

THE CHILDREN'S FOOD & BEVERAGE ADVERTISING INITIATIVE IN ACTION

A REPORT ON COMPLIANCE AND IMPLEMENTATION DURING 2010
and
A FIVE YEAR RETROSPECTIVE: 2006-2011

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Letter from the President

For nearly a century, the Council of Better Business Bureaus (BBB) has been dedicated to fostering honest and responsive relationships between businesses and consumers, instilling consumer confidence and contributing to a trustworthy marketplace for all. BBB also is one of the nation's recognized leaders in developing and administering self-regulation programs for the business community. The Children's Food and Beverage Advertising Initiative (CFBAI) is one of these well-recognized self-regulatory programs that BBB's national headquarters oversees.

This year marks the fifth anniversary of the CFBAI, a program that has made noteworthy progress in shifting the mix of food and beverage products advertised to children to include healthier products. The progress achieved in the past five years is particularly remarkable against the backdrop of a time, pre-CFBAI, where few companies had standards for food marketing to children. Now, only five years later, 17 food companies representing the vast majority of food advertising to children are using meaningful, science-based standards for their advertising to children (or not engaging in child-directed advertising), and those standards have resulted in steady, significant improvements in the nutrition composition of foods in child-directed advertising. Over time, the program's scope also has expanded to cover new and emerging advertising venues, exemplifying the Initiative's commitment to responding dynamically to marketplace developments.

The CFBAI's trajectory this year culminated in the adoption of category-specific uniform nutrition criteria, the result of a year-long effort to further improve the nutrition composition of foods advertised to children. The uniform nutrition criteria take into account food science, U.S. dietary guidelines, and the real-world difficulties of changing recipes of popular foods. The criteria will require the participants to change many products they currently advertise to children — products that already meet meaningful nutrition standards — if they wish to continue advertising them after these criteria go into effect on December 31, 2013.

The CFBAI participants' ongoing excellent record of compliance with their CFBAI pledges is yet another indicator of their commitment to being part of the solution to childhood obesity, a national challenge requiring multiple strategies and interventions.

I expect the CFBAI will continue to evolve in the coming years, as it implements the uniform nutrition criteria that go into effect on December 31, 2013. BBB is proud of CFBAI's accomplishments and congratulates the CFBAI's participants for five years of meaningful progress.

Stephen A. Cox

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Council of Better Business Bureaus

About the Children's Food and Beverage Advertising Initiative

The Council of Better Business Bureaus launched the Children's Food and Beverage Advertising Initiative in November 2006 to shift the mix of advertising messaging directed at children to encourage healthier dietary choices and healthier lifestyles. The 17 participants of the Initiative are Burger King Corp.; Cadbury Adams USA LLC; Campbell Soup Company; The Coca-Cola Company; ConAgra Foods, Inc.; The Dannon Company; General Mills Inc.; The Hershey Company; Kellogg Company; Kraft Foods Global, Inc.; Mars, Incorporated; McDonald's USA, LLC; Nestlé USA; PepsiCo, Inc.; Post Foods, LLC; Sara Lee Corporation and Unilever United States. For more information about the Children's Food and Beverage Advertising Initiative and to view the current pledges of the participants visit: <http://www.bbb.org/us/children-food-beverage-advertising-initiative>.

About BBB

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Executive Summary

This fall marked the fifth anniversary of the Council of Better Business Bureaus' (BBB) Children's Food and Beverage Advertising Initiative (CFBAI or Initiative). Launched in November 2006, with 10 charter companies, both the program and the participants' advertising have changed dramatically since then. This Report celebrates the program's accomplishments and changes in the children's food advertising landscape during the last five years. Additionally, this, our fourth annual report, contains our report on compliance and progress during calendar year 2010. We are pleased to report that the CFBAI participants' compliance with their commitments during 2010 was excellent, and that there continued to be steady, ongoing improvements in the nutrition composition of foods advertised to children under 12.

During 2010, several significant program changes that were announced in 2009 became effective. Specifically, the CFBAI had expanded significantly the program's Core Principles to cover newer and emerging social media. Thus, our monitoring and participants' compliance reports for 2010 covered an even broader array of media platforms than before. We also achieved, during 2010, substantial harmonization of the definitions of "advertising primarily directed to children under 12." This resulted in some participants using new lower audience percentage thresholds (35% children 2-11 rather than 50%) in 2010 and thus refining their media buys (changes to other participants' definitions went into effect in 2011). Additionally, because in 2010 more participants adopted a policy to not engage in advertising primarily directed to children under six and such policies are now prevalent, the CFBAI monitored compliance with these policies for the first time.

Most notably, during 2010, the CFBAI began a Nutrition Science Review that culminated in a July 2011 groundbreaking agreement with the program's participants to use new CFBAI-developed category-specific uniform nutrition criteria. The new CFBAI criteria will require the participants to change many products they currently advertise to children — products that already meet meaningful nutrition standards — if they wish to continue advertising them after these criteria go into effect on December 31, 2013.

2010 Highlights

Added a New Participant. The Sara Lee Corporation joined CFBAI in September 2010 and its pledge became effective on January 1, 2011.

Continued the Excellent Compliance Record. Sixteen participants' pledges were in effect during 2010 — Burger King Corporation; Cadbury Adams USA LLC; Campbell Soup Company; The Coca-Cola Company; ConAgra Foods, Inc.; The Dannon Company, Inc., General Mills Inc.; The Hershey Company; Kellogg Company; Kraft Foods Global, Inc.; Mars Incorporated; McDonald's USA, LLC; Nestlé USA; PepsiCo, Inc.; Post Foods, LLC; and Unilever. We are pleased to report that compliance was outstanding. In only a small number of instances, non-CFBAI approved products appeared in programming that exceeded participants' audience thresholds for child-directed advertising. A few problems were inadvertent company errors and others were the result of third-party mistakes (i.e., not following instructions on when ads should be placed during programming hours).

Enhanced the Nutritional Profile of Foods Advertised to Kids. During 2010, participants continued to improve the products being advertised to children. Many participants reformulated products to reduce fats, sodium and sugars and to increase positive nutrients and food groups, in particular whole grains.

A 2010 in-house study showed that, overall, the CFBAI participants' child-directed ads usually are for, or include, nutrient dense foods that also meet reasonable limits on calories, fats, sugars and sodium. More than three-quarters of participant child-directed food advertising was for products providing a good source of a nutrient that was a shortfall in children's diets (potassium, fiber, calcium, magnesium and vitamin E), according to the 2005 Dietary Guidelines for Americans, or a half-serving of a "food group to encourage" (fruit, vegetable, low-fat dairy and whole grains).

The positive trend continued during 2011. For example, in 2011, the cereal category experienced further positive changes, and now 86% (up from 52% in 2010) of cereals currently advertised to children contain no more than 10 grams of sugars per serving, which is more than 15% less sugar than the 12 grams per serving allowed under the participants' nutrition standards. More than 60% contain

at least 8 grams of whole grains, and all contain nutrients, such as fiber, calcium or vitamin D, which are nutrients of public health concern according to the 2010 Dietary Guidelines for Americans because they are not consumed in sufficient quantity.

In 2010-2011, the participants' use of or use of a greater quantity of whole grains became even more pronounced. Examples include the following:

- *Campbell Soup Company* added to its product list seven *Pepperidge Farm Goldfish Grahams* varieties in which at least 50% of the grains are whole grains. Campbell also added to its product list two newly introduced *Goldfish* bread varieties that contain 18 grams of whole grains per serving.
- *ConAgra Foods* added *KC's Flip n' Dip Pancakes*, with 13 grams of whole grains per serving, to its approved product list in 2011 and *KC's Karate Chop Chicken Sandwich*, with 16 grams of whole grains per serving, to its approved product list in 2010. These joined newly renovated products on ConAgra's pledge list that contain a full or nearly a full serving of whole grains, as well as at least a full serving (½ cup) of vegetables.
- *General Mills* added to its list a new cereal, *Frosted Toast Crunch*, containing 11 grams of whole grains per serving.
- *Kellogg* added *Froot Loops Reduced Sugar*, which contains at least 8 grams of whole grains to its list of products that it might advertise to children.
- *Kraft Foods* added the four varieties of its new *Lunchables with Fruit* line, which provide at least 5 grams of whole grains, in addition to a full serving of fruit.
- *PepsiCo* added four *Quaker Chewy Granola Bars* (a line of products made with real cocoa), containing 10 grams of whole grains in each bar, to its list in 2011. These replaced two *Quaker Chewy Bars* (90 calorie *Chewy* granola bar and 25% less sugar *Chewy* granola bar), containing 8 grams of whole grains per bar, that PepsiCo had added to its list in 2010. It also added three oatmeal varieties to its list in 2011. All are 100% whole grain.
- *Post Foods* added a new product, *Pebbles Boulders*, with 16 grams of whole grains per serving (constituting 51% of the grains), to its approved list.

- *Sara Lee* added two breads to its list when its pledge was implemented in January 2011. The products, *Soft & Smooth Made with Whole Grain White Bread* and *100% Whole Wheat Bread*, respectively provide 10 and 27 grams of whole grains per serving.

Adopted CFBAI-Developed, Category-Specific Uniform Nutrition Criteria. Although company-specific criteria have been working well and have driven numerous positive changes in foods advertised to children, in 2011, based on a nutrition science review commenced in 2010, the CFBAI took a bold new step and adopted category-specific uniform nutrition criteria. The new criteria build on what CFBAI's participants already have accomplished and will advance the development of products that are aligned with the Dietary Guidelines for Americans. The new uniform nutrition criteria establish, for 10 product categories, limits on calories, saturated fat, *trans* fat, sodium and sugars, and include requirements for nutrition components to encourage. These new uniform nutrition criteria will pose significant challenges for the participants. Approximately one-third of the products that were on the approved product list in July 2011 do not meet the new criteria. These products will need to be reformulated if participants wish to continue advertising them after the new criteria go into effect on December 31, 2013.

Strengthened and Expanded CFBAI's Core Principles. The CFBAI's original Core Principles required that participants commit to advertising healthier products at least half the time, but all of the participants committed that 100% of their child-directed advertising would be for healthier products. In December 2009, the CFBAI announced Enhanced Core Principles that formalized the 100% commitment in the Principles, effective January 1, 2010. The Enhanced Core Principles also eliminated the option of satisfying the Initiative's advertising commitment through healthy lifestyle messaging or some combination of better-for-you products and healthy lifestyle messaging. Now all advertising commitments must be met through healthier products (or by not engaging in child-directed advertising).

The CFBAI's advertising requirements also were expanded, effective January 1, 2010, to cover new media platforms and channels. As a result, the CFBAI now defines child-directed advertising even more broadly, covering both traditional media (TV, radio, print and the Internet) as well as new and emerging digital and social media platforms.

Specifically, the venues and types of marketing covered by the Core Principles now also include advertising on video and computer games rated EC or Early Childhood, other video games that are age-graded on the label as being primarily child-directed, and cell phone or PDA marketing that is primarily directed to children under 12. Word-of-mouth advertising that is primarily directed to children under 12 is also covered.

Harmonized Audience Definition Standards. In 2010 we substantially harmonized the definitions of advertising primarily directed to children. Now the participants are using a threshold no greater than 35% children 2-11 in the audience as their definition of advertising primarily directed to children under 12 for measured media. In addition, more participants have committed to not direct advertising to children under six. Because such policies are now prevalent, the CFBAI is monitoring and reporting on compliance with these policies.

Communicated CFBAI's Performance and Progress. To communicate with opinion leaders and the public about the program, the CFBAI periodically issued electronic newsletters that reported on program news, pledge developments and changes in products that are being advertised to children, and released fact sheets that provided program information in a summary fashion. The CFBAI staff also frequently gave speeches in public forums and conducted briefings for industry members and others involved in addressing childhood obesity.

Looking Ahead

Our primary focus next year will be on implementing the CFBAI's new uniform nutrition criteria and reporting progress on participants' integration of the new criteria into their businesses. We expect that the steady, ongoing progress in product reformulation and new product development of foods and beverages advertised to children will continue as it did during 2010 and 2011. The new criteria, however, will present even greater challenges for the participants to meet going forward. Indeed, they already are making a difference in companies' plans. New products in the pipeline that would not meet the new criteria are being put aside and the companies' chefs and developers already are working to meet the new nutrition goals by the end of December 2013. As in the past, we also will continue our efforts to expand the number of CFBAI participants.



I. Introduction

It is universally acknowledged that childhood obesity is a national challenge requiring multiple strategies and interventions. BBB and leading food companies are committed to being a part of the solution by using child-directed advertising to promote healthier dietary choices and lifestyles. The CFBAI participants' efforts are designed to support parents, not supersede them. By developing and advertising wholesome and nutritious products to children, by providing information about healthy eating and lifestyles, and by supporting or sponsoring events and organizations that promote healthy eating, physical activity and sports, the CFBAI participants support parents' efforts to guide their children to healthier choices.

The participants voluntarily have made strong and transparent commitments to the CFBAI regarding their advertising that is primarily directed to children under 12 ("child-directed" advertising). Four participants are not engaging in child-directed advertising and the others are using science-based nutrition standards to determine what products are in their child-directed advertising.

This Report describes the progress that CFBAI participants made during 2010 in fulfilling CFBAI's goal of changing the mix of products in child-directed advertising to include healthier products, and provides our assessment of their compliance with their pledges. It also describes the significant programmatic changes achieved since the CFBAI issued its last Report in December 2010.¹

Part II of this Report provides a brief history of the CFBAI. Part III focuses on the positive nutritional developments and product improvements over the last year and the CFBAI's development of category-specific uniform nutrition criteria.

Part IV describes our assessment of the participants' compliance with their pledges and why we have concluded that overall compliance is excellent. It describes some minor, inadvertent compliance issues that arose during 2010 and what steps were taken to rectify those problems.

Part V is a retrospective on the program's progress, over the last five years, in making self regulation even more robust and in shifting the landscape of food advertising to children to healthier foods.

Part VI explains that our immediate future will be focused on expanding the CFBAI and implementing CFBAI's new nutrition criteria.

Endnotes

¹ "A Report on Compliance and Implementation During 2009" (hereafter "CFBAI 2009 Report" or "2009 Report"). This Report and other CFBAI materials are available on our website at <http://www.bbb.org/us/children-food-beverage-advertising-initiative/info/>.



