed.

D. Compliance Assessment

Overall Compliance Evaluation

Participants' compliance with their respective commitments in 2014 has been excellent. The following are the results of ASC's 2014 compliance evaluation.

1. Advertising in Measured and Unmeasured Media and Company-Owned and Third-Party Websites

Television Advertising

Even with the proliferation of new media, television remains the primary medium used by children's advertisers. It is therefore a key compliance element, and it is noteworthy that ASC's audit and spot check revealed full compliance.

Radio Advertising

No Participant utilized this medium for advertising directed primarily to children under 12.

Print Advertising

Only one Participant utilized this medium and no non-compliant print advertising was identified.

Company-Owned and Third-Party Websites

ASC's monitoring of Participants' websites and microsites, several third-party websites and micro-sites, as well as the individual Participant compliance reports, were used to assess compliance in this medium. No non-compliant advertising was found.

2. Use of Licensed Characters

The independent audit conducted by ASC, as well as the individual Participant compliance reports, were used to assess compliance with this CAI principle. ASC did not identify any infractions of this principle.

3. Use of Products in Interactive Games

Four of the seven Participants that direct advertising to children incorporated interactive games on their own websites that are directed to children under 12. Only the better-for-you products that were included in the Participants' CAI commitments were incorporated into these interactive games. ASC did not identify any instances of non-compliance.

4. Product Placement

As per the CAI commitments, no Participant engaged in product placement.

5. Advertising in Schools

The CAI requires Participants to adhere to standards established by schools individually and by school boards overall. In addition, they are required to commit to not advertise food and beverage products in schools. All of the Participants complied with this principle. Excluded from the CAI are charitable and not-for-profit activities such as school-approved fundraising and educational programs, public service messaging, and displays of food and beverage products (for example in school cafeterias).

As detailed in Appendix 4, several Participants engaged in sponsorship of educational and other not-for-profit and charitable activities, as allowed under the CAI.

6. Video and Computer Games¹¹

No Participant utilized this medium for advertising directed primarily to children under 12.

7. DVDs of Movies

No Participant utilized this medium for advertising directed primarily to children under 12.

8. Mobile Media

No Participant utilized this medium for advertising directed primarily to children under 12.

¹¹ Video and computer games rated "Early Childhood" or "EC," which are inherently directed primarily to children under 12, and other games that are age-graded on the label and packaging as being directed primarily to children under 12.

Appendices



Exhibits

Exhibit 1 10

Participants' Nutrition Criteria per Serving Size for Products Advertised Directly to Children Under 12 in 2014

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Exhibit 1

Participants' Nutrition Criteria per Serving Size for Products Advertised Directly to Children Under 12 in 2014

		Calories (kcal)	Saturated Fat (g)	Trans Fat (g)	Total Fat (g)	Sodium (mg)	Sugars (g)						
Campbell Canada Soup:			≤2	0	≤3	≤480	≤12	Source of vitamin A, C, iron, calcium, folate or fibre; a serving of vegetables				or fibre;	
Snack crackers	:	≤170	≤2	0	≤35% of cal.	≤195	≤8	In line with Canada's Food Guide					
Danone			<2	0	<3	<140	<12.5 (added)	≥5% DV Calcium – Source of Calcium					
General Mills								Must have fibre or minimum of at least one vitamin or mineral					
								Fibre (g)	Vit. A (%DV)	Vit. C (%DV)	Calcium (%DV)	Iron (%DV)	Cholesterol (mg)
	either	≤175	≤	2	≤3	230	≤12	2	5	5	5	5	≤60
Cereal and snacks:	or	≤175	≤	2		230		at least 1/2 serving of a food group targeted by Health Canada for increased consumption (i.e., whole grain, vegetables and fruit, lower fat dairy, meat alternatives including beans, lentils or tofu)					ole grain,
	either	≤175	≤	2	≤3	480	≤12	2	5	5	5	5	≤60
Side and Main dishes:	or	≤175	<	2		480		at least 1/2 serving of a food group targeted by Health Canada for increased consumption (i.e., whole grain, vegetables and fruit, lower fat dairy, meat alternatives including beans, lentils or tofu)					
Kellogg		≤200	≤2	0		≤230 ≤460*	≤12**						
McDonald's		≤600	≤10% of cal.		≤35% of cal.		≤25% total energy from added sugars						
Parmalat Cheestrings:		≤70	3.5	0.3	6 g, ≤15 mg choles- terol	≤160	0	In line with Food and Drugs Act. Source of calcium (15% of DV), protein and Vitamin A. Made with DHA milk. DHA, an Omega-3 fatty acid, supports the normal physical development of the brain, eyes and nerves primarily in children under 2 years of age.					
Astro KIK:		160	2	0	3 g, 15 mg choles- terol	95	26		Source of Energy. Source of 7 Essential Vitamins and Minerals.				
Post		≤200	≤2	0	≤3	≤230	≤12						

^{*}Eggo products guideline is 460 mg per serving. These products are typically served as a main dish and require leavening ingredients.

^{**}Excluding naturally occurring sugars from fruit and dairy.

List of Advertised Products in 2014

Campbell Company of Canada

Pepperidge Farm® Goldfish Baked Graham Snacks - Vanilla cupcake

Coca-Cola Ltd.

None

Danone Inc.

Danino

Danino Drinkable *Danino* Greek

Ferrero Canada Ltd.

None

General Mills Canada Corporation

Honey Nut Cheerios

Lucky Charms

Apple Cinnamon Cheerios

Banana Nut Cheerios

Chocolate Cheerios

Cinnamon Toast Crunch

Cinnamon Toast Crunch Treats

Fruit Gushers Fruit Flavoured Snacks

Fruit by the Foot Fruit Flavoured Snacks

Fruit Roll-Ups Fruit Flavoured Snacks

Yoplait Tubes

Hershey Canada Inc.

None

Kellogg Canada Inc.

Froot Loops cereal

Kellogg's Frosted Flakes cereal

Corn POPS cereal

Rice Krispies Squares cereal bars (Original)

Eggo Waffles (Original and Original Minis)

Kraft Canada Inc.

None

Mars Canada Inc.

None

McCain Foods (Canada)

None

McDonald's Restaurants of Canada Limited

4 piece white meat *Chicken McNuggets Happy Meal* with sweet & sour sauce with 1% white milk and Apple Slices with Caramel Dip and Danino Yogurt

Mondelēz Canada

None

Nestlé Canada Inc.

None

Parmalat Canada

Black Diamond Ficello Cheestrings (3 flavours)

Funcheez

Astro KIK yogurt

PepsiCo Canada ULC

None

Post Foods Canada Inc.

Honeycomb

Unilever Canada Inc.

None

Weston Bakeries Limited

None

List of Child-Directed Company-Owned Websites in 2014

Campbell Company of Canada

None¹²

Coca-Cola Ltd.

None

Danone Inc.

www.danino.ca

Ferrero Canada Ltd.

None

General Mills Canada Corporation

www.fruitsnackia.ca

Hershey Canada Inc.

None

Kellogg Canada Inc.

www.Clubkelloggs.ca www.getyourmoveon.ca

www.frootloops.ca www.frostedflakes.ca

www.Snapcracklepop.ca

www.Eggo.ca www.Pops.ca

www.ltspopnetic.ca

www.cornpops.ca

Kraft Canada Inc.

None

Mars Canada Inc.

None

McCain Foods (Canada)

None

McDonald's Restaurants of Canada Limited

None

Mondelēz Canada

None

Nestlé Canada Inc.

None

Parmalat Canada

www.cheestrings.ca www.funcheez.ca www.ficello.ca www.astrokik.ca

PepsiCo Canada ULC

None

Post Foods Canada Inc.

None

Unilever Canada Inc.

None

Weston Bakeries Limited

None

¹² Canadian children have the ability to access the Campbell USA website found on the company-owned website www.goldfishfun.com and/or pfgoldfish.com. The site complies with the Campbell Commitment to the Children's Food and Beverage Advertising Initiative in the United States. The URL is referenced on Canadian Pepperidge Farm snack cracker packaging.

Uniform Nutrition Criteria

Summary Table of New Uniform Nutrition Criteria by Product Category

Product	Unit ⁶ Components Required to Limit					Components Required to Encourage		
		Calories (kcal)	Saturated Fat (g) ¹	Sodium (mg)	Total Sugars (g)			
1. MILK AND ALTERNATIVES								
Milks and Milk Substitutes	250 mL	≤170	≤2	≤200	≤25	1 serving Milk and Alternatives		
Yogurts and Yogurt-type Products	175 g	≤175	≤2	≤140	≤24	1 serving Milk and Alternatives AND ≥5% DV calcium		
Dairy-based Desserts	125 mL	≤120	≤2	≤110	≤20	≥¼ cup milk AND ≥5% DV calcium		
Cheese and Cheese Products (except as listed separately below)	30 g	≤125	≤3	≤290	≤2	≥½ serving Milk and Alternatives AND ≥5% DV calcium		
Cottage Cheese and Ricotta	110 g	≤150	≤7	≤480	≤7	≥½ serving Milk and Alternatives AND ≥5% DV calcium		
Hard Grated Parmesan and Romano Cheese	15 g	≤75	≤4.5	≤380	N/A	N/A		
2. GRAIN					,			
Small Reference Amount, Lighter Density Products	LSS ⁷	≤150	≤1.5	≤190	≤10	8 g whole grain OR 2 g fibre OR ≥5%* DV any essential nutrient except sodium (*≥15% DV if cereals)		
Large Reference Amount, Higher Density Products	LSS ⁷	≤200	≤2	≤250 ≤360 (for products that require leavening e.g., pancakes and waffles)	≤12	8 g whole grain OR 2 g fibre OR ≥5%* DV any essential nutrient except sodium (*≥15% DV if cereals)		
3. SOUPS								
	LSS ⁷	≤200	≤2	≤480	≤6 ≤12 (tomato- based)	≥½ serving Vegetables and Fruit or Milk and Alternatives OR 8 g whole grain OR ≥5% DV any essential nutrient except sodium		
4. MEAT AND ALTERNATIVES					,			
Meat Products (including fish and poultry)	60 g	≤120	≤2	≤480	N/A	≥30 g meat, fish or poultry AND ≥5% DV any essential nutrient		
For labelled serving sizes ≤30g	30 g	≤60	≤1	≤240	N/A	except sodium		
Meat Alternatives (except Peanut Butter)	30 g	≤230	≤3.5	≤140	≤4	≥5% DV any essential nutrient except sodium		
Peanut Butter	15 g	≤115	≤1.9	≤65	≤2	≥5% DV any essential nutrient except sodium		
5. VEGETABLES AND FRUIT								
Vegetable- and Fruit-based Beverages	LSS ⁷	≤160	0	≤140	No added sugars	≥½ serving Vegetables and Fruit OR ≥5% DV any essential nutrient except sodium		

Product	Unit ⁶		Components Re	quired to Limit	Components Required to Encourage				
		Calories (kcal)	Saturated Fat (g) ¹	Sodium (mg)	Total Sugars (g)				
Vegetable- and Fruit-based Snacks	125 mL 60 g (if dried)	≤150	≤2	≤140	No added sugars	≥½ serving Vegetables and Fruit OR ≥5% DV any essential nutrient except sodium			
6. OCCASIONAL SNACKS									
Chips, popcorn and extruded snacks	LSS ⁷	≤200	≤2	≤360	≤12	8 g whole grain OR 2 g fibre OR ≥5% DV any essential nutrient except sodium			
Other Snacks (snack items not in other categories)	LSS ⁷	≤150	≤1.5	≤190	≤10	8 g whole grain OR 2 g fibre OR ≥5% DV any essential nutrient except sodium			
7. MIXED DISHES									
Side Dishes (single foods)	LSS ⁷	≤280	≤2.5	≤375	≤10	≥½ serving of any one of Vegetables and Fruit, Grain Products (with 8 g whole grain or 2 g fibre), Meat and Alternatives or Milk and Alternatives OR ≥5% DV any essential nutrient except sodium			
Centre of Plate (combination foods and side dishes)	LSS ⁷	≤450	≤10% of calories	≤480	≤15	≥1 serving of any one of Vegetables and Fruit, Grain Products (with 8 g whole grain or 2 g fibre), Meat and Alternatives or Milk and Alternatives OR ≥5% DV any essential nutrient except sodium			
Complete Meals (main dishes and retail meal products that meet the "meal" regulatory definition)	LSS ⁷	≤500	≤10% of calories²	≤600	≤17³ OR ≤12³	≥1 serving of Vegetables and Fruit or Grain Products (with 8 g whole grain or 2 g fibre) AND ≥1 serving of Meat and Alternatives or Milk and Alternatives OR ≥5% DV any essential nutrient except sodium			
8. MEALS ON THE GO									
Meals On The Go	Meal	≤510	≤10% of calories; meets Health Canada's vol- untary trans fat limits	≤660	≤20 ⁴ OR ≤15 ⁵	≥1 serving of Vegetables and Fruit or Grain Products (with 8 g whole grain or 2 g fibre) AND ≥1 serving of Meat and Alternatives or Milk and Alternatives			

¹ The trans fat limit across all categories is 0 g labelled; for foods in the Milk and Alternatives and Meat and Alternatives categories that are served either as individual foods or as part of mixed dishes or meals, naturally occurring trans fats are permitted.