II. About the CFBAI

Now five years old, the CFBAI is even more robust than it was when the program was announced in November 2006. Most recently, in July 2011, as described in more detail in Part III, we announced that the participants have agreed to replace current company-specific nutrition criteria (see Appendix A) with new CFBAI-developed category-specific uniform nutrition criteria as of December 31, 2013 (see Appendix B). This announcement was the latest in a series of significant program developments. Other changes include a substantial expansion of the CFBAI's already rigorous and far-reaching requirements, harmonization of the definition of "child-directed" advertising, and an increase from 10 to 17 participants.

This section briefly summarizes the history of the Initiative and provides an overview of the program with a focus on the program changes that have been made.²

A. Development and Evolution of the CFBAI

In November 2006, BBB and 10 (now 17) leading food companies created the CFBAI, a new self-regulation program focused on what foods are advertised to children.³ This program was designed to respond to recommendations about food marketing to children because of concerns about childhood obesity from both the Federal Trade Commission (FTC),⁴ and the Institute of Medicine (IOM).⁵ The goal of the Initiative, as the IOM had recommended,⁶ was to shift the mix of child-directed advertising messaging to healthier or better-for-you foods. While no causal link had been established — or has yet been established — between advertising and obesity, these founding companies were not interested in debating causality. Instead, they wanted to be a part of the solution, by using nutrition standards to govern what products they would advertise to children.

As a CFBAI participant, each company is responsible for developing an individual commitment or "pledge" addressing the program's Core Principles regarding advertising, licensed characters, product placement, interactive games, and activities in elementary schools that are directed to children. The current Program and Core Principles Statement (Third Edition) is attached as Appendix C. The participants agree to CFBAI oversight

and monitoring of their pledges and to be held accountable for failure to comply with their pledges. In July 2007, CFBAI announced the pledges of its then 11 participants at a joint FTC/HHS Forum.⁷ Since then, six additional companies have joined the Initiative. All the pledges are available on CFBAI's website.⁸

The CFBAI itself has evolved over time, consistent with the program founders' desire that this be a dynamic program. There have been six major program changes during the last five years.

First, in December 2009, the CFBAI announced Enhanced Core Principles that increased our requirement for child-directed advertising to a 100% commitment (see Appendix C). The CFBAI's original Core Principles required that participants commit to advertising healthier products at least half the time. All of the participants, however, committed that 100% of their child-directed advertising would be for better-for-you or healthier products. The enhanced principles, effective January 1, 2010, codify this practice.⁹

Second, our December 2009 changes eliminated healthy lifestyle messaging as a compliance option. Originally, the participants could satisfy the Initiative's required advertising commitment through ads for healthier products, healthy lifestyle messaging or some combination of the two. Now all advertising commitments must be met through healthier products (or by not engaging in child-directed advertising).¹⁰ Consequently, under the revised CFBAI Core Principles the participants commit either that they will not engage in child-directed advertising, or that 100% of their child-directed advertising will be for healthier products.

Third, the December 2009 changes expanded the program requirements significantly. Although we expect television to continue to be the main venue for advertising to children, to complement CFBAI's coverage of traditional media (TV, print, radio and websites), we added advertising on new and emerging social and digital media to the program's scope. The additions include ads on:

- Video and computer games rated "EC" or labeled for children under 12

- DVDs of G-rated movies and other non-rated DVDs that are primarily directed to children under 12
- Mobile media (cell phones, PDAs)
- Word-of-mouth advertising

Fourth, in fall 2010, we strengthened our program by substantially harmonizing the definition of “child-directed” advertising. Initially, we permitted participants to use existing, reasonable definitions that they already had in place. Although in practice their definitions were very comparable, facially they appeared to differ. In response to our request that participants use a threshold of no higher than 35% children under 12 in the audience to define child-directed advertising, those participants with higher thresholds changed their definitions. Now the participants are substantially harmonized, with no one using a standard higher than 35% children age 2-11 in the audience as their baseline for determining what constitutes child-directed advertising (see Appendix E).

Fifth, we added to the program compliance monitoring of participant policies not to engage in advertising that is primarily directed to children under age six. This came about because we had asked our participants to consider adopting policies not to engage in advertising of *even their healthier foods* that is primarily directed to children under age six, as this is the age group that is the least sophisticated. Five participants adopted CFBAI’s suggestion and joined the six that already had such a policy in their CFBAI pledges (see Appendix E). Because these policies are now prevalent, in 2010 the CFBAI started monitoring compliance with them.

Sixth, based on a nutrition science review commenced in 2010, the CFBAI announced in July 2011 that new CFBAI-developed category-specific uniform nutrition criteria would become the new foundation, as of December 31, 2013, for CFBAI’s participants to fulfill their pledges to depict only healthier products in child-directed advertising. As described in Part III, the new uniform nutrition criteria set limits on calories, saturated fat, *trans* fat, sodium and sugars, and include requirements for nutrition components to encourage for 10 product categories.

B. CFBAI Program Materials and Outreach Activities

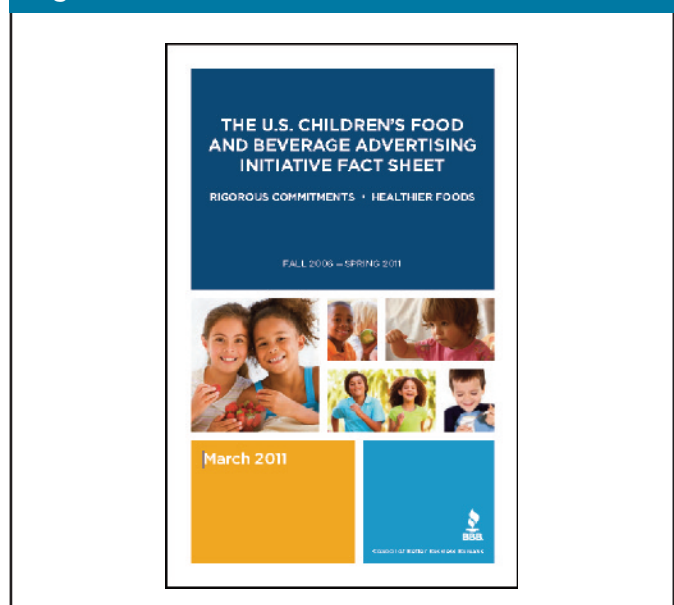
During 2010 and continuing in 2011, the CFBAI made key program information accessible and public through our website, newsletters, fact sheets, public filings and outreach.

Website Postings. As in the past, we regularly posted company pledges and amendments, updated summaries of the participants’ nutrition criteria and lists of products that meet those criteria to our website at www.bbb.org/us/children-food-beverage-advertising-initiative/.

Newsletters. During 2010, we distributed three e-newsletters to inform the public of the availability of updated charts summarizing the participants’ nutrition standards and the products that meet those standards, pledge and product changes, and other program developments. These newsletters also are available on CFBAI’s website.

Fact Sheets. We updated previously published fact sheets summarizing various aspects of the program and issued new ones, such as the one shown below in Figure 1. All are available on our website.

Figure 1. CFBAI Fact Sheet: “Rigorous Commitments • Healthier Foods”



Public Comments. During 2010 and 2011, the CFBAI filed public comments with the Federal Communication Commission (FCC),¹¹ the White House Task Force on Childhood Obesity,¹² and the Interagency Working Group on its April 2011 Proposed Nutrition Principles and Marketing Definitions.¹³ The CFBAI's Director also testified before the Energy and Commerce Committee's Subcommittee on Commerce, Manufacturing, and Trade and the Subcommittee on Health, United States House of Representatives, on "Food Marketing: Can 'Voluntary' Government Restrictions Improve Children's Health?" (Oct. 12, 2011, Washington, DC).¹⁴

Briefings and Speeches. In 2010, we continued to conduct briefings for interested groups and to speak at many events, including the Institute of Food Technologists (IFT) *Wellness 10* conference (March 25, 2010) and the National Restaurant Association Executive Study Group (June 30, 2010). We also participated in webinars for the National Confectioners Association (June 22, 2010) and the Robert Wood Johnson Foundation (June 24, 2010). In January 2011, the CFBAI's Director addressed the meeting of the IOM Committee on Accelerating Progress in Obesity Prevention¹⁵ and made numerous other presentations throughout the year.¹⁶

Endnotes

² A more complete history of the program and changes to the Core Principles can be found in the 2009 and 2008 Reports.

³ Historically, self regulation has focused on children under 12, and thus the CFBAI's efforts also focus on this age group. Although studies suggest various ages at which children begin to understand the persuasive intent of advertising, it is generally agreed that by age 12 children do have that ability. Because special protections are important for children under 12, the advertising industry always has had a set of stringent rules for advertising primarily directed to children under 12. The Children's Advertising Review Unit (CARU), which is a BBB-administered program, has promoted high standards of responsible advertising to children under 12 since 1974. (CARU's operational policies are set by the National Advertising Review Council, which is a strategic alliance of the advertising industry and the BBB.) CARU has Guidelines for children's advertisers to ensure that children's advertising is not deceptive, unfair or inappropriate for its intended audience. CARU and CFBAI are complementary programs, with CFBAI focusing on *what* foods are advertised to children, and CARU focusing on *how* products, including foods, are advertised to children.

⁴ The recommendation emerged from a joint FTC/HHS workshop conducted in July 2005 on "Perspectives on Marketing, Self-Regulation and Childhood Obesity," and a follow-up report on the workshop that FTC/HHS jointly issued in April 2006. See <http://ftc.gov/os/2006/05/PerspectivesOnMarketingSelf-Regulation&ChildhoodObesityFTCandHHSReportonJointWorkshop.pdf> at 50-51.

⁵ Committee on Food Marketing and the Diets of Children and Youth; Institute of Medicine. "Food Marketing to Children and Youth: Threat or Opportunity?" (2006). Washington DC: The National Academies Press. ("IOM Report").

⁶ *Id.* at 11.

⁷ "Weighing In: A Check-Up on Marketing, Self-Regulation, and Childhood Obesity." See BBB Press Release dated July 18, 2007, available at <http://www.bbb.org/us/children-food-beverage-advertising-initiative/press-releases/>.

⁸ A list of products that meet the nutrition standards in participants' pledges and that they may advertise to children is attached as Appendix D.

⁹ At the same time we extended limitations on the use of licensed characters in covered advertising to include celebrities and movie tie-ins. Now use of any of these features must be consistent with a participant's advertising commitment.

¹⁰ The CFBAI participants, however, continue to support and promote healthy lifestyles in a variety of ways, including:

- Participation in the Alliance for a Healthier Generation, the Ad Council's Coalition for Healthy Children, and the Healthy Weight Commitment Foundation
- Physical fitness programs for youth
- Grants for national and community-based organizations that promote nutrition and fitness
- Nutrition education programs for children, families and schools
- Child hunger initiatives, including funding and in-kind donations to programs for low-income children and families

For specific examples of participants' healthy lifestyles programs and initiatives, see Appendix E of our comment filed with the Interagency Working Group on its April 2011 Proposed Nutrition Principles and Marketing Definitions, available at <http://www.ftc.gov/os/comments/foodmarketedchildren/07845.html>, and Appendix G of our 2008 Report.

¹¹ The CFBAI filed a comment and a reply comment in the FCC's Notice of Inquiry (NOI), "Empowering Parents and Protecting Children in an Evolving Media Landscape." Our comment addressed questions posed in the NOI regarding the role of the CFBAI in addressing the challenge of childhood obesity. Comments filed in the proceeding are available online at <http://www.fcc.gov/cgb/ecfs> (Docket No. 09-194).

¹² The CFBAI's comment focused on the role that advertising self regulation is playing in supporting parents in making good choices for their families and promoting physical activity among children (CFBAI Comment to the White House Task Force on Childhood Obesity, filed March 26, 2010, available at <http://www.bbb.org/us/storage/0/Shared Documents/BBB Comment to Task Force-final.pdf>).

¹³ Available at <http://www.ftc.gov/os/comments/foodmarketedchildren/07845.html>.

¹⁴ Available at www.bbb.org/us/storage/0/Shared Documents/Kolish.pdf.

¹⁵ Available at <http://www.iom.edu/Activities/Nutrition/ObesityPrevProgress/2011-JAN-13/Panel/Kolish.aspx>.

¹⁶ For example, in 2011, the CFBAI's Director also spoke at the IFT's Annual Meeting and Food Expo (June 13, 2011), and the Washington Legal Foundation's media briefing titled "Self-Regulation of Advertising: The Merits of Voluntary Action and Creeping Risks of Government Intrusion" (Nov. 2, 2011), available at <http://www.bbb.org/us/storage/0/Shared Documents/WLF.pdf>.



III. Positive Nutrition Developments

During 2010 the participants continued making steady progress in improving products that are advertised to children. Since the program started, the participants have reformulated or newly created more than 100 products to meet nutrition standards.¹⁷ Some products have been reformulated more than once as companies improved the nutrition profile of products advertised to kids through incremental and regular enhancements.

Some participants also updated their pledge and nutrition standards, making them even stronger. As a result of the Nutrition Science Review that the CFBAI commenced in 2010 and that culminated in the groundbreaking agreement to use CFBAI-developed category-specific uniform nutrition criteria, the program has become even stronger. The new criteria overall are more rigorous than the current criteria. Approximately one-third of the products that were on the approved product list in July 2011 did not meet the new criteria and would need to be changed if the participants wish to continue advertising them after the effective date of December 31, 2013. The new criteria also have other benefits, such as being even more transparent and easier to understand.

A. Participants' Current Nutritional Commitments

Three candy companies no longer engage in child-directed advertising, and another participant is continuing its longstanding commitment to not direct any advertising to children under 12.¹⁸ Thirteen participants have pledged to advertise to children under 12 only foods that meet science-based nutritional standards that CFBAI has reviewed and approved.¹⁹ The standards the companies use today are recognizable ones familiar to nutrition professionals. They are generally based on the Dietary Guidelines for Americans (2005) and FDA standards, such as FDA's definition of "healthy."²⁰

The Initiative's original approach of balancing flexibility (company-proposed nutrition standards) with rigor (standards must be science-based and approved by BBB) and transparency (standards and commitments are publicly available on BBB's website) has encouraged participation and competition among the participants,

resulting in significant improvements in products advertised to children. As a result, the foods that CFBAI's participants advertise today include items such as cereals, crackers, soups, canned pastas and meals with fruit and low-fat dairy. These foods, for example, are neither high in calories nor are they products that represent the top sources of calories in children's diets.²¹ In addition to meeting reasonable limits on calories as well as sodium, sugars and fat, overall the nutritional richness of products has increased.