² Saturated fat from a cheese component present in a Complete Meal is not counted if the cheese component meets its corresponding Milk and Alternatives category criteria.

³ Sugars from qualifying Milk and Alternatives or Vegetables and Fruit products present in a Complete Meal are not counted, but the total sugars limit is set to account for sugars from all other items – the higher limit reflects when one such item is present and the limit is reduced if two such items are present.

⁴ Sugars from a beverage present in a meal are not counted if the beverage is a Milk and Alternatives category beverage and contains ≤ 25 g total sugars per 250 mL (consistent with the Milk and Alternatives category) or if it is 100% fruit juice; sugars from a yogurt or fruit product present in a meal are not counted if the product meets its corresponding Milk and Alternatives or Vegetables and Fruit category criteria and if the yogurt product is ≥ 175 g and ≤ 24 g total sugars (consistent with the Milk and Alternatives category) or if the fruit product is ≥ ½ serving fruit and contains no added sugar (consistent with the Vegetables and Fruit category).

⁵ If any combination of two or more of the above qualifying beverage, yogurt and fruit products are present in a meal, sugars from the products are not counted, but the total sugars limit is reduced to 15 g.

⁶ Any future changes to CFIA's serving size guidance, or legislation by Health Canada, will require a review of the uniform nutrition criteria by CAI Participants.

⁷ Labelled Serving Size

Examples of Participants' 2014 Healthy, Active Living Messaging, Initiatives and Programs

Campbell Company of Canada

Campbell Canada continued to implement Labels
for Education, a 15+ year program that is a school
fundraising program with a focus on encouraging
healthy eating and living habits in children. Eligible
registered schools can collect labels from participating
Campbell products and redeem them for educational
resources ranging from sports equipment and musical
instruments, to health and wellness videos and books.
All Labels for Education communication is directed to
adults (teachers and parents).

Coca-Cola Ltd.

- A donation of \$150,000 from the Coca-Cola Foundation
 was used by Boys and Girls Clubs of Canada to bring its
 successful Triple Play Program to Canada. Triple Play is a
 comprehensive health and wellness initiative that strives
 to improve the overall health of members by increasing
 their daily physical activity, teaching them about good
 nutrition and helping them develop healthy relationships.
- Coca-Cola continued to be a proud partner of Breakfast Club of Canada and les Clubs des petits déjeuners du Québec through its Minute Maid brand, helping to provide nutritious breakfasts for close to 150,000 Canadian schoolchildren every morning.
- In 2014, Coca-Cola announced a renewed partnership with Special Olympics Canada, which will help over 38,000 children and adults with intellectual disabilities enrich their lives through the power of sport.

General Mills Canada Corporation

 In 2014, General Mills partnered with Big Brothers and Big Sisters in support of the Go Girls! program. Go Girls! is a national program designed to build the selfesteem of girls during their teen years through positive peer mentoring. In addition, General Mills provided \$5,000 grants to ten Go Girls! programs per year through its Champions for Healthy Kids initiative.

Kellogg Canada Inc.

- Given the importance of the breakfast meal and because one in eight people around the world face food insecurity each day, in 2014 Kellogg Company continued to support the pledge it made in 2013 to provide one-half billion servings of breakfast to children and families who need it most, through its Breakfasts for Better Days® global philanthropic initiative. In total, Kellogg Company will donate one billion servings of cereal and snacks in its support of global hunger relief by the end of 2016.
- Building on the company's already successful partnership with Breakfast Club of Canada, Kellogg Canada worked to continue expanding breakfast programs across the country and advocated for the important role breakfast plays in the diet. In addition, the company continued its long-standing support of food banks through product and financial donations.
- Kellogg Canada continued its support of the Nutrition
 Facts Education Campaign, an innovative collaboration
 between Health Canada & Food and Consumer Products
 Canada, to better enable Canadians to understand
 and use the Nutrition Facts Table on packaged foods
 and make informed choices using % Daily Value
 information.
- Partnering with Evergreen, a not-for-profit organization committed to green cities and a healthy planet, the company's Kashi brand launched the *Plant it Forward* initiative and donated \$60,000 to Evergreen's Seeding Healthy Communities program to help build and support 18 urban food gardens across Canada. This initiative gave community residents the opportunity to take part in the planning process and build a garden that provided food to help nourish their families and friends.
- Kellogg Canada provided support to annual conferences of numerous associations, including: the Canadian Nutrition Society, Dietitians of Canada and the Ontario Pharmacists Association.

Kraft Canada Inc.

- Kraft Canada promoted healthy, active lifestyles with the Kraft Hockeyville program. This fully integrated program acknowledges the passion Canadians have for the sport of hockey. Canadians nominate their community if they believe that they are Kraft Hockeyville. If they are successful in the program they win arena upgrades and a preseason NHL game in their community. A total of \$600,000 was distributed to the winning and runner-up communities.
- To promote healthy, active lifestyles during the spring and summer, Kraft continued to execute the Kraft Celebration Tour (KCT). KCT engages communities from coast to coast to nominate their town for a chance to win one of ten community awards (a total of \$325,000 in prizes available) from Kraft. The community awards are used for improvements to recreational facilities in the prize-winning communities.

McDonald's Restaurants of Canada Limited

As part of its ongoing commitment to healthy, active lifestyles, McDonald's developed eight :10 and one :05 second closed-captioned vignettes – two vignettes for each season (one for fall) and two generic vignettes – portraying fun outdoor activities (hula, sandcastle, snowman, patterns, fall leaves, swing, butterfly). No food is shown in these vignettes.