B. Nutrition Development Highlights

Since the program was launched the reductions in fats, sugars, and sodium and increases in positive nutrition components in products advertised to children have been substantial and noticeable.²² In addition, many participants have taken and are continuing to take broad, company-wide steps to improve further their *general* product portfolios.²³ For example, 13 participants are members of the Healthy Weight Commitment Foundation (HWCF), which in May 2010 announced a goal of reducing calories in the marketplace by 1.5 trillion by 2015 to reduce obesity, especially childhood obesity.²⁴

While there have been steady improvements in many different products advertised to children, some key changes include sodium reductions in soups and canned pasta as well reductions in sugars in cereals. At the same time, the nutritional density of products has been increasing. For example, fruit and low/no fat milk as sides in advertised meals have become the norm. Additionally, more products than ever now contain whole grains or a larger amount of whole grains. Other new wholesome products have been introduced, such as Dannon's *Danimals Coolision*, a low-fat yogurt product in a squeezable pouch that combines two flavors. Below we provide examples of key changes.

1. Fruit

During 2010 and 2011, several participants advertised new or improved products that include fruit, or made fruit an automatic side dish in a meal.

- *Burger King Corporation* added a new kids breakfast meal with fruit to its approved product list in 2010. As seen in Figure 2, the new meal consists of an English muffin, an egg, a slice of cheese, along with a serving of

apples with a dipping sauce, and calcium-fortified 100% apple juice.

Figure 2. Burger King Corporation: BK® Kids Breakfast Meal with Apples



- *Kraft Foods* added to its approved list in 2011 the four varieties of its new *Lunchables with Fruit* line, which include a full serving of fruit (Mandarin oranges or pineapple tidbits) as seen in Figure 3.

Figure 3. Kraft Foods: New Lunchables with Fruit



- *McDonald's* announced in July 2011 that by the end of the first quarter of 2012, Happy Meals nationwide automatically will include Apple Slices (a 1/2 serving of fruit) and a new smaller kids'-sized portion of French Fries (1.1 ounces) as side dishes along with a customer-selected entrée and beverage. If customers prefer apples only, two bags of apples will be available upon request.

2. Whole Grains

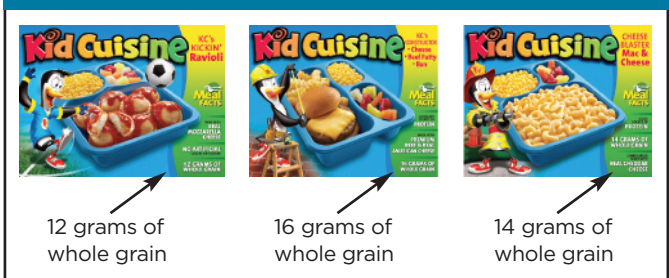
- *Campbell Soup Company* added to its product list in 2010-2011 seven *Pepperidge Farm Goldfish* Grahams varieties in which 50% of the grains are whole grains. In 2011, Campbell added to its approved product list two *Goldfish* bread varieties that contain 18 grams of whole grains per serving (see Figure 4).

Figure 4. Campbell Soup Company: Pepperidge Farm Goldfish Sandwich Breads



- *ConAgra Foods* added *KC's Flip n' Dip Pancakes*, with 13 grams of whole grains per serving, to its approved product list in 2011 and *KC's Karate Chop Chicken Sandwich*, with 16 grams of whole grains per serving, to its approved product list in 2010. These joined newly renovated products on ConAgra Foods' pledge list, shown in Figure 5, that contain a full or nearly a full serving of whole grains, as well as at least a full serving (1/2 cup) of vegetables.

Figure 5. ConAgra Foods: Kid Cuisine Products with 12-16 Grams of Whole Grains



- *General Mills* added to its list in 2011 a new cereal, *Frosted Toast Crunch*, containing 11 grams of whole grains per serving. All of the other cereals General Mills advertises to children contain at least 8 grams of whole grains per serving.
- *Kellogg* added *Froot Loops Reduced Sugar*, which contains at least 8 grams of whole grains per serving, to its list of products that it could advertise to children in 2010. Now three of its popular breakfast cereals, *Apple Jacks*, *Froot Loops* and *Froot Loops Reduced Sugar*, all contain at least a half serving of whole grains and a good source of fiber per serving.²⁵
- *Post Foods* added a new product, *Pebbles Boulders*, with 16 grams of whole grains (constituting 51% of the grains), and only 8 grams of sugars per serving. Two other Post cereals, *Alpha-Bits* and *Honey-Comb*, also contain 8 grams of whole grains per serving.
- *Kraft Foods* added the four varieties of its new *Lunchables with Fruit* line, which provide at least 5 grams of whole grains, in addition to a full serving of fruit (see Figure 3). Another *Lunchables* product, *Lunchables Basic Subs-Turkey and Cheddar Sub with Treat*, contains 8 grams of whole grains.
- *PepsiCo* added four *Quaker Chewy Granola Bars* (a line of products made with real cocoa), containing 10 grams of whole grains in each bar to its list in 2011 (see Figure 6). These bars contain less than 100 calories each and are a good source of calcium. These replaced two *Quaker Chewy Bars* (90 calorie Chewy granola bar and 25% less

sugar Chewy granola bar) containing 8 grams of whole grains per bar that PepsiCo had added to its list in 2010. It also added three oatmeal varieties to its list in 2011. All are 100% whole grain.

Figure 6. PepsiCo: Quaker Chewy Granola Bars Made with Real Cocoa

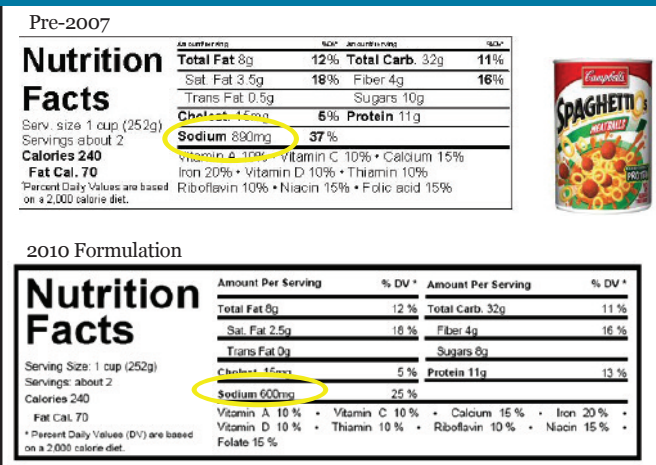


3. Sodium

The participants overall continued to work on sodium reduction efforts in products advertised to kids (and throughout their portfolios),²⁶ and as a result a variety of products have less sodium than before.²⁷ Below we provide some sodium reduction highlights.

- *Campbell* reduced the sodium content in its pasta category in 2010 by 5 to 10% and set a 600 mg sodium limit – the FDA “healthy” sodium criterion for main dishes (see Figure 7). Each serving of the canned pastas it advertised to children also contains a full serving of vegetables. In 2009-2010 it also reduced the sodium in its *Flavor Blasted Goldfish* baked snack crackers to 250-280 mg from 300-320 mg.

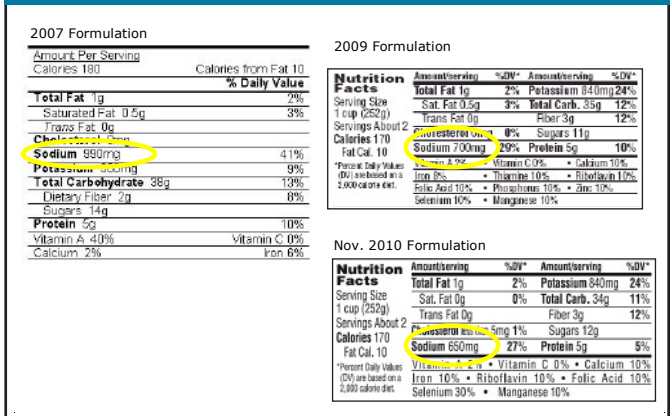
Figure 7. Campbell Soup Company: Sodium Reduction in Canned Pasta



- *ConAgra Foods* steadily has reduced the sodium content in its *Chef Boyardee* products. For example, since 2007, the sodium content in *Chef Boyardee Mini O's* has decreased by 34%, as seen in Figure 8. It also has reduced the sodium content in its *Kid Cuisine* products (e.g., in

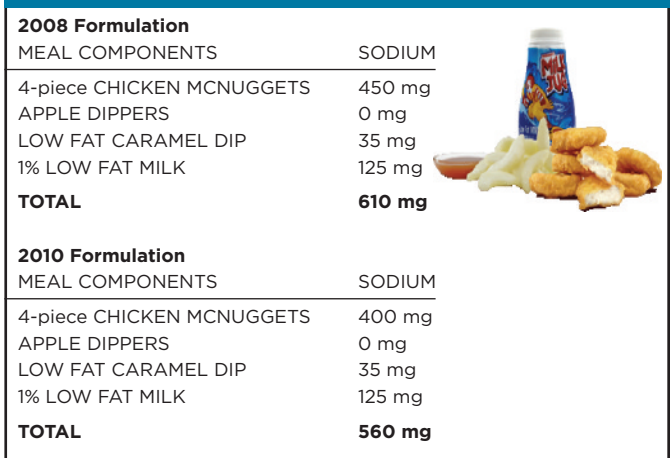
Kid Cuisine Cheese Blaster Mac-n-Cheese, sodium decreased to 510 mg from 750 mg).

Figure 8. ConAgra Foods: Sodium Reduction in Chef Boyardee Mini O's



- McDonald's reduced the sodium content in the Chicken McNuggets included in its 4-pc *Chicken McNuggets Kids Meal* by 10%. This Kids Meal comes with 4 Chicken McNuggets, apple dippers, low-fat caramel dipping sauce and a serving of low-fat milk, as seen in Figure 9.

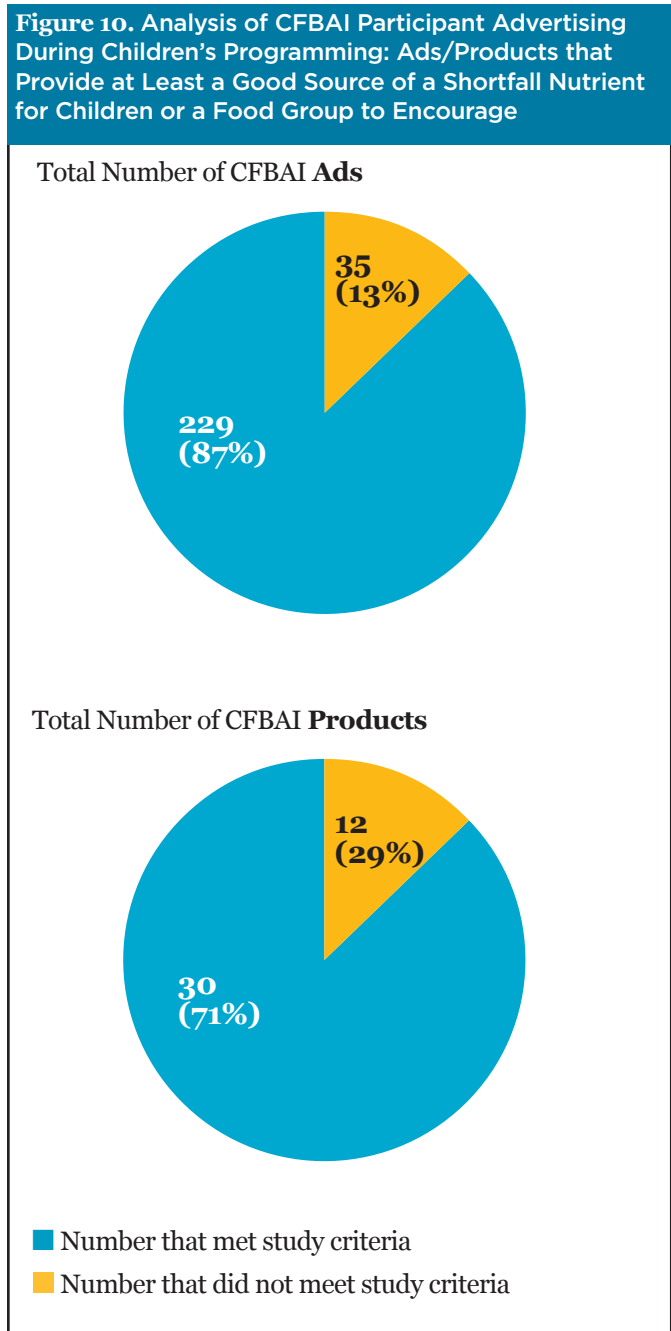
Figure 9. McDonald's: Sodium Reduction in Chicken McNuggets



4. CFBAI 2010 Study of Ads on Children's Programming

The CFBAI's informal study of advertising during a 38.5 hour sample of children's television programming that aired in May-June 2010 showed that the CFBAI participants' child-directed ads usually are for, or include, nutrient dense foods that also meet reasonable limits on calories, fats, sugars and sodium. As seen in Figure 10, 87% of participants' child-directed ads and 71% of the products provided at least a good source (10-19% DV) of a shortfall nutrient, as identified in the 2005 Dietary Guidelines for Americans (potassium, fiber, calcium, magnesium and

vitamin E) or a half-serving of a “food group to encourage” (fruit, vegetable, low-fat dairy and whole grains).²⁸ (Other products may have contained these nutrients or food groups, but not at the 10% DV or 1/2 serving level, or they may have contained other essential nutrients.) These results are comparable to those we reported in 2009, when we found that 83% of ads and 67% of products met this standard. Further, in 2010, we found that more than half met the study criteria in at least two ways (i.e., contained 10% of more than one nutrient, or 10% of a nutrient and a food group, or two food groups).



Our analysis also showed that participant ads included the following:

- **Apples.** 64 or 24% included apples or applesauce.
- **Milk.** 55 or 21% included milk.
- **Vegetables.** 22 or 8% were for products that included at least a half serving of vegetables.
- **Whole Grains.** 71 or 27% were for products or meals that included at least 8 grams of whole grains per serving or 50% whole grains.
- **Yogurt Products.** 31 or 12% featured low-fat yogurt products.

5. Cereal Category Case Study

Cereals, a category frequently advertised to children by CFBAI participants, have experienced dramatic changes under self regulation. The CFBAI participants have reformulated many cereals to reduce sugars, fats or sodium and to increase positive nutrients, or introduced new products to meet nutrition standards. Participants also have discontinued advertising some products to children, and stopped selling some varieties. All of the participants’ cereals provide a robust package of essential vitamins and minerals, and many contain whole grains.²⁹

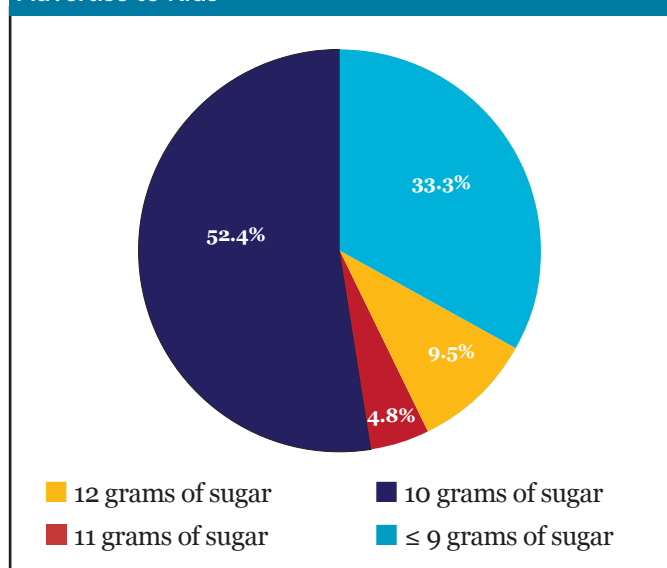
This category study reports on calories, saturated and *trans* fats, sodium and sugars.³⁰ It also reports on whole grain content and seven specific nutrients: those that are nutrients of concern according to the 2010 Dietary Guidelines for Americans (calcium, fiber, potassium, vitamin D) and nutrients that are referenced in FDA’s definition of “healthy” and that are required to be listed on the Nutrition Facts Panel (iron, vitamin A and vitamin C). Virtually all of these cereals meet FDA’s definition for “healthy” products.

NUTRIENT SNAPSHOT

- **Vitamin and Mineral Rich.**
 - All are at least a good source of vitamin A
 - 81% are a good source of vitamin C
 - All are a good source of vitamin D; 33% are an excellent source of vitamin D
 - All are a good source of iron; 57% are an excellent source of iron
- **Whole Grains.**
 - More than 60% provide at least 8 grams of whole grains

- **Calories.**
 - All contain ≤ 130 calories
- **Sodium.**
 - All contain ≤ 220 mg sodium
- **Saturated Fat.**
 - All have ≤ 1 gram of saturated fat; more than 60% have 0 grams of saturated fat
- **Trans Fat.**
 - All have 0 grams of *trans* fat
- **Sugar Content.**
 - 86% contain ≤ 10 grams of sugar per serving
 - 14% contain 11-12 grams of sugar per serving

Figure 11. Sugar Content of Cereals Participants May Advertise to Kids



SUGAR CONTENT REDUCTIONS

Before the CFBAI was started, some cereals advertised to children had 15 or 16 grams of sugars per serving. Under the CFBAI, participants committed to advertise only cereals with no more than 12 grams added sugars per serving (or a comparable limit based on percentage of calories or weight).³¹ This required many products to be

reformulated to meet that limit. Since 2007, sugar reductions have ranged from about 10% to more than 25%. Now, as seen in Figure 12, 86% of cereals contain no more than 10 grams per serving, up from 52% last year.³²

Participants' Cereal Facts³⁴

- *General Mills* announced in December 2009 that over time it would reduce sugars in its cereals to single digits. Currently, none of the cereals it advertises to children exceeds 10 grams of sugars per serving. In addition, all cereals *General Mills* currently advertises to kids contain at least 8 grams of whole grains, virtually all are an excellent source of iron, and all are a good source of calcium, vitamin A, vitamin C and vitamin D.
- *Kellogg* reformulated many of its U.S. cereals in 2008 and decreased their sugar content. All cereals *Kellogg* currently advertises to kids are a good source of vitamin A and vitamin D. More than half of the cereals *Kellogg* advertises to kids are an excellent source of vitamin C (the remainder are a good source of vitamin C) and 86% are an excellent source of iron (the remainder are a good source of iron). Three of its popular kids cereals contain at least 8 grams of whole grains per serving and five provide at least a good source of fiber per serving.
- *Post Foods* amended its pledge in 2011 to set a sugars criterion of no more than 11 grams per serving (down from 12 grams per serving). Currently, all the cereals it advertises to kids are an excellent source of vitamin D and a good source of iron and vitamin A. *Post Foods* recently launched a new product, *Pebbles Boulders*, with 16 grams of whole grains per serving and 8 grams of sugar per serving.

C. New CFBAI Category-Specific Uniform Nutrition Criteria

Although company-specific criteria have been working well to drive positive changes in foods advertised to children, the CFBAI has taken a bold new step and adopted category-specific uniform nutrition criteria (see Appendix

Figure 12. Sugar Content of Cereals 2009-2011³³

Sugar Content (grams)	2009	2010	First Half 2011	Second Half 2011
9	16%	16%	24%	33%
10	41%	52%	84%	86%
11 or 12	60%	48%	16%	14%

B).³⁵ The new criteria build on what CFBAI's participants have already accomplished and will continue and advance the development of products that are aligned with the Dietary Guidelines for Americans.

The CFBAI's process for developing the criteria was informed by the insightful experience of high-level in-house nutrition professionals who, on a daily basis, work on the development of new products and recipe changes. As a result, we had the benefit of their food technology and food science expertise, as well as their understanding of the barriers to consumer acceptance of changes to popular products and newly developed products. In developing the criteria, the CFBAI also was sensitive to competitive issues and the criteria are purposefully flexible to encourage even greater participation in self regulation, and competition.³⁶

For more than a year, the CFBAI and company scientists and nutrition professionals (Nutrition Science Review committee) worked to review nutrition policy developments to identify potential improvements in company-specific nutrition standards or possible uniform CFBAI criteria. The then-planned issuance of the Dietary Guidelines for Americans 2010 was a key impetus for the review because CFBAI requires that company nutrition standards be consistent with established scientific and/or government standards. The "White Paper on CFBAI's Uniform Nutrition Criteria" describes in detail the CFBAI's nutrition science review and the basis for the new category-specific nutrition criteria.³⁷

The new uniform nutrition criteria set limits on calories, saturated fat, *trans* fat, sodium and sugars (Nutrients to Limit or NTL) and include requirements for nutrition components to encourage (NCTE) for 10 product categories. While building on the successes from the use of company-specific criteria, they have a number of advantages over those criteria.

First, they are uniform. Now products across companies will meet the same criteria for a product category. The CFBAI's product-category approach allowed criteria to be tailored appropriately to reflect the inherent differences in food product categories and reflect meaningful, but realistic, goals for different categories. Specifically, these product-category criteria take into account food science/technology challenges specific to different categories as well as the need for incremental reductions of fat, sugars and sodium to build consumer acceptance of foods that have lower amounts of these nutrients.

Second, the new criteria are an improvement over the current criteria because they fill gaps that currently exist in the participants' individual standards regarding NTL. Further, overall the limits for nutrients are more stringent. Additionally, to be consistent with and to promote the 2010 Dietary Guidelines for Americans, the CFBAI has incorporated requirements for "nutrition components to encourage" for all product categories, again filling gaps that existed in some company-specific criteria. These requirements include (i) a minimum amount of at least a 1/2 serving of fruit, vegetables, whole grains or low-fat dairy ("food groups to encourage"), (ii) at least one essential nutrient at the 10% DV level,³⁸ or (iii) a combination of both. These requirements increase as calories increase and as the role of the food in the overall diet takes on greater importance (e.g., entrées). In lower-calorie foods, it may not always be feasible to include a meaningful amount of a food group to encourage. Yet lower-calorie foods, through their essential nutrient content, may contribute meaningfully to a healthy diet. Products that are a larger contributor to caloric intake, however, must meet minimum food groups to encourage requirements.

Third, they are even more transparent and easier to understand and apply than the current standards. Thus, they can more easily serve as a roadmap for child-directed advertising practices for other U.S. food (or media) companies, and simplify compliance monitoring for the CFBAI and others. For example, they are based on the labeled serving size, which appears on the required Nutrition Facts Panel (NFP) on products, and the NFP can serve as a reference, for virtually all products, on whether key criteria have been met.

The new criteria also will eliminate some of the ways products may qualify as products participants may advertise to children. Specifically, in the future a product may not qualify based solely on a "reduced" claim (e.g., \geq 25% less sodium) or only because it is in a portion controlled, 100-calorie pack.

Overall these new uniform nutrition criteria will pose significant challenges for the participants. They will require reformulation of many products, about one-third of the products participants currently advertise – ones that already meet meaningful nutrition standards – if they wish to continue advertising them after these criteria go into effect on December 31, 2013.

In keeping with our core requirement that nutrition standards be consistent with established scientific and/or government standards, the CFBAI intends to review the nutrition criteria periodically to determine whether new or different categories or subcategories are necessary to reflect innovation and new products in the marketplace.

For example, the criteria will be reviewed after the issuance of the Dietary Guidelines for Americans 2015. At that point the participants will have had more than two years worth of experience with the new criteria. If necessary, they will be aligned with any new dietary guidance and, if appropriate and feasible, will be strengthened even further.

Endnotes

¹⁷ This number does not include products that did not meet participants' criteria that they stopped advertising or discontinued altogether. It also does not include products that participants reformulated prior to joining the CFBAI.

¹⁸ The participants that do not engage in child-directed advertising are Cadbury Adams, The Coca-Cola Co., The Hershey Co., and Mars, Inc. In addition, Nestlé USA no longer advertises its Wonka brand (or other confections) to children. It does advertise other products such as 100% fruit juice. Kraft Foods has acquired Cadbury and the Kraft Foods pledge will entirely cover Cadbury's activities by the end of 2011.

¹⁹ These are Burger King Corporation; Campbell Soup Company; ConAgra Foods, Inc.; The Dannon Company; General Mills Inc.; Kellogg Company; Kraft Foods Global, Inc.; McDonald's USA, LLC; Nestlé USA; PepsiCo, Inc.; Post Foods, LLC; Sara Lee Corp., and Unilever United States.

²⁰ A synopsis of the participants' nutrition standards is attached as Appendix A. A lengthier discussion regarding how participants define their healthier products is available in CFBAI's 2008 Report.

²¹ In the individual food category, with the exception of two peanut butters with 210 calories, all foods currently advertised contain no more than 200 calories. The calories in entrées and meals also are modest, with no entrée exceeding 350 calories and no meal exceeding 600 calories.

²² Appendix F, "Setting the Record Straight," explains why we disagree with those who have contrary views.

²³ Some examples include the following:

- *Burger King Corp.* has a multi-disciplinary sodium task force to explore ways to lower sodium in Burger King menu items on an ongoing basis
- *Campbell* has long been noted for its innovations in sodium reductions across its portfolio
- *ConAgra Foods* has committed to reducing salt across its portfolio by 20% by 2015
- *General Mills* committed in December 2009 to further reduce the sugar content of cereals advertised to children to single-digit grams per serving, and has committed to reducing sodium by 20% across multiple product categories by 2015
- *Kellogg* changed its recipes so that the vast majority of its U.S. ready-to-eat cereals became at least a good or excellent source of fiber by the end of 2010
- *Kraft Foods* announced in March 2010 that it plans to reduce sodium by an average of 10% across its North American portfolio over the next two years and, in July 2010, announced that it will double the whole grain content of its Nabisco crackers over the next three years
- *McDonald's* has committed to reducing sodium an average of 15% overall across its national menu by 2015
- *Nestlé Prepared Foods Company* has announced a comprehensive plan to decrease, by 2015, the sodium content in its products by another 10% from reductions made earlier this decade.

²⁴ See press release at

http://www.healthyweightcommit.org/news/Reduce_Annual_Calories/. The calorie-reduction initiative is part of HWCF and its members' multi-pronged effort to help American families reduce the calories they consume while increasing the calories they expend. The 13 CFBAI participants that also are HWCF members are: Campbell Soup Company; The Coca-Cola Company; ConAgra Foods, Inc.; General Mills Inc.; The Hershey Company; Kellogg Company; Kraft Foods Global, Inc.; Mars; Nestlé USA, Inc.; PepsiCo, Inc.; Post Foods, LLC; Sara Lee Corp.; and Unilever.

²⁵ Kellogg Company also has reformulated nearly 80% of its U.S. ready-to-eat cereals to be a good (10-19% DV) or excellent source (at least 20% DV) of fiber as part of a company-wide initiative.

²⁶ See n. 23 above.

²⁷ For example, for Burger King Corporation, in the U.S., menu items that have been reduced in sodium include its most popular BK® Kids Meal item, Chicken Tenders (sodium reduced by 1/3). On its adult menu, sodium reductions have been made in its ham (40%) and its Tender grill chicken patty (25%). The company's restaurants also transitioned to lower-sodium Heinz ketchup in August 2010.

²⁸ *Dietary Guidelines for Americans 2005* at 5-6, available at www.healthierus.gov/dietaryguidelines. The Whole Grain Council discusses what constitutes a serving of whole grains at <http://www.wholegrainscouncil.org/whole-grains-101/what-counts-as-a-serving>. Our study was conducted before the 2010 Dietary Guidelines for Americans were issued in 2011.

²⁹ Empirical data consistently show that frequent cereal eaters tend to have healthier body weights than those who don't eat cereal. A.M. Albertson *et al.*, *The Relationship between Ready-to-Eat Cereal Consumption Categorized by Sugar Content and Body Measures in American Children: Results from NHANES 2001-06*, 23 FASEB J. 550.22 (April 2009) (Meeting Abstracts).

³⁰ This overview reflects the formulations of cereals on the CFBAI's approved product list as of September 2011. At that time, there were 21 cereals on the approved list. The participants may have other products that meet their nutrition standards that are not advertised to children.

³¹ Cereals are not a significant source of sugar in the diets of the U.S. population ages 2 years and older. Only 3.8% of added sugars came from ready-to-eat (RTE) cereals according to NHANES 2005-2006 data. Dietary Guidelines For Americans 2010, Figure 3-6, at p. 29. Similarly, for children aged 4-12, RTE cereals account for only 4% of calories on average and 5% of total sugars. Centers for Disease Control and Prevention and National Center for Health Statistics, National Health and Nutrition Examination Survey Data (2005-06), available at <http://www.cdc.gov/nchs/nhanes.htm>.

³² This results from new product introductions, reformulation of existing products, and from business decisions to remove some cereals from CFBAI's list of approved products (i.e., products that meet nutrition criteria and that participants have indicated may be advertised to children).