Mondelēz Canada

- Mondelez Canada partnered with Boys and Girls Clubs in 2014 to continue to support its Cool Moves program, which provided education to children aged 7–12 on healthy eating, nutritious snacks and active play.
- In addition, Mondelez Canada supported the United Way and in 2014, directed some of the corporate matching funds to children's programs that help increase active play and healthy, nutritious snacks.

Nestlé Canada Inc.

 Nestlé is a partner of the Canada Agriculture and Food Museum (CAFM). As part of this partnership, Nestlé is the title sponsor of the Nestlé Good Food, Good Life Learning Lab and the exhibition titled Food Preservation: The Science You Eat. This exhibition highlights the role science plays in delaying food decay and keeping food nutritious and safe from farm to fork. In this interactive

- museum experience, visitors can explore the fascinating world of food preservation, both at home and in larger-scale operations.
- As well, the CAFM has developed a program that will educate kids in classrooms across Canada about the importance of healthy eating and physical activity.
 The Healthy Kids Quest is a free resource package for teachers and community group leaders aimed at encouraging young people to make healthy lifestyle choices. This resource package is part of the CAFM's five-year commitment to food literacy. The program was developed by the CAFM with support from Nestlé Canada and the Government of Canada.
- Nestlé has supported the development of two
 nutrition education programs as part of the Feeding
 Families initiative of Food Banks Canada. The first
 program was directed at Food Bank volunteers,
 staff and clients, providing tips and information for
 preparing healthy meals on a budget. The second
 program provided children with a booklet that used
 fun and interactive games to convey healthy eating tips
 and information.
- Long Live Kids Program As part of its involvement
 with Companies Committed to Kids, Nestlé supports
 social marketing campaigns aimed at improving the
 health of Canadian children by encouraging them to eat
 healthy, stay active and be media wise. The outreach is
 carried out through public service announcements and
 education programs across the country.
- Nutritional Compass All of Nestlé's packaging includes information intended to help consumers make informed choices by highlighting a nutrient such as calcium or sodium, or an ingredient such as whole grain, and discussing how it fits into an overall diet.
- Kids Help Phone Nestlé is a founding sponsor of Kids Help Phone, a national bilingual 24-hour tollfree telephone and e-mail counselling service that provides the immediate support children and youth need and deserve.
- Nutrition Facts Education Campaign Nestlé is a supporter of the Nutrition Facts Education Campaign, a collaborative partnership between Health Canada and Food & Consumer Products of Canada to help Canadians to better understand the Nutrition Facts Table and % Daily Value information.

Parmalat Canada

- Parmalat Canada is a founding sponsor of Kids
 Help Phone, a national bilingual 24-hour toll-free
 telephone and e-mail counselling service that
 provides the immediate support children and youth
 need and deserve.
- Parmalat Canada is a partner with Companies
 Committed to Kids (CCK), formerly Concerned
 Children's Advertisers. Established in 1990, CCK works
 to support and contribute to the establishment of the
 highest standards and codes of conduct for responsible
 advertising to children. As well, CCK plays a leading
 role in providing children with media literacy education
 and social messaging that will help them to lead
 healthy, active lives.
- In order to assist consumers in making informed choices about the snack foods they consume, Black Diamond Cheestrings revised the health benefit information on the front of packages.
- Parmalat reformulated Black Diamond Cheestrings
 with DHA milk. DHA, an Omega-3 fatty acid, supports
 the normal physical development of the brain, eyes
 and nerves primarily in children under 2 years of age.
 Parmalat also reformulated its Funcheez product portfolio
 to offer a low sodium option to parents and kids.

PepsiCo Canada ULC

- PepsiCo continued its support of the Nutrition Facts
 Education Campaign, a collective partnership between
 Health Canada and Food & Consumer Products of
 Canada. The objective of the program is to help
 Canadians develop a better understanding of the
 Nutrition Facts Table and % Daily Value.
- PepsiCo partnered with the beverage industry to launch "Clear on Calories", a front of pack caloric labelling initiative designed to help Canadians understand the caloric content of beverages and make more informed purchasing and consumption decisions for themselves and their families.
- PepsiCo supported charitable organizations and program sponsorships, including: the YMCA Strong Kids Events, Food Banks Canada, United Way, and the ONEXONE First Nations breakfast program.
- PepsiCo supported nutrition research through sponsorship of the Canadian Foundation for Dietetic Research (CFDR).

- PepsiCo complies with voluntary guidelines through the Canadian Beverage Association regarding the sale of healthier beverages in schools, ensuring that students have greater access to nutritious and lowercalorie beverages.
- As a member of Companies Committed to Kids,
 PepsiCo supports social marketing campaigns aimed
 at improving the health of Canadian children by
 encouraging kids to eat healthy, stay active and be
 media wise.

CAI Core Principles (January 2010)

Our Vision

The food and beverage industry in Canada is committed to advertising and marketing products to Canadian children in a responsible way to help prepare them to make wise decisions about nutrition and health. We recognize that the special nature and needs of children require particular care and diligence on the part of advertisers.

Our Commitment

The food and beverage industry plays a significant role in supporting the health of Canadians, especially children. Accordingly, companies participating in this initiative (the Participants) are committed to:

- Using their creativity and marketing activities to promote and support healthier dietary choices and healthy lifestyles to children under 12 years of age.
- Shifting their children's advertising and marketing emphasis to foods and beverages that are consistent with the principles of sound nutrition guidance, including those that are lower in total calories, fats, salt and added sugars and higher in nutrients that are significant to public health.

These commitments will be realized through the five Core Principles that follow. The principles have been expanded since they were first developed in 2007, to reflect the ongoing commitment of the Participants to continue to broaden their efforts to support healthier dietary choices and healthy lifestyles to children under 12 years of age.

Core Principles

Advertising messaging and content

Participants will commit that 100% of their television, radio, print and Internet advertising directed primarily to children under 12 years of age¹³ will be for products that represent healthier dietary choices (better-for-you

products) in accordance with company-specific standards that are consistent with established scientific and/or government standards. Alternatively, they may commit to not direct advertising primarily to children under 12 years of age¹⁴.