Endnotes, continued

- ³³ Our analysis begins in 2009 because that is when the pledge commitments of two leading cereal manufacturers went fully into effect.
- ³⁴ In 2011 PepsiCo did not include ready-to-eat cereals in its advertising to kids under 12 plans.
- ³⁵ Participating companies may elect, however, to adhere to even stricter nutrition criteria than the CFBAI criteria.
- ³⁶ The criteria provide flexibility on how products may meet the requirements and thus do not unfairly favor one participant over another. Promoting rather than stifling competition among participants encourages the broadest array of healthy and quality product choices at the lowest cost. See *also* n. 35, above.
- ³⁷ A complete description of the process used and information considered in developing the new criteria is contained in a White Paper that is available at <http://www.bbb.org/us/storage/O/Shared Documents/CFBAI White Paper on Uniform Nutrition Criteria.pdf>. As detailed in the White Paper, the Nutrition Science Review committee reviewed new dietary recommendations; regulations for nutrition labeling and nutrient content claims for foods and beverages; recommendations for nutritional criteria for foods marketed directly

to children, foods sold in competition with school meals, and school breakfast and school lunch programs; and standards of identity for foods. The Nutrition Science Review committee also was mindful of the IWG's December 2009 proposed tentative nutrition standards for marketing to children, and the subsequent April 2011 proposed nutrition principles.

- ³⁸ Essential nutrients include protein, fiber, and vitamins and minerals for which a DV has been established, including those added to meet standards of identity that have an enrichment requirement or to restore naturally occurring nutrients that are lost in processing. If the essential nutrient requirement is met through fortification, it must be a nutrient of public health concern as specified in the DGA 2010 (i.e., dietary fiber, potassium, calcium, and vitamin D) or a nutrient required to be listed on the NFP (i.e., iron, vitamin A, and vitamin C in addition to dietary fiber and calcium). In 1993, in final regulations implementing the Nutrition Labeling and Education Act, the FDA identified calcium, iron, vitamin C, and vitamin A as nutrients of public health concern and required the amount of these nutrients to be declared in the NFP. These same nutrients also are included in FDA's definition of "healthy."



IV. Pledge Compliance Evaluation

For 2010 we have evaluated compliance for 16 of the 17 CFBAI participants' pledges.³⁹ The Sara Lee Corporation joined the Initiative in September 2010, but its pledge did not become effective until January 1, 2011. Accordingly, we will not report on its compliance until next year.⁴⁰

The CFBAI found that the participants' compliance with their pledge commitments was excellent during 2010, with only a few minor issues that companies addressed promptly. We found that the participants reported only a few issues related to television and Internet advertising that included or referred to non-approved products. We determined that none of these compliance issues represented egregious or willful pledge violations.

A. New Compliance Obligations

During 2010 the participants were required to observe commitments for additional advertising platforms that were added to the program.⁴¹ Further, for many participants amended definitions of "advertising primarily directed to children under 12" (i.e., amendments to use a 35% k2-11 audience standard instead of a 50% standard), or commitments to not engage in advertising primarily directed to children under six (i.e., when they are 35% or 50% of the audience, depending upon the participant)⁴² went into effect. Accordingly, the participants reported conducting training to ensure that new as well as existing obligations would be met. All of the participants also subjected their child-directed advertising to strict legal scrutiny.

The high level of attention each participant pays to communicating its commitments to relevant employees and contractors plays a key role in the continued high level of compliance. The participants also report that the compliance reporting process itself has been a useful tool for identifying additional training or changes to procedures that were implemented later.

B. Methodology

To assess participants' compliance with their pledges, the CFBAI (1) conducted or reviewed monitoring of measured media and company-owned websites, and (2) assessed thoroughly the detailed compliance reports submitted by

each participant.⁴³ The CFBAI followed-up with participants as needed on compliance questions we identified from our monitoring, described in more detail below.

Television Advertising. Our independent auditing took three forms.

- **Conducted In-House Study.** In Spring 2010, we conducted an informal study of advertising on a sample of children's advertising.
- **Reviewed CARU Monitoring.** We reviewed the results of monitoring that CARU independently conducts on an ongoing basis.⁴⁴
- **Analyzed Nielsen Data.** We analyzed a random sample of advertising data from The Nielsen Company on programming popular with children during two quarters of 2010.⁴⁵

Radio Advertising. We periodically listened to Radio Disney, which is the only radio station with programming primarily directed to children under 12.

Print Advertising. We examined all food and beverage ads in a variety of print titles popular among children under 12.

Internet Advertising. We also monitored an extensive list of third-party websites primarily directed to children under 12. Our list was based on sites that participants report using as well as sites that are facially directed at children or reported in the media as child-directed sites. We also periodically reviewed participants' websites that are primarily directed to children under 12. A listing of participants' child-directed sites is attached as Appendix G.

C. Compliance Assessment

Our assessment indicates that all of the companies were in substantial compliance with their pledges. Below we provide an overview of our findings, followed by a summary of the few problems we identified or that the participants self-reported, and how they were resolved. Section D reports on the CFBAI's requirement that participants not engage in advertising of even their healthier products in schools (pre-K through 6th grade) to children, and Section E reports on compliance with

policies not to engage in advertising primarily directed to children under six.

Our review shows that television continues to be the predominant form of advertising to children, and the overwhelming majority of advertising to children under 12 takes place on the cable networks that devote most, if not all, of their programming to this age group. We did not find any violations. As discussed below, occasionally ads not intended for children aired on programming in which the percentage of children viewing were over the participants' threshold. This occurred because of third-party errors and because the actual audience varied from what was predicted when the media was purchased.

We found that print and radio were rarely used mediums, and then only by less than a third of the participants.

All of the participants, except PepsiCo (and excluding the four participants who commit not to engage in child-directed advertising), had at least one child-directed website and most, but not all, also advertised on third-party websites that are child-directed. Similarly, virtually all have interactive games on their sites, and some have them on third-party sites too. In virtually all instances, to the extent the games included branded products (and many do not), they included only approved products. A few problems, described below, occurred with internet advertising.

Many, but not all, participants used licensed characters, celebrities or movie tie-ins, but only in conjunction with products that met their nutrition standards. No participant reported actively seeking out or paying for product placement in editorial or entertainment content primarily directed to children under 12.⁴⁶

Finally, none of our participants reported using the social and digital mediums that we added to the program in 2010, and we do not have any information to the contrary.⁴⁷

TELEVISION ADVERTISING

The CFBAI's monitoring identified several instances of non-approved product advertising on programming where children represented at least 35% of the audience at the time the ad aired. Based on our follow-up inquiries, we concluded that no violations of pledge commitments had occurred. We found that the issues occurred for other reasons.

Audience Variability. As discussed in previous Reports, there can be variations between the audience demographics predicted at the time the advertising is purchased and when the ad airs.⁴⁸ The CFBAI assesses compliance based on time-of-purchase data because advertisers generally make their media-buying decisions based on audience demographics for the prior year. The participants report that, at the time they purchased the media for non-approved products, the under 12 demographic was below their audience thresholds. The discrepancy between predicted and actual demographics occasionally can result, however, in non-approved products appearing in advertising during programming that meets or exceeds a participant's definition of advertising directed to children under 12.⁴⁹ The incidence rate is well less than 1% (and mostly less than .5%) of the ads shown for a particular company or brand. Such occurrences are not violations of their commitments. Nevertheless, the participants are mindful of these occurrences and work to avoid them by tweaking their media buys.

Third-Party Errors. Two participants reported they had instructed networks not to place adult-targeted ads in the program in question or during a particular part of a daypart, but the placement mistakenly occurred. As a result, several adult-targeted ads for non-approved products aired during programming that exceeded the companies' respective thresholds. In addition, we found that third-party advertising reports occasionally misidentified ads in programming. Our inquiries and participant follow-up, including review of tapes of the program in question, showed that ads for non-approved products had not aired.

COMPANY-OWNED WEBSITES AND OTHER INTERNET ADVERTISING

Our monitoring of company-owned sites and popular third-party websites, and our review of the materials submitted by the participants, found excellent compliance.⁵⁰ There were only a few minor issues, which were quickly resolved.

- One participant reported that, although the participant intended to use a banner ad for a qualifying product, two mom-directed banner ads that referred generally to a brand (but did not identify a qualifying product) inadvertently ran on a few third-party websites. The company re-emphasized to the brand and the advertising agency that banner ads directed to kids should include a

product on its approved list rather than generally referencing the brand. The brand and agency are developing a tighter process for the placement of on-line campaigns.

- One participant reported that an ad for a non-approved product was shown on a child-directed website because an ad-serving vendor failed to follow the participant's instructions to not to place child-targeted ads on the website in question. In response, the participant revised its media plan and expanded its use of a third-party auditor to ensure that all ad placements meet the participant's pledge criteria.
- The CFBAI notified one participant that monitoring found that a downloadable interactive game on one of its child-directed brand websites featured non-approved products. The participant immediately took down the game. Since then, the participant has entirely revamped the brand website and made it adult-focused.

D. Compliance with CFBAI's Principle on Advertising to Children in Elementary Schools

The CFBAI participants have committed not to advertise branded food and beverage products, even the products that meet their nutrition standards, in elementary schools (pre-K through 6th grade) to children. Certain pro-social activities are not covered by CFBAI's restriction. These are charitable fundraising activities, public service messaging and charitable donations to schools. Marketing activities directed at adults (items provided to school administrators for their personal use) and materials that identify products offered for sale in schools (such as menus and placards with food displays) also are not covered. There was excellent compliance with this commitment during the reporting period.

We found that the CFBAI participants do not often engage in activities that fall under these narrow exceptions. The participants that reported on activities within the exceptions made no or only minimal use of product messages, company equity characters or brand images.

Some participants continued to offer fundraising opportunities in partnership with schools. As we reported last year, Campbell's *Labels for Educations* and General Mills' *Box Tops for Education* programs do not contain product messaging or brand depictions.⁵¹ These programs, and other participants' support for fundraising activities, provide substantial funds for schools.

As we reported last year, Kraft Foods participates in a program run by the company Terracycle, which recycles or "upcycles" used product wrappers, including juice pouches, into items such as tote bags or umbrellas, and then offers them for sale.⁵² Kraft Foods does not include any brand mentions in school materials.

Some participants offer healthy lifestyle and nutrition curriculum materials for teachers. For example,

- *Nestlé USA* has partnered with the National Education Association — the nation's largest professional educators' organization — to expand nutrition and physical activity resources for teachers with the *Healthy Steps for Healthy Lives* program that provides a variety of fun, easy-to-use instructional activities that teach students about being healthy.
- *McDonald's* provides teachers, on request, with an educational program called *Passport to Play*. Under this program children engage in playground games and physical activities from around the world, while learning more about the culture and country where the activities originate. Students also learn about healthy snacks from each country. The curriculum was reviewed by teachers, physical activity experts, district curriculum directors, and experts at Baylor College of Medicine. It is supported by the United States Olympic Committee and the National Association for Sport and Physical Education.
- *The Dannon Company* provided close to 200,000 students in grades 3-6 in its headquarter and plant communities with healthy eating information through the *Newspapers in Education* program in honor of National Nutrition Month in March 2010.

E. Compliance with Participants' Policies of Not Directing Advertising to Children Under Age Six

When they joined the Initiative, many participants had long-standing policies to not direct advertising to children under six (i.e., when they are a certain percentage of the audience: either 35% or 50%, depending upon the company). The CFBAI subsequently asked participants to consider adopting such policies. As a result, five additional participants adopted or codified existing policies not to engage in advertising primarily directed to children under six, and two companies with existing policies strengthened their audience definitions to 35% from 50%.⁵³ Because such policies are now prevalent, the CFBAI is monitoring and reporting on compliance with these commitments. We

found compliance to be excellent. One company reported a small number of time-of-purchase versus time-of-airing issues in 2010 (i.e., when purchased, audience in the media was predicted to be below 35% children 2-5). The company

reviews as-aired data on an ongoing basis and uses these data to refine its future media buys to better avoid the issue.

Endnotes

³⁹ Kraft Foods purchased Cadbury Adams in 2010 and its activities will be entirely governed by the Kraft Foods pledge by the end of 2011. Accordingly, starting in 2012, we will report on 16 participants.

⁴⁰ Sara Lee, however, did communicate its pledge commitments to relevant staff, including its marketing teams and media agencies, to ensure compliance readiness for calendar year 2011.

⁴¹ Specifically, effective January 1, 2010, the CFBAI's Core Principles covered four additional advertising platforms: video and computer games rated "EC" or labeled for children under 12; DVDs of G-rated movies and other non-rated DVDs that are primarily directed to children under 12; mobile media (cell phones, PDAs); and word-of-mouth advertising. See CFBAI Program and Core Principles Statement attached as Appendix C.

⁴² See Appendix E, describing current audience definitions and their effective dates.

⁴³ Each participant submitted a comprehensive report on the advertising and other practices covered by the CFBAI's principles.

⁴⁴ The CFBAI gratefully acknowledges the assistance of CARU staff in this effort. CARU staff monitor children's television programming on an ongoing basis and send CFBAI a listing of the food and beverage product advertising they observe with a notation of the program, network, date and time the ad appeared.

⁴⁵ This year, to monitor compliance for those participants who have a policy of not directing advertising to children under age six, our review included data for the Sprout Channel, a PBS kids network with programming for children under age six.

⁴⁶ We note that because directors independently may use products as stage dressing, our participants' commitments cannot guarantee that child-directed entertainment or editorial content will not include participants' food and beverage products.

⁴⁷ See n. 41 above.

⁴⁸ Our 2008 Report discussed the time-of-purchase versus time-of-airing issues at length. See 2008 Report at 23-24.

⁴⁹ Although not required, the participants generally carefully monitor audience data for ads as-aired and report these data to CFBAI. Our review of Nielsen and other data also periodically identifies such occurrences.

⁵⁰ A listing of company-owned, child-directed websites can be found at Appendix G. Many sites include images of unbranded foods, which also are permitted under the CFBAI principles. For example, Burger King Corporation's ClubBK site and ConAgra Foods' Kid Cuisine site feature generic food items such as fruit, dairy and other foods.

⁵¹ See 2009 Report at 23. During the 2010-2011 school years participating schools earned over \$59 million through the General Mills program. Schools have earned over \$400 million since the program began in 1996. Campbell's *Labels for Education* has, over the years, provided more than \$114 million in equipment and education supplies to America's schools. Over 60,000 schools and organizations are registered with *Labels for Education*, benefiting more than 42 million students.