Examples of standards include, but are not limited to:

- Foods that reflect the principal advice of Canada's
 Food Guide, particularly foods that meet the criteria
 for nutrient content claims including "free" or "low"
 claims for calories as well as fat, saturated fat, trans
 fat, sugar and salt as per the Canadian Food Inspection
 Agency (CFIA) Guide to Food Labelling and Advertising
- Foods that meet the criteria for disease risk reduction claims, function claims and nutrient function claims as per the CFIA Guide to Food Labelling and Advertising
- Foods that meet the criteria for nutrient content claims as per CFIA's Guide to Food Labelling and Advertising
- Foods that meet the standards for participating in the Heart & Stroke Foundation's Health Check™ program

Child-Directed Content

This principle also applies to advertising that is directed primarily to children on:

- company-owned websites or micro-sites directed primarily to children under 12 years of age;
- Video and computer games rated "Early Childhood" or "EC," which are inherently directed primarily to children under 12, and other games that are age-graded on the label and packaging as being directed primarily to children under 12;
- DVDs of movies that are rated "G" whose content is directed primarily to children under 12, and other DVDs whose content is directed primarily to children under 12;

¹³ Measured in media impressions at the time the advertising is purchased, as determined by reliable third-party data such as BBM Nielsen ratings for TV and radio, ComScore for Internet, PMB (Print Measurement Bureau) data for magazines, Nadbank for newspapers, COMB (Canadian Outdoor Measured Bureau) for outdoor and others. The commitment will be calculated separately for each advertising medium. Measurement of advertising on companyowned websites will be determined in accordance with standards established as part of the company's commitment.

¹⁴ Participants also are encouraged to disseminate healthy lifestyle messaging. This could include messaging that encourages physical activity or good dietary habits, consistent with established scientific and/or government standards.

 Mobile media such as cellphones, PDAs and through word of mouth¹⁵ where advertising on those media is directed primarily to children under 12.

Use of Products in Interactive Games

Participants will commit that, in any interactive game directed primarily to children under 12 (in whatever format: online, disk or cartridge) where the company's food or beverage products are incorporated into the game, the interactive game must incorporate or be accompanied by products representing better-for-you products.

Use of Licensed Characters, Celebrities and Movie Tie-ins

While the use of licensed characters, celebrities and movie tie-ins is already restricted in children's broadcast advertising ¹⁶, Participants will also commit to ensure that their use of third-party licensed characters, celebrities and movie tie-ins in advertising that appears in other media directed primarily to children under 12¹⁷ complies with the messaging and content principles set out above.

Product Placement

Participating companies will commit to not paying for or actively seeking to place their food or beverage products in the program/editorial content of any medium directed primarily to children under 12 for the purpose of promoting the sale of those products.

Advertising in Schools

Participating companies will remain committed to adhering to standards established by schools individually and by school boards overall. Furthermore, participants will commit to not advertising food or beverage products in elementary schools – pre-kindergarten through Grade 6.¹⁸

Implementation

Each participating company will formalize and publish an individual plan, commitment details, and implementation schedule that have been approved by ASC. A copy of each

participating company's current commitment document will be posted on the *Canadian Children's Food and Beverage Advertising Initiative* section of ASC's website (www.adstandards.com).

Auditing and Enforcement

The plans for each participating company, including their specific commitments, will be established in consultation with Advertising Standards Canada (ASC), the program administrator.

ASC will be responsible for auditing commitments by participating companies. In order to confirm compliance by participating companies, auditing will include the review of advertising materials, product information, and media impression information submitted to ASC on a confidential basis.

ASC will publish annual compliance Reports identifying those companies that meet/exceed their commitments as well as those who have failed to do so. ASC will also respond to all public inquiries relating to these Reports.

¹⁵ The commitment regarding word of mouth advertising refers to advertising where a Participant provides incentives (financial or otherwise), product samples or other support to individuals or groups who are not employees to promote consumption of branded food or beverage products or to promote discussion of such products, and the advertising is directed primarily to children under 12 years of age.

¹⁶ Broadcast Code for Advertising to Children – Clause 7: Promotion by Program Characters, Advertising-Generated Characters, and Personal Endorsements.

¹⁷ This commitment does not extend to the use of licensed characters on packaging, provided the packaging does not appear in advertising directed to children under 12. This limitation will not apply to the use of company-created/owned characters.

¹⁸ This limitation will not apply to displays of food and beverage products, charitable/not-for-profit activities including fundraising, public service messaging and educational programs.

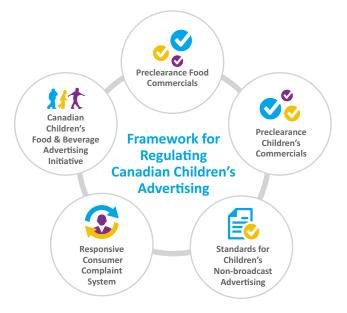
Framework for Regulating Children's Advertising in Canada[†]

Overview

Canada has a robust framework for regulating children's advertising, including both regulatory and self-regulatory components. Children's food and beverage commercials are subject to The Broadcast Code for Advertising to Children (Children's Broadcast Code). Adherence to the Children's Broadcast Code, which requires preclearance of each children's commercial by the Advertising Standards Canada (ASC) Children's Clearance Committee in advance of airing, is a condition of broadcast licence by the Canadian Radio-television and Telecommunications Commission (CRTC). In accordance with the provisions of the Children's Broadcast Code, the Children's Clearance Committee includes industry and parent representatives, as well as a CRTC representative. In addition, prior to broadcast, each children's food and beverage commercial undergoes a separate technical review to ensure compliance with the applicable provisions of the federal Food and Drugs Act and Regulations and the Canadian Food Inspection Agency's Guide to Food Labelling and Advertising.

In addition, all children's television commercials must receive clearance from Telecaster services of the Television Bureau of Canada (TVB) prior to being aired by TVB's private broadcaster members. In accordance with TVB's Rating Code Guideline, Telecaster assigns a "C" rating to commercials approved by ASC's Children's Clearance Committee. The "C" rating informs the member broadcasters that a commercial has received approval from ASC's Children's Clearance Committee and that the commercial may air in children's programming.

Canada's self-regulatory system also includes a rigorous system for responding to consumer complaints about advertisements in all media, including the Internet, under the provisions of the Canadian Code of Advertising Standards (Code), which covers all media. The Code and its Interpretation Guidelines include special provisions regarding advertising to children.



Excerpts from The Broadcast Code for Advertising to Children

II. THE CODE

1. Definitions

- (a) "Children's Advertising" refers to any paid commercial message that is carried in or immediately adjacent to a children's program. Children's advertising also includes any commercial message that is determined by the broadcaster as being directed to children and is carried in or immediately adjacent to any other program.
- (b) Children "Children" refers to persons under 12 years of age.
- (c) A Child Directed Message "A child directed message" refers to a commercial message on behalf of a product or service for which children are the only users or form a substantial part of the market as users, and the message (i.e. language, selling points, visuals) is presented in a manner that is directed primarily to children.
- (d) Children's Program A "children's program" refers to a program that is directed to the under-12 audience, as defined by the broadcaster.

[†] The Quebec Consumer Protection Act prohibits advertising in that province to children under the age of 13.

- (e) Commercial Message A "commercial message" has the same meaning as that defined in the Television Broadcasting Regulations, 1987.
- (f) Premium A "premium" is anything offered with or without additional cost, and is conditional upon the purchase of the advertiser's regular product or service.
- (g) The Code This Code shall be known as "The Broadcast Code for Advertising to Children" and shall hereinafter be referred to as "the Code".

2. Jurisdiction

All Children's advertising must conform to the Code, be precleared in accordance with the procedures set out from time to time by the ASC and have the requisite ASC clearance number.

3. Factual Presentation

- (a) No children's advertising may employ any device or technique that attempts to transmit messages below the threshold of normal awareness.
- (b) Written, sound, photographic and other visual presentations must not exaggerate service, product or premium characteristics, such as performance, speed, size, colour, durability, etc.
- (c) The relative size of the product must be clearly established.
- (d) When children's advertising shows results from a drawing, construction, craft or modelling toy or kit, the results should be reasonably attainable by an average child.
- (e) The words "new", "introducing", "introduces" or similar words may be used in the same context in any children's advertising for a period of up to one year only.

4. Product Prohibitions

- (a) Products not intended for use by children advertised either directly or through promotions that are primarily child-oriented.
- (b) Drugs, proprietary medicines and vitamins in any pharmaceutical form, with the exception of children's fluoride toothpastes.

5. Avoiding Undue Pressure

- (a) Children's advertising must not <u>directly</u> urge children to purchase or urge them to ask their parents to make inquiries or purchases.
- (b) Direct response techniques that invite the audience to

- purchase products or services by mail or telephone are prohibited in children's advertising.
- (c) In children's advertising which promotes premiums or contests, the product must receive at least equal emphasis. Promotion of the premium or contest must not exceed one-half of the commercial time. In promoting contests which have an age restriction that excludes children, this must be made clear orally or visually.

6. Scheduling

- (a) The same commercial message or more than one commercial message promoting the same product cannot be aired more than once in a half-hour children's program. In children's programs of longer duration, the same commercial message or more than one commercial message promoting the same product must not appear more than once in any half-hour period.
- (b) No station or network may carry more than four minutes of commercial messages in any one half-hour of children's programming or more than an average of 8 minutes per hour in children's programs of longer duration.
- (c) In children's programs, only paid commercial messages are included in the four minutes per half-hour limitation. Promotions and public service announcements may occupy the time difference between the Code limit and the CRTC regulation limit. Broadcasters will, however, consider the appropriateness of the content of public service announcements before scheduling in children's programs.
- (d) For the purposes of this section, the time devoted to the broadcasting of a children's program includes any time devoted to a commercial message that is inserted within the program and/or immediately adjacent to the end of the program and also includes any time devoted to a child-directed commercial message inserted between the end of the program and the beginning of the following program.

7. Promotion by Program Characters, Advertiser-Generated Characters, and Personal Endorsements

(a) Puppets, persons and characters (including cartoon characters) well-known to children and/or featured on children's programs must not be used to endorse or personally promote products, premiums or services. The mere presence of such well-known puppets, persons or characters in a commercial message does not necessarily constitute endorsation

- or personal promotion. (For example, film clips or animation are acceptable as a mood or theme-setting short introduction to commercial messages before presenting the subject of the commercial message itself.) These puppets, persons and characters may not handle, consume, mention or endorse in any other way the product being advertised.
- (b) This prohibition does not apply to puppets, persons and characters created by an advertiser which may be used by advertisers to sell the products they were designed to sell as well as other products produced by the same advertiser or by other advertisers licensed to use these characters for promotional purposes.
- (c) Professional actors, actresses or announcers who are not identified with characters in programs appealing to children may be used as spokespersons in advertising directed to children.
- (d) Puppets, persons and characters well-known to children may present factual and relevant generic statements about nutrition, safety, education, etc. in children's advertising.

8. Price and Purchase Terms

- (a) Price and purchase terms, when used, must be clear and complete. When parts or accessories that a child might reasonably suppose to be part of the normal purchase are available only at extra cost, this must be made clear in audio and video.
- (b) The cost must not be minimized as by the use of "only", "just", "bargain price", "lowest price(s)", etc.
- (c) The statement in audio, "it has to be put together" or a similar phrase in language easily understood by children must be included when it might normally be assumed that the article would be delivered assembled.
- (d) When more than one toy is featured in a commercial message it must be made clear in audio and video which toys are sold separately (this includes accessories).

9. Comparison Claims

- (a) Commercial messages shall not make comparisons with a competitor's product or service when the effect is to diminish the value of other products or services.
- (b) In the case of toys or children's possessions, comparisons

should not be made with the previous year's model, even when the statements or claims are valid.

10. Safety

- (a) Commercial messages, except specific safety messages, must not portray adults or children in clearly unsafe acts or situations (e.g. the use of flame or fire is not permitted in children's advertising).
- (b) Commercial messages must not show products being used in an unsafe or dangerous manner. (e.g. tossing a food item into the air and attempting to catch it in the mouth, etc.).

11. Social Values

- (a) Children's advertising must not encourage or portray a range of values that are inconsistent with the moral, ethical or legal standards of contemporary Canadian society.
- (b) Children's advertising must not imply that possession or use of a product makes the owner superior or that without it the child will be open to ridicule or contempt. This prohibition does not apply to true statements regarding educational or health benefits.