⁵² Terracycle, not Kraft Foods, sells the items created from recycled packaging.

⁵³ See Appendix E.

V. Five Year Retrospective: 2006 – 2011

In the five years since the CFBAI was created as a new self-regulation program to focus on what foods are depicted in child-directed advertising, the children’s food marketing landscape has changed enormously.⁵⁴ It seems easy now — five years later — to take for granted that food companies will limit what they advertise to children to products that meet meaningful nutrition criteria. But, in 2006, restricting advertising to children for products that are legal to sell and products that parents, not children, actually purchase most of the time was an innovative idea.

There have been numerous positive changes in the products in child-directed advertising and in the CFBAI’s program over the last five years. In this section, we provide highlights of key program and participant events, including especially noteworthy nutrition developments.

It is notable that an article reviewing the progress made in meeting the IOM Report’s recommendations, conducted by leading academics, found that food and beverage companies, through self regulation, were one of only two stakeholder groups that made “moderate” progress (more than other groups) in implementing the IOM Report’s recommendations.⁵⁵ The CFBAI participants already have made progress in addressing some of the areas for further improvement identified in the article. For example, the CFBAI’s Core Principles have covered newer and emerging social media, such as mobile media and word-of-mouth advertising, since January 2010.⁵⁶

The CFBAI also announced in July 2011 that new category-specific uniform nutrition criteria largely would replace company-specific nutrition criteria (which the article identifies as an area for improvement) as of December 31, 2013. In fact, the article noted this is a “promising agreement” that will encourage companies to reformulate and develop new products or stop advertising products that do not meet the uniform criteria after December 31, 2013.⁵⁷ The Interagency Work Group also has recognized “that the CFBAI effort [the CFBAI-developed uniform nutrition criteria] represents substantial progress by industry”⁵⁸ Further, the Working Group has stated that it is making significant revisions to its preliminary proposal and that the revisions share “much in common with the new CFBAI uniform nutrition standards.”⁵⁹

Finally, although reducing the amount of child-directed advertising is not our goal, it is worth mentioning that the overall amount of child-directed food advertising has been decreasing and that there have been significant changes within product categories during this period. Accordingly, we provide a summary of data on some of the key changes in Appendix H.⁶⁰

Key CFBAI Events and Facts: 2006 – 2011

The chronology that follows shows the many important program changes that have occurred as well as steps the participants took to strengthen their pledges. It also highlights key positive changes in the nutrition profile of foods they advertise to children. As IOM specifically recommended, the CFBAI participants have shifted the emphasis of their advertising to children to foods “that are substantially lower in total calories, lower in fats, salt, and added sugars, and higher in nutrient content.” (IOM Report at p. 11). During the last several years, as their commitments became operational, the participants reformulated or newly created more than 100 products that are advertised to children, to meet nutrition standards. In addition, the participants stopped advertising other products, or discontinued selling products that did not meet their nutritional commitments. Some participants also reformulated additional products prior to joining the CFBAI. Recent changes are illustrated in Part III above, and other changes have been described in prior Reports.

PRE-CFBAI

- In a joint workshop on “Perspectives on Marketing, Self-Regulation and Childhood Obesity,” FTC/HHS recommended that BBB and industry determine whether self-regulation could do more to help address concerns about child-directed advertising because of childhood obesity.
- IOM published “Food Marketing to Children and Youth: Threat or Opportunity,” recommending, among other things, that food and beverage companies shift their child-directed advertising emphasis to foods and beverages that have fewer calories, that are lower in fats, salt and added sugars, and that are higher in nutrient content.

- Before the CFBAI was established, few companies had standards for food marketing to children.
- Many cereals advertised to children had 15–16 grams of sugar per serving.
- Many products advertised to children had over 900 milligrams (mg) of sodium.

2006

- BBB and 10 companies launched CFBAI on November 14 with the goal of shifting the mix of advertising directed to children under 12 to encourage healthier dietary choices and lifestyles. BBB/NARC also updated CARU's Guidelines to provide additional guidance on child-directed food advertising.
- The 10 original participants (Cadbury Adams, Campbell Soup Co., The Coca-Cola Company, General Mills, Hershey, Kellogg, Kraft Foods, McDonald's, PepsiCo, and Unilever) were estimated to represent at least 2/3 of television ad expenditures for food and beverage advertising to children under 12.

2007

- Mars joined CFBAI in January.
- CFBAI announced the pledges and implementation dates of the then 11 participants at a July 18 joint FTC/HHS Forum, "Weighing In: A Check Up on Marketing, Self-Regulation, and Childhood Obesity." Nine participants committed to using meaningful, science-based nutrition standards. Two companies (Hershey and The Coca-Cola Company) committed to not engage in child-directed advertising at all. Some pledges went into effect in 2007, others went into effect later, providing time for participants to reformulate or develop products to meet their pledge nutrition criteria.
- Burger King Corp. joined CFBAI in September.
- ConAgra Foods joined CFBAI in October, bringing the total number of participants to 13.

2008

- Cadbury revised its pledge in March, committing not to engage in child-directed advertising.

- Mars revised its pledge in March, committing not to engage in child-directed advertising. Now a total of four participants are not engaging in child-directed advertising.
- CFBAI issued its first Progress and Compliance Report in July 2008 (for July – Dec. 2007) and found virtually 100% compliance with participant pledges.
- CFBAI first issued nutrition and product charts in its July 2008 Report and began to post these charts to the CFBAI's website and update them periodically, making it easier for the public to have easy-to-read and up-to-date information.
- Dannon joined CFBAI in September.
- Nestlé joined CFBAI in December, bringing the total number of participants to 15. These 15 participants were estimated to represent 80% of food, beverage and restaurant advertising directed to children under 12.
- Throughout the year, participants announced or implemented pledge and/or product changes, including:
 - Burger King Corp. implemented its pledge six months in advance of its scheduled December 2008 pledge implementation date, with a Kids Meal that was compliant with its nutrition criteria. The meal included a new product, Fresh Apple Fries™, which provide one serving of fruit (apples sliced to look like fries and served in a fry pod package). Burger King Corp. also strengthened its nutrition criteria by adding a 600 mg sodium limit and a requirement that advertised Kids Meals be at least a "good" source of at least two nutrients that were shortfalls in children's diets.
 - Campbell revised its pledge with a new 480 mg sodium limit for virtually all of its kids' soups. It also reduced the fat content of its line of *Pepperidge Farm Flavor Blasted Goldfish* snack crackers.
 - ConAgra Foods reformulated certain *Kid Cuisine* SKUs to reduce sodium and/or fats.
 - General Mills reformulated certain cereal and yogurt products to reduce their sugar content.
 - Kellogg reformulated many of its flagship kid-advertised cereals to reduce sugar or sodium.
 - Kraft Foods reformulated its *Capri Sun* beverages to reduce sugar content. It also reduced the sodium limit for *Lunchables* and other "convenient meals" products.
 - Unilever revised its frozen dessert nutrition criteria to include new products formulated from low-fat milk (110 calorie limit).

2009

- CFBAI launched in February an e-newsletter to report on program news, pledge developments and changes in child-directed product advertising.
- CFBAI issued in April an Elementary School Fact Sheet that explained what activities the CFBAI permits or prohibits participants from conducting in elementary schools.
- Post Foods joined CFBAI in October, bringing the total number of participants to 16. It reformulated the cereals it advertised to children prior to joining the CFBAI and all such cereals became an excellent source of vitamin D.
- CFBAI issued its second annual Report in October, announcing it found the participants' compliance with their pledges was excellent, and steady, ongoing improvement in the foods advertised to children.
- CFBAI filed a comment in November on the FTC's Food Industry Marketing to Children and Adolescents proposed information collection, offering suggestions on information to include in its nutritional analyses so that the positive nutritional changes in food marketing to children that have occurred would be identified.
- CFBAI presentation at a December 2009 FTC Forum described the significant changes in food advertising to children and the numerous reformulations that had occurred under self regulation. CFBAI also announced additional changes to program requirements (see next bullet).
- CFBAI announced in December that it was strengthening and expanding its Core Principles, by (1) formalizing participants' commitment that 100% of their child-directed advertising would be for healthier products, (2) eliminating the option of satisfying the Initiative's advertising commitment through healthy lifestyle messaging or some combination of better-for-you product and healthy lifestyle messaging, and (3) significantly expanding the program's Core Principles to cover newer and emerging social media. These Enhanced Core Principles went into effect in 2010.
- CFBAI issued in December a Nutrition Snapshot of participant product ads during kids TV programming showing that over 80% of the ads were for products that provided a "good" source of at least one shortfall nutrient or a half serving of a food group to be encouraged.
- Throughout the year, participants announced or implemented pledge and/or product changes, including:
 - Burger King Corp. reduced sodium by 1/3 in its Chicken Tenders; switched to fat-free from 1% white milk in all of its U.S. restaurants; and expanded its pledge to cover "In-Restaurant Merchandising" directed to children under 12.
 - Campbell reduced sodium in its Tomato Soup variety by 32%. Now all 13 of its kids' soups have been reformulated to meet FDA's "healthy" criterion for sodium.
 - ConAgra Foods reformulated almost all of its pledge-qualifying *Chef Boyardee* products to reduce sodium, fat, and/or saturated fat.
 - Kellogg reformulated several cereals advertised to kids to provide 10% DV fiber, and reformulated its *Apple Jacks* and *Froot Loops* cereals to contain at least 8 grams of whole grains (a half-serving).
 - Kraft Foods amended its pledge in August to announce it would be transitioning from its own *Sensible Solution* nutrition criteria to even more rigorous nutrition criteria over a three-year period. Kraft Foods also added to its approved product list more beverages, cheeses and convenient meals that contain food groups to encourage and nutrients that are shortfalls in children's diets.
 - Nestlé added to its approved product list calcium fortified low-fat milk, which provides 40% DV of calcium (10% more than regular milk). It also added fat, saturated fat, sodium, added sugars and positive nutrient criteria to its pledge.
 - General Mills announced in December that it would further reduce the sugar content of all cereals advertised to kids to single digits, and added two cereals with under 10 grams of sugars to its approved product list.

2010

- CFBAI's expansion to require that child-directed advertising in social and digital marketing meet participants' nutrition standards went into effect in January.
- CFBAI issued a Cereal Snapshot in January, finding that 40% of CFBAI cereals advertised to children in 2009 contained no more than 10 grams of sugars, significantly lower than CFBAI participants' commitment to only advertise cereals with no more than 12 grams added sugars per serving.

- CFBAI filed a comment in February and a reply comment in March on the FCC's Notice of Inquiry, "Empowering Parents and Protecting Children in an Evolving Media Landscape."
- CFBAI filed a comment with the White House Task Force on Childhood Obesity in March, focusing on the role that advertising self regulation is playing in supporting parents in making good choices for their families and promoting physical activity among children.
- Sara Lee joined CFBAI in September, bringing the total number of participants to 17.
- CFBAI announced in September the harmonization of definitions of "child-directed" advertising, with virtually all participants using a threshold no greater than 35% children 2-11 in the audience as their definition of advertising primarily directed to children under 12 for measured media. The 35% thresholds went into effect in 2010 for some participants and became effective in January 2011 for others. Additionally, CFBAI committed to monitor and report on participants' policies (codified in 11 of 16 participants' pledges) not to engage in advertising primarily directed to kids under age 6.
- CFBAI began the Nutrition Science Review in May, with a committee of nutritionists and scientists from many participants. We initiated the review because of the then pending issuance of the Dietary Guidelines for Americans 2010 and the Initiative's requirement that the standards companies use be consistent with established scientific and/or government standards.
- CFBAI issued the second CFBAI Nutrition Snapshot in September, again showing that the vast majority of participants' ads during kids' TV programming were for products that provide a good source of a shortfall nutrient or a half serving of a food group to be encouraged.
- CFBAI's third Progress Report, issued in December, described excellent compliance, expanded program requirements and improvement in the nutritional quality of foods advertised to children.
- CFBAI's December Report included an in-house analysis showing that 52% of CFBAI participant cereals advertised to children in 2010 contained no more than 10 grams of sugars.
- Throughout the year, participants announced or implemented pledge and/or product changes, including:
 - Burger King Corp. added to its approved product list a breakfast meal featuring an egg and cheese sandwich, a serving of fresh fruit, and calcium-fortified 100% apple juice.
 - Campbell added to its approved product list four *Goldfish* Graham crackers in which at least 50% of the grains are whole grains. Campbell also reduced the sodium content in its pasta category by 5 to 10% and set a 600 mg sodium limit – the FDA "healthy" level for main dishes. It also added a sodium limit for its snack crackers.
 - ConAgra Foods continued its *Chef Boyardee* and *Kid Cuisine* reformulation efforts (e.g., decreasing the sodium in Mini O's by 34% since 2007).
 - General Mills sugar reduction efforts resulted in its kid-advertised cereals containing no more than 10 grams of sugars per serving.
 - Kraft Foods' *Lunchables* line realized a 10% sodium reduction over the past three years.
 - Mars expanded the scope of products it does not advertise to children to include bubblegum and rice products.
 - McDonald's reported more than 100 million orders of Apple Dippers had been served in *Happy Meals* since 2008.
 - Nestlé added to its approved product list a 90-calorie sparkling juice beverage (70% fruit juice, 30% sparkling water) that provides one serving of fruit.
 - PepsiCo added to its approved product list two granola bars that contain no more than 100 calories and provide a 1/2 serving of whole grains.

2011

- CFBAI addressed the meeting of the IOM Committee on Accelerating Progress in Obesity Prevention in January.
- CFBAI held a two-day Nutrition Science Review Conference in February, as part of the Nutrition Science Review that began in 2010.
- CFBAI issued a Program Fact Sheet in March, describing the significant programmatic changes that occurred since the program started and the steady progress made in improving the nutrition profile of products CFBAI participants depict in child-directed advertising.
- CFBAI issued new category-specific uniform nutrition criteria in July, with an implementation date of December 2013.

- CFBAI filed a comment in July on the IWG’s proposed nutrition principles and marketing definitions, contending that the IWG’s nutrition principles were unworkable and unrealistic. CFBAI also explained that the IWG’s definitions of child-directed marketing were vague and over broad, and why the CFBAI’s focus on advertising that is primarily directed to children under 12 is the better approach.
- CFBAI filed a supplementary comment to the IWG in August, reporting the results of an in-house analysis that found only 14% of participants’ CFBAI-listed products meet all of the IWG’s proposed nutrition principles, using the interim sodium standard and only 7% meet all the principles using the final sodium standard.
- CFBAI conducted a cereal analysis in October, finding that 86% of CFBAI cereals advertised to children in the second half of 2011 contain no more than 10 grams of sugars (up from 52% in 2010).
- CFBAI testified in October at the hearing on “Food Marketing: Can ‘Voluntary’ Government Restrictions Improve Children’s Health?” before the Subcommittee on Commerce, Manufacturing, and Trade, and the Subcommittee on Health, of the House Energy and Commerce Committee.
- Throughout the year, participants announced or implemented pledge and/or product changes, including:
 - Campbell added to its approved product list three *Goldfish Sandwich Breads* that meet the new CFBAI uniform criteria. Each variety is a good source of iron, vitamin D and fiber, and two varieties provide 18 grams of whole grains. Campbell also introduced three new *Goldfish* Grahams flavors in which at least 50% of the grains are whole grains.
 - Kraft Foods introduced *Lunchables with Fruit*, which provide a full serving of fruit and at least 5 grams of whole grains; and added *Kraft/Polly-O 2% Reduced Fat Mozzarella and Cheddar Cheese Twists*, a 50 calorie snack that is a good source of calcium, to its approved product list.
 - McDonald’s USA announced that, as of the end of the first quarter 2012, Happy Meals will automatically include a serving of Apple Fries and a new, smaller serving French fries.
 - PepsiCo amended its pledge to state that any child-directed advertising would be limited to products meeting its new “Nutrition Criteria for Advertising to Children” (replacing its *Smart Spot* criteria). It also added to its approved product list all of its *Tropicana Tropolis Real Fruit Squeezers* varieties, which provide a half-serving of fruit and are a good source of fiber and 100% DV vitamin C; three 100% whole grain *Quaker Oats* oatmeal varieties that contain 0 or 1 grams of sugars; and four *Quaker Chewy Granola Bars* that contain 10 grams of whole grains, only 6 grams of sugars and are a good source of calcium.
 - Post Foods amended its pledge to reduce its added sugars limit for cereals to 11 grams from 12 grams effective in January. It also added to its approved product list two cereals that contain only 8 grams and 9 grams of sugars and one consists of 51% whole grains (16 grams).

Endnotes

⁵⁴ The CFBAI complements the work of CARU, which focuses on how all products, including foods, are advertised to children under 12. See n. 3 above.

⁵⁵ Kraak, V., Story, M., Wartella, E. and Ginter, J., “Industry Progress to Market a Healthful Diet to American Children and Adolescents,” *Am. J. Preventive Med.*, Vol. 41, No. 3 (2011) (examining progress in implementing the recommendations in the IOM Report, cited in n. 5, above).

⁵⁶ The Kraak *et al.* article cites to a 2009 study that predates these program developments for the assertion that pledges of most companies do not cover all forms of spending on digital, mobile, and interactive social media. *Id.* at 328.

⁵⁷ *Id.* at 329.

⁵⁸ Prepared Statement of the Federal Trade Commission on the Interagency Working Group on Food Marketed to Children Before the Energy and Commerce Committee, Subcommittee on Commerce, Manufacturing, and Trade and the Subcommittee on Health, United States House of Representatives, at p. 9. Available at http://republicans.energycommerce.house.gov/Media/file/Hearings/Joint/101211_CMT_Health/Vladeck.pdf.

⁵⁹ *Id.*

⁶⁰ Appendix H also discusses why the CFBAI’s focus on advertising directed to children under 12 is appropriate and has led to substantial and meaningful improvements in foods and beverages advertised to children.



VI. Looking Ahead

The last several years at the CFBAI have been marked by substantial changes, including the expansion of the scope of the CFBAI's advertising requirements, the harmonization of definitions of "child-directed" advertising and the adoption of new category-specific uniform criteria. In the coming year, we will be focused on evaluating further the impact of those changes and implementing the new category-specific uniform nutrition criteria.

Although the new category-specific uniform nutrition criteria do not become effective until December 31, 2013, we anticipate developing procedures and guidelines in the coming year to help the participants' transition to the new criteria go smoothly and to allow us to track progress under the new criteria efficiently.

As in the past, we will work to expand CFBAI's impact by increasing the number of companies participating in the program. Although our current members already represent the majority of food advertisers on television, which is the dominant form of advertising to children under 12, we are hopeful that we can further increase our participation level.

We also will continue to maintain our outreach to and consider feedback from government agencies, non-governmental organizations, and others involved in the fight against childhood obesity about how the benefits of self regulation can be increased. Although considerable progress already has been made in changing advertising directed to children under 12, we recognize that there is always room for improvement. The CFBAI and its participants remain committed to self regulation that is thoughtful and dynamic.



Appendix A. Synopsis of CFBAI Participants' Nutritional Standards (December 2011)

Participants	Calories* (per serving/meal)	Fat* ¹	Sodium*	Sugars	Positive Nutrients/ Food Group to Encourage*
Burger King Corp.					
Kids Meal	≤ 560	Total Fat ≤ 30% kcal Sat Fat ≤ 10% kcal Trans Fat No Added	≤ 600 mg	≤ 10% of kcal added	≥ 10% DV of at least two shortfall nutrients
Cadbury Adams²					
Does not engage in food and beverage product advertising primarily directed to children under 12.					
Campbell Soup Company					
Soup	≤ 150	Total Fat ≤ 3g Sat Fat ≤ 1g & ≤ 15% kcal Trans Fat 0g Labeled	≤ 480 mg	≤ 12g (excluding f/v/dairy)**	≥ 1 serving of vegetables or 10% DV of a vitamin or mineral
Canned Pasta	≤ 300	Total Fat w/o meat ≤ 35% kcal w/meat ≤ 10g Sat Fat w/o meat ≤ 10% kcal w/meat ≤ 4.5g Trans Fat w/o meat Labeled 0g w/meat Labeled ≤ 0.5g, provided only from meat or dairy	≤ 600 mg	≤ 12g (excluding f/v/dairy)**	≥ 1 serving of vegetables or one-ounce equivalent of whole grains, plus 10% DV of 2 or more nutrients
Baked Snacks (≤ 100 kcal portion control products also qualify)	≤ 170	Total Fat ≤ 35% kcal Sat Fat ≤ 10% kcal Trans Fat 0g Labeled	≤ 290 mg	≤ 12g (excluding f/v/dairy)**	Not Specified [≥ 50% of grains are whole grains in some products]
Breads	Campbell has adopted Category Three of the CFBAI Category-Specific Uniform Nutrition Criteria. See http://www.bbb.org/us/storage/16/documents/cfbai/CFBAI-Category-Specific-Uniform-Nutrition-Criteria.pdf .				
The Coca-Cola Company					
Does not engage in food and beverage product advertising primarily directed to children under 12.					
ConAgra Foods***					
Meals	≤ 500	Total Fat ≤ 35% kcal Sat Fat ≤ 10% kcal Trans Fat 0g Labeled	≤ 760 mg	≤ 25% of kcal added	≥ 10% DV of 3 nutrients ≥ ½ serving vegetables or fruit or 8g of whole grain
Canned Pasta	≤ 350	Total Fat ≤ 35% kcal Sat Fat ≤ 10% kcal Trans fat 0g Labeled	≤ 750 mg	≤ 25% of kcal added	≥ 10% DV of 2 nutrients ≥ ½ serving vegetables or fruit or 8g of whole grain
Peanut Butter, Nuts and Seeds	≤ 210	Total Fat: Not Specified [Products currently contain ≤ 17g] Sat Fat Not Specified [Products currently contain ≤ 3g] Trans Fat 0g Labeled	≤ 480 mg	≤ 25% of kcal added	≥ 10% DV of 1 nutrient ≥ 1 ounce equivalent of meat and beans

Appendix A. Synopsis of CFBAI Participants' Nutritional Standards (December 2011) *continued*

The Dannon Company					
Yogurt, Dairy Snack and Drinkable Dairy Products ³	Not Specified [Products currently ≤ 120]	Total Fat ≤ 25% kcal Sat Fat < 10% kcal or ≤ 1g Trans Fat 0g Labeled	≤ 230 mg	≤ 12.5g added	≥ 10% DV of calcium
General Mills⁴					
FDA "Healthy"	≤ 175	Total Fat ≤ 3g Sat Fat ≤ 15% kcal & ≤ 1g Trans Fat 0g Labeled	≤ 480 mg	≤ 12g (exclusive of f/v/dairy)**	≥ 10% DV of vitamin A, vitamin C, calcium, iron, protein or fiber
General Mills Criteria	≤ 175	Total Fat Not Specified Sat Fat ≤ 2g Trans Fat 0g Labeled	≤ 230 mg cereal/snack ≤ 480 mg side/main dish	≤ 12g (exclusive of f/v/dairy)**	≥ ½ serving of whole grain, fruit, vegetables or fat-free or low-fat dairy
Hershey Company					
Does not engage in food and beverage product advertising primarily directed to children under 12.					
Kellogg Company					
All Products	≤ 200	Total Fat Not specified Sat Fat ≤ 2g Trans Fat 0g Labeled	≤ 230 mg	≤ 12g (excluding f/v/dairy)**	Not Specified [Cereals provide essential vitamins and minerals and some provide ≥ 10% DV of fiber]
Kraft Foods Global, Inc.***⁵					
100% Fruit Juice	Not Specified [Products currently contain ≤ 100]	Total Fat ≤ 3g Sat Fat ≤ 1g Trans Fat 0g Labeled	≤ 240 mg	0g added	≥ 10% DV of vitamin A, C, E, calcium, potassium, fiber or magnesium OR ½ serving of fruit, vegetables, whole grains or fat-free/low-fat milk products
Beverages	≤ 40 ≤ 20 must only meet nutrients to limit	Total Fat ≤ 3g Sat Fat ≤ 1g Trans Fat 0g Labeled	≤ 140 mg	Not Specified	≥ 10% DV of vitamin A, C, E, calcium, potassium, fiber or magnesium OR ≥ ½ serving of fruit, vegetables, whole grains or fat-free/low-fat milk products
Snack Foods and Sweets	≤ 160	Total Fat ≤ 35% kcal Sat Fat < 10% kcal Trans Fat 0g Labeled	≤ 240 mg	≤ 25% of kcal added	≥ 10% DV of vitamin A, C, E, calcium, potassium, fiber or magnesium OR ½ serving of fruit, vegetables, whole grains or fat-free/low-fat milk products
Entrées, sandwiches, main dishes, and meal replacements	≤ 450	Total Fat ≤ 35% kcal Sat Fat < 10% kcal Trans Fat 0g Labeled	≤ 600 mg	≤ 25% of kcal added	≥ 10% DV of vitamin A, C, E, calcium, potassium, fiber or magnesium OR ≥ 1 serving of fruit, vegetables, whole grains (half of the grains must be whole) or fat-free/low-fat milk products
Cheeses and Cheese Substitutes	Not Specified [Products currently ≤ 70]	Total Fat ≤ 3g Sat Fat ≤ 2g Trans Fat 0g Labeled	≤ 240 mg	≤ 25% of kcal added	≥ 10% DV of vitamin A, C, E, calcium, potassium, fiber or magnesium, OR ½ serving of fruit, vegetables, whole grains or fat-free/low-fat milk products
Mars					
Does not engage in food and beverage product advertising primarily directed to children under 12.					

Appendix A. Synopsis of CFBAI Participants' Nutritional Standards (December 2011) *continued*

McDonald's USA					
	≤ 600	Total Fat ≤ 35% kcal Sat Fat ≤ 10% kcal Trans Fat Not Specified [0g Chicken McNugget meal: No added ¹ Hamburger meal]	Not Specified [560 mg Chicken McNugget meal: 680 mg Hamburger meal]	≤ 35% total by weight	Not Specified [Meals provide a serving of fruit and low-fat white milk. Both meals provide ≥ 40% DV of calcium, ≥ 10% DV of vitamin A and ≥ 320% DV of vitamin C.]
Nestlé USA					
100% Juice and Sparkling Flavored Juice Beverage	≤ 170 (Calories vary by variety due to natural variations in sugar content)	Total Fat 0g Sat Fat 0g Trans Fat 0g	≤ 70 mg	No added	≥ 10% DV of at least 1 nutrient
Choc. Ready to Drink & Powdered Flavored Milk ⁶	≤ 170	Total Fat ≤ 3g Sat Fat ≤ 2g Trans Fat 0g Labeled	≤ 140 mg	≤ 12.5g added	≥ 10% DV of at least 1 nutrient
Calcium Fortified Low-Fat Milk	≤ 100	Total Fat ≤ 2.5g Sat Fat ≤ 1.5g Trans Fat 0g Labeled	≤ 125 mg	No added	≥ 10% DV of at least 1 nutrient
PepsiCo, Inc.					
PepsiCo has adopted new global nutrition criteria for advertising to children. Its new criteria are attached as Appendix A.1.					
Post Foods, LLC					
Cereals	≤ 200	Total Fat ≤ 3g Sat Fat ≤ 1g Trans Fat 0g	≤ 230 mg	≤ 11g (excluding f/v/dairy)**	≥ 10% DV fiber OR ≥ 8g whole grains OR A good source of ≥ 6 essential vitamins or minerals
Cereal Bars	≤ 150	Total Fat ≤ 4g Sat Fat ≤ 2g Trans Fat 0g	≤ 150 mg	≤ 12g (excluding f/v/dairy)**	≥ 10% DV fiber OR ≥ 8g whole grains OR A good source of ≥ 6 essential vitamins or minerals
Sara Lee Corp.					
Non-meat containing products	Not Specified [Products currently ≤ 160]	Total Fat ≤ 3g Sat Fat ≤ 1g & ≤ 15% kcal sat fat Trans Fat 0g	≤ 480 mg	Not Specified	Fills a recognized nutritional need in children's diets and ≥ 10% DV of vitamin A, vitamin C, calcium, iron, protein or fiber
Meat containing products ⁷	Not Specified	Total Fat < 5g Sat Fat < 2g Trans Fat < 0.5g	≤ 480 mg	Not Specified	Fills a recognized nutritional need in children's diets and ≥ 10% DV of vitamin A, vitamin C, calcium, iron, protein or fiber
Unilever					
Popsicles	≤ 110	Total Fat Not Specified Sat Fat ≤ 2.5g per serving Trans Fat < 2% of kcal excluding CLA ¹	≤ 1.6 mg/kcal or ≤ 100mg/serving	≤ 25% total by weight and ≤ 20% added by weight	Not Specified [Frozen dairy products provide one-quarter to one-third of a serving of low-fat dairy]
Peanut Butter	Not Specified [Products currently ≤ 190]	Total Fat Not Specified Sat Fat ≤ 10% kcal or ≤ 33% of total fat Trans Fat < 2% of kcal excluding CLA ¹	≤ 1.6 mg/kcal or ≤ 100mg/serving	≤ 25% of kcal total or ≤ 7g/100g of added	Not Specified [Most products contain ≥ 10% DV of a shortfall nutrient]

* "Requirements" are specified in the nutrition chart. If there are no requirements regarding nutrients to limit, current nutrient amounts are noted in brackets. If there are no positive nutrient "requirements" but a product contains a positive nutrient or a food group to encourage, it also is noted in brackets. Some participant standards require that a product provide at least a good (10% DV) or excellent (20% DV) source of one or more nutrients, or a "shortfall nutrient for children," or a functional benefit and/or contain at least a half serving of a food group to encourage (fruits, vegetables, whole grains and fat-free or low-fat dairy). "Shortfall nutrients for children" mean calcium, potassium, fiber, magnesium and vitamin E — nutrients identified by the 2005 Dietary Guidelines for Americans as being a shortfall in children's diets. For fruits and vegetables, a half serving equals ¼ cup. For dairy, a half serving is 4 ounces and for whole grain a half serving is 8 grams.