Interpretation Guidelines for Clause 11

- i. Child-directed messages for food products in broadcast advertising that are inconsistent with the pertinent provisions of the Food and Drugs Act and Regulations, or the Canadian Food Inspection Agency's Guide to Food Labelling and Advertising shall be deemed to violate Clause 11 (Social Values) of The Broadcast Code for Advertising to Children. This Interpretation Guideline is intended, among other purposes, to ensure that advertisements representing mealtime clearly and adequately depict the role of the product within the framework of a balanced diet, and snack foods are clearly presented as such, not as substitutes for meals.*
- ii. Every "child-directed message" for a product or service should encourage responsible use of the advertised product or service with a view toward the healthy development of the child.**
- iii. Advertising of food products should not discourage or disparage healthy lifestyle choices or the consumption

Note: These Guidelines do not form part of the *Code*. They are intended to provide guidance regarding the interpretation and application of Clause 11 to food product advertising.

^{*} April 2004

^{**} September 2007

- of fruits or vegetables, or other foods recommended for increased consumption in *Canada's Food Guide to Healthy Eating*, and Health Canada's nutrition policies and recommendations applicable to children under 12.**
- iv. The amount of food product featured in a "child-directed message" should not be excessive or more than would be reasonable to acquire, use or, where applicable, consume, by a person in the situation depicted.**
- v. If an advertisement depicts food being consumed by a person in the advertisement, or suggests that the food will be consumed, the quantity of food shown should not exceed the labelled serving size on the Nutrition Facts Panel (where no such serving size is applicable, the quantity of food shown should not exceed a single serving size that would be appropriate for consumption by a person of the age depicted).**

12. Substantiation Required

Where measurable claims are made regarding specific products – performance, safety, speed, durability, etc., the advertiser must be prepared on request to provide the Children's Advertising Section with evidence supporting such claims, and/or a sample of the product.

13. Assessment

Each commercial message shall be judged on its individual merit.

Excerpts from the Canadian Code of Advertising Standards

1. Accuracy and Clarity

- (a) Advertisements must not contain inaccurate or deceptive claims, statements, illustrations or representations, either direct or implied, with regard to a product or service. In assessing the truthfulness and accuracy of a message, the concern is not with the intent of the sender or precise legality of the presentation. Rather, the focus is on the message as received or perceived, i.e. the general impression conveyed by the advertisement.
- (b) Advertisements must not omit relevant information in a manner that, in the result, is deceptive.

- (c) All pertinent details of an advertised offer must be clearly and understandably stated.
- (d) Disclaimers and asterisked or footnoted information must not contradict more prominent aspects of the message and should be located and presented in such a manner as to be clearly visible and/or audible.
- (e) Both in principle and practice, all advertising claims and representations must be supportable. If the support on which an advertised claim or representation depends is test or survey data, such data must be reasonably competent and reliable, reflecting accepted principles of research design and execution that characterize the current state of the art. At the same time, however, such research should be economically and technically feasible, with due recognition of the various costs of doing business.
- (f) The entity that is the advertiser in an advocacy advertisement must be clearly identified as the advertiser in either or both the audio or video portion of the advocacy advertisement.

2. Disguised Advertising Techniques

No advertisement shall be presented in a format or style that conceals its commercial intent.

3. Price Claims

- (a) No advertisement shall include deceptive price claims or discounts, unrealistic price comparisons or exaggerated claims as to worth or value. "Regular Price", "Suggested Retail Price", "Manufacturer's List Price" and "Fair Market Value" are deceptive terms when used by an advertiser to indicate a savings, unless they represent prices at which, in the marketplace where the advertisement appears, the advertiser actually sold a substantial volume of the advertised product or service within a reasonable period of time (such as six months) immediately before or after making the representation in the advertisement; or offered the product or service for sale in good faith for a substantial period of time (such as six months) immediately before or after making the representation in the advertisement.
- (b) Where price discounts are offered, qualifying statements such as "up to", "XX off", etc., must be in easily readable type, in close proximity to the prices

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- quoted and, where practical, legitimate regular prices must be included.
- (c) Prices quoted in advertisements in Canadian media, other than in Canadian funds, must be so identified.

4. Bait and Switch

Advertisements must not misrepresent the consumer's opportunity to purchase the goods and services at the terms presented. If supply of the sale item is limited, or the seller can fulfil only limited demand, this must be clearly stated in the advertisement.

5. Guarantees

No advertisement shall offer a guarantee or warranty, unless the guarantee or warranty is fully explained as to conditions and limits and the name of the guarantor or warrantor is provided, or it is indicated where such information may be obtained.

6. Comparative Advertising

Advertisements must not, unfairly, discredit, disparage or attack other products, services, advertisements or companies, or exaggerate the nature or importance of competitive differences.

7. Testimonials

Testimonials, endorsements or representations of opinion or preference, must reflect the genuine, reasonably current opinion of the individual(s), group or organization making such representations, and must be based upon adequate information about or experience with the product or service being advertised, and must not otherwise be deceptive.

8. Professional or Scientific Claims

Advertisements must not distort the true meaning of statements made by professionals or scientific authorities. Advertising claims must not imply that they have a scientific basis that they do not truly possess. Any scientific, professional or authoritative claims or statements must be applicable to the Canadian context, unless otherwise clearly stated.

9. Imitation

No advertiser shall imitate the copy, slogans or illustrations of another advertiser in such a manner as to mislead the consumer.

10. Safety

Advertisements must not without reason, justifiable on educational or social grounds, display a disregard for safety by depicting situations that might reasonably be interpreted as encouraging unsafe or dangerous practices, or acts.

11. Superstition and Fears

Advertisements must not exploit superstitions or play upon fears to mislead the consumer.

12. Advertising to Children

Advertising that is directed to children must not exploit their credulity, lack of experience or their sense of loyalty, and must not present information or illustrations that might result in their physical, emotional or moral harm. Child-directed advertising in the broadcast media is separately regulated by *The Broadcast Code for Advertising to Children*, also administered by ASC. Advertising to children in Quebec is prohibited by the *Quebec Consumer Protection Act*.

13. Advertising to Minors

Products prohibited from sale to minors must not be advertised in such a way as to appeal particularly to persons under legal age, and people featured in advertisements for such products must be, and clearly seen to be, adults under the law.

14. Unacceptable Depictions and Portrayals

It is recognized that advertisements may be distasteful without necessarily conflicting with the provisions of this Clause 14; and the fact that a particular product or service may be offensive to some people is not sufficient grounds for objecting to an advertisement for that product or service. Advertisements shall not:

- (a) condone any form of personal discrimination, including that based upon race, national origin, religion, sex or age;
- (b) appear in a realistic manner to exploit, condone or incite violence; nor appear to condone, or directly encourage, bullying; nor directly encourage, or exhibit obvious indifference to, unlawful behaviour;
- (c) demean, denigrate or disparage any identifiable person, group of persons, firm, organization, industrial or commercial activity, profession, product or service or attempt to bring it or them into public contempt or ridicule;

(d) undermine human dignity; or display obvious indifference to, or encourage, gratuitously and without merit, conduct or attitudes that offend the standards of public decency prevailing among a significant segment of the population.

Interpretation Guideline #2 to the Canadian Code of Advertising Standards

Interpretation Guideline #2 - Advertising to Children

1.1 As used in Clause 12 of the *Code*, the phrase "advertising that is directed to children" (advertising to children) includes a commercial message on behalf of a product or service for which children are the only users or form a substantial part of the market as users, and the message (i.e. language, selling points, visuals) is presented in a manner that is directed primarily to children under the age of 12.

1.2 Advertising to children that appears in any medium (other than the media specifically excluded under the *Code* from the definition "medium" and from the application of the *Code*) shall be deemed to violate Clause 12 of the *Code* if the advertising does not comply with any of the following principles or practices:

a. Food Product Advertising to Children

i. Food product advertising addressed to children must not be inconsistent with the pertinent provisions of the Food and Drugs Act and Regulations and the Canadian Food Inspection Agency's Guide to Food Labelling and Advertising. This Code Interpretation Guideline is intended, among other purposes, to ensure that advertisements representing mealtime clearly and adequately depict the role of the product within the framework of a balanced diet, and snack foods are clearly presented as such, not as substitutes for meals. (April 2004)

b. Healthy, Active Living

- Advertising to children for a product or service should encourage responsible use of the advertised product or service with a view toward the healthy development of the child.
- ii. Advertising of food products should not discourage or

disparage healthy lifestyle choices or the consumption of fruits or vegetables, or other foods recommended for increased consumption in Canada's *Food Guide* to *Healthy Eating*, and in Health Canada's nutrition policies and recommendations applicable to children under 12.

c. Excessive Consumption

- The amount of product featured in food advertising to children should not be excessive or more than would be reasonable to acquire, use or, where applicable, consume, by a person in the situation depicted.
- ii. If an advertisement depicts food being consumed by a person in the advertisement, or suggests that the food will be consumed, the quantity of food shown should not exceed the labelled serving size on the Nutrition Facts Panel (where no such serving size is applicable, the quantity of food shown should not exceed a single serving size that would be appropriate for consumption by a person of the age depicted).

d. Factual Presentation

- Audio or visual presentations must not exaggerate service, product or premium characteristics, such as performance, speed, size, colour, durability, etc.
- ii. The relative size of the product must be clearly established.
- iii. When showing results from a drawing, construction, craft or modelling toy or kit, the results should be reasonably attainable by an average child.
- iv. The words "new", "introducing", "introduces" or similar words may be used in the same context in any children's advertising for a period of up to one year only.

e. Product Prohibitions

- Products not intended for use by children may not be advertised either directly or through promotions that are primarily child-oriented.
- ii. Drug products, including vitamins, may not be advertised to children, with the exception of children's fluoride toothpastes.

f. Avoiding Undue Pressure

i. Children must not be directly urged to purchase or to ask their parents to make inquiries or purchases.

g. Price and Purchase Terms

- i. Price and purchase terms, when used in advertising directed to children, must be clear and complete. When parts or accessories that a child might reasonably suppose to be part of the normal purchase are available only at extra cost, this must be clearly communicated.
- ii. The costs of goods, articles or services in advertising directed to children must not be minimized as by the use of "only", "just", "bargain price", "lowest price(s)", etc.
- iii. The statement "it has to be put together" or a similar phrase in language easily understood by children must be included when it might normally be assumed that an article featured in advertising directed to children would be delivered assembled.
- iv. When more than one product is featured in advertising directed to children, it must be made clear in the advertising which products are sold separately (this includes accessories).

h. Comparison Claims

 In advertising to children no comparison may be made with a competitor's product or service when the effect is to diminish the value of other products or services.

i. Safety

- Adults or children must not be portrayed in clearly unsafe acts or situations except where the message primarily and obviously promotes safety.
- ii. Products must not be shown being used in an unsafe or dangerous manner (e.g. tossing a food item into the air and attempting to catch it in the mouth, etc.).

j. Social Values

- A range of values that are inconsistent with the moral, ethical or legal standards of contemporary Canadian society must not be encouraged or portrayed.
- ii. Advertising to children must not imply that without the product the child will be open to ridicule or contempt; or that possession or use of a product makes the owner superior (this latter prohibition does not apply to true statements regarding educational or health benefits).

k. General

- i. Advertising to children must:
- · use age-appropriate language that is easily

- understandable by children of the age to whom the advertisement is directed;
- refrain from using content that might result in harm to children;
- collect <u>only</u> the information reasonably required to allow the child to engage in the activity, e.g. collect only the minimal amount of personal information sufficient to determine the winner(s) in contests, games or sweepstakes-type of advertising to children;
- limit the advertiser's right to deal with anyone other than the parents or guardians of children who win a contest, game or sweepstakes promotion;
- require children to obtain their parent's and/
 or guardian's permission before they provide any
 information; and make reasonable efforts to ensure that
 parental consent is given;
- refrain from using the data collected from children to advertise and promote products or services other than those designed for/appropriate for children;
- not attempt to collect from children data related to the financial situation or to the privacy of any member of the family. Furthermore, advertisers must not, and must not ask for permission to, disclose personal information that may identify children to third parties without obtaining prior consent from parents or unless authorized by law.
 For this purpose, third parties do not include agents or others who provide support for operational purposes of a website and who do not use or disclose a child's personal information for any other purpose.

(April 2006)

I. Assessment

i. Each advertisement shall be judged on its individual merit. (January 2007)



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