** Excluding f/v/dairy means excludes sugars naturally occurring in fruits, vegetables and dairy.

*** Criteria only for advertised product categories.

¹ "0g" *trans* fat means less than 0.5g *trans* fatty acids per serving, excluding conjugated *trans*-fatty acids such as naturally occurring Conjugated Linoleic Acid (CLA). Under FDA's regulatory scheme, naturally occurring *trans* fat and added *trans* fat from partially hydrogenated fat are not distinguished. *Trans* fat occurs naturally in trace amounts in meat and dairy products. "No added" *trans* fat means no *trans* fat from non-animal sources. Some participants also set or rely on third-party standards that limit cholesterol. For simplicity sake, cholesterol limits are not included here.

² See n. 18 in Report.

³ The criteria is based on "per labeled serving" to ensure that the "portion size" is recognized and thus ensure that the criteria is both "occasion" and "age" appropriate.

⁴ Under General Mills' pledge, products must meet either FDA's criteria for "healthy" per labeled serving, or General Mills' own guidelines for Healthy Dietary Choices. Although not addressed in FDA's criteria for "healthy," General Mills also applies restrictions on calories, *trans* fat and sugars, on items that qualify as "healthy" per labeled serving.

⁵ In 2009 Kraft Foods announced that it was transitioning from its *Sensible Solution* (SS) criteria to the *Smart Choices Program* criteria (listed here) over a three-year period. During this period products may qualify under either set of standards. Currently, some products in the "Beverages" and "Cheese and Cheese Substitutes" categories qualify under the SS criteria (which are not listed here). Under the SS criteria, these products may qualify if they meet affirmative criteria or are "low" or "reduced by ≥ 25%" in calories, sugars, sodium, sat fat, or fat. When beverages and cheeses qualify as "low" or "reduced" other SS criteria may apply. See www.kraftrecipes.com/kf/healthyliving/sensiblesolution/nutritioncriteria.aspx.

⁶ Powdered flavored milk is evaluated against the criteria "as consumed," once reconstituted in fat-free or low-fat milk. For the powdered flavored milk category, on label dual nutrition facts information is provided for "as purchased" and "as prepared." Reconstitution instructions call for low-fat milk. The total sugars value for the "as purchased" would be equal to added sugars in this case. Under FDA rounding rules, the nutrition facts panel may declare up to 13 grams of total sugars and still meet the criteria outlined above.

⁷ Sara Lee Corp. uses the definition for "extra lean," as defined by the U.S. Department of Agriculture (USDA) for the basis of its standard. For individual foods, as defined by the USDA, the fat criterion applies per RACC and per 100 grams. Fat criterion for meal type and main dish products, as defined by the USDA, are applied per labeled serving and per 100 grams.

Appendix A.1. Summary of PepsiCo Global Nutrition Criteria For Advertising to Children (Effective January 1, 2011)

SNACKS AND FOODS:

Total Fat	≤ 35% of Calories ^{1,2}
Saturated Fat	≤ 10% of Calories ³
Trans Fat	< 0.5g per Reference Quantity ⁴
Cholesterol	≤ 30mg per Reference Quantity
Sodium	≤ 150mg per Reference Quantity
Added Sugar	≤ 10% of Calories ⁵
Food Group to Encourage	At least ½ serving of one Food Group to Encourage ⁶ per Reference Quantity
Nutrient to Encourage	OR Minimum content of one locally relevant Nutrient to Encourage ⁷ per Reference Quantity

CALORIE LIMIT FOR SNACKS ONLY:⁸ All snacks to be advertised to children must also have no more than 150 Calories per package.

Footnotes:

1. **Savoury Snacks** may contain up to 43% of Calories from total fat IF they also contain ONE FULL SERVING of a Food Group to Encourage.
2. **Seeds, Nuts and Nut Butters** (e.g. whole tree nuts, peanuts, seeds, tahini, peanut paste) and **Nut-Containing Products** (which contain at least 50% nuts and ≤1g added fat) are not required to meet the Total Fat limit.
3. **Seeds, Nuts and Nut Butters** may contain up to 15% of Calories from Saturated Fat.
4. **Reference Quantities** have been established for a wide range of snacks and foods e.g. 30g crisps, 30g nuts, 40g grain-based bars, 30g ready-to-eat breakfast cereal, 50g bread, 245ml soup.
5. **Sweet Snacks, Breakfast Cereals, Sauces and Dips** may contain up to 25% of Calories from added sugar IF they also contain ONE FULL SERVING of a Food Group to Encourage
6. **Food Group to Encourage** = Fruit, Vegetables, Whole Grains, Low Fat Milk Products, Nuts/Legumes. Serving sizes have been determined for each Food Group.
7. **Nutrient to Encourage** = Protein, Fiber, Calcium, Potassium, Magnesium, Iron, Zinc, Folate, Vitamin A, Vitamin D, Vitamin C, Vitamin E (specific nutrients that may be used to meet this criterion are defined locally based on dietary gaps). Minimum contents per Reference Quantity have been determined for each Nutrient to Encourage.
8. The **Calorie limit** applies to Snacks, but does not apply to foods (e.g. bread, pasta, pancakes, rice, breakfast cereals, oats pasta, sauces, soup, and dips). Examples of ‘Snacks’ subject to the calorie limit are potato chips, crisps, corn chips, popcorn, biscuits, crackers, bread snacks, muesli bars, grain-based bars, cookies, cakes, muffins, trail mix, nuts, seeds, nut clusters, nut/seed bars.

BEVERAGES*: No Advertising to children of non-alcoholic beverages other than water (mineral, source and purified), fruit juice, and dairy-based beverage, as defined by local regulations.

*Beverage restriction is based on the International Council of Beverages Associations (ICBA) Guidelines on Marketing to Children, which PepsiCo has adopted.

Appendix B. CFBAI Category-Specific Uniform Nutrition Criteria (July 2011)

Product Category	Unit	Nutrients to Limit (NTL)				Nutrition Components to Encourage (NCTE)	Notes
		Calories	Sat Fat	Sodium	Total Sugars		
1. Juices	LSS	≤ 160	0 g	≤ 140 mg	No added sugars	≥ ½ c F/V juices	<ul style="list-style-type: none"> A serving must contain ≥ 4 fl oz of 100% F/V juice Sugars limited to those naturally occurring in F/V
2. Dairy products							
– Milks and milk substitutes	8 fl oz	≤ 150	≤ 2 g	≤ 200 mg	≤ 24 g	1 c dairy	<ul style="list-style-type: none"> For LSS < 8 fl oz, NTL & NCTE to be scaled proportionately Powder/syrup flavorings mixed with 8 fl oz non-fat milk are allowed ≤ 25 g total sugars as prepared
– Yogurt and yogurt-type products	6 oz	≤ 170	≤ 2 g	≤ 140 mg	≤ 23 g	≥ ½ c dairy and ≥ 10% DV calcium	<ul style="list-style-type: none"> 6 oz (170 g) is most common single serving size For LSS < 6 oz, NTL & NCTE to be proportionately lower
– Dairy-based desserts	½ c	≤ 120	≤ 2 g	≤ 110 mg	≤ 20 g	≥ ¼ c dairy and ≥ 10% DV calcium	<ul style="list-style-type: none"> Serving sizes limited to ½ c For LSS < ½ c, NTL & NCTE to be scaled proportionately
– Cheese and cheese products	LSS	≤ 80	≤ 3 g	≤ 290 mg	≤ 2 g	≥ ½ c dairy equivalent (provides ≥ 10% DV calcium)	<ul style="list-style-type: none"> For LSS < 1 oz, NCTE to be scaled to ≥ ½ c dairy equivalent and ≥ 10% DV calcium
3. Grain, fruit and vegetable products, and items not in other categories	LSS	≤ 150	≤ 1.5 g	≤ 290 mg	≤ 10 g	≥ ½ serving of F/V/D/WG or ≥ 10% DV of any essential nutrient	<ul style="list-style-type: none"> Subcategories differentiate, on a calorie basis, among products that have a small RACC (i.e., ≤ 30 g or ≤ 2 tbsp) and/or are lighter in density (e.g., g/cup) from those with a larger RACC and/or higher density Examples of ≤ 150 calorie products: most children's breakfast cereals, crackers, & pretzels Examples of > 150-200 calorie products: denser breakfast cereals (e.g., shredded wheat), waffles, & vegetable products with sauces
4. Soups and meal sauces	LSS	≤ 200	≤ 2 g	≤ 480 mg	≤ 6 g	≥ ½ serving of F/V/D/WG or ≥ 10% DV of any essential nutrient	<ul style="list-style-type: none"> Tomato-based products allowed ≤ 12 g of total sugars/LSS to include sugars naturally occurring in tomatoes & those added to balance product pH
5. Seeds, nuts, and nut butters and spreads	1 oz or 2 tbsp	≤ 220	≤ 3.5 g	≤ 240 mg	≤ 4 g	≥ 1 oz protein equivalent	<ul style="list-style-type: none"> For LSS < 1 oz or 2 tbsp, NTL & NCTE to be scaled proportionately
6. Meat, fish, and poultry products	LSS	≤ 120	≤ 2 g	≤ 480 mg	≤ 2 g	≥ 1 oz equivalent of meat, fish, or poultry, and ≥ 10% DV of any essential nutrient	<ul style="list-style-type: none"> For LSS ≤ 1 oz, NTL reduced to ≤ 60 kcal, ≤ 1 g sat fat, ≤ 240 mg sodium and ≤ 1 g total sugars
7. Mixed dishes	LSS	≤ 280	≤ 2.5 g	≤ 540 mg	≤ 10 g	≥ ½ serving of F/V/D/WG or ≥ 10% DV of two essential nutrients	<ul style="list-style-type: none"> Products include casseroles, burritos, pizzas, & sandwiches that do not meet FDA/USDA definition for <i>main dishes</i> Items that contain ≤ 200 kcal and meet NTL criteria may qualify if they contain ≥ ½ serving of F/V/D/WG or ≥ 10% DV of any essential nutrient

Appendix B. CFBAI Category-Specific Uniform Nutrition Criteria (July 2011) continued

Product Category	Unit	Nutrients to Limit (NTL)			Nutrition Components to Encourage (NCTE)	Notes
		Calories	Sat Fat	Sodium		
8. Main dishes and entrées	LSS	≤ 350	≤ 10% kcal	≤ 600 mg	≤ 15 g	<ul style="list-style-type: none"> Items must meet FDA/USDA definition for <i>main dishes</i>
9. Small meals	LSS	≤ 450	≤ 10% kcal	≤ 600 mg	≤ 17/12 g (See notes)	<ul style="list-style-type: none"> Small meals contain multiple items but do not meet FDA/USDA definition for <i>meals</i> Meals must meet FDA/USDA definition for <i>meals</i> Sugars from <u>one</u> qualifying milk/milk substitute, <u>or</u> qualifying yogurt/yogurt-type product, <u>or</u> qualifying fruit (i.e., without added sugars) <u>or</u> qualifying F/V juice are not counted in the 17 g or 20 g total sugars limits When <u>two</u> qualifying items are present, the sugars from <u>both</u> items are not counted in the total sugars limit, but the limits (to account for all other items) are reduced to 12 g (small meals) and 15 g (meals) All other NTL criteria for small meals and meals (calorie, sat fat, and sodium limits) must be met
10. Meals (entrée and other items including a beverage)	Meal	≤ 600	≤ 10% kcal	≤ 740 mg	≤ 20/15 g (See notes)	<ul style="list-style-type: none"> ≥ 2 servings of F/V/D/WG <u>or</u> ≥ 1½ servings of F/V/D/WG <u>and</u> ≥ 10% DV of <u>three</u> essential nutrients

Trans fat. The criteria for *trans* fat is 0 g labeled for all categories. For foods in the meat and dairy categories served as individual foods or as part of composite dishes or meals (e.g., soups, mixed dishes, entrées, meal-type products), naturally occurring *trans* fats are excluded.

Exemptions

- Sugar-free mints and gum.
- The following products also are exempt from the nutrient criteria specified above, except as indicated in notes to Categories 9 & 10:
 - Fruit products without added sugars;
 - Vegetable products without added fats and which meet FDA regulations for “very low sodium;”
 - Beverages, including bottled waters, that meet FDA regulations for “low calorie” and “very low sodium” (diet sodas are excluded from this exemption).

ABBREVIATIONS AND GLOSSARY

DV: Daily Value.

Essential Nutrients: Those occurring naturally in foods (or that are added to foods to meet standards of identity or to restore nutrients lost in processing), and for which a DV has been established. If fortification is used to meet the criteria, the nutrient must be a DGA 2010 nutrient of concern (calcium, fiber, potassium, vitamin D) or a nutrient that is required to be listed on the Nutrition Facts Panel (iron, vitamins A & C).

F/V/D/WG: Any combination of fruits, vegetables, non/low-fat dairy, and/or whole grains.

LSS: Labeled serving size.

NA: Not applicable.

NCTE: Nutrient components to encourage are F/V/D/WG or Essential Nutrients.

NTL: Nutrients to limit are calories, saturated (sat) fat, *trans* fat, sodium and total sugars.

Qualifying F/V Juice: Any fruit or vegetable juice or blend that contains no added sugars and meets the requirements of Category 1.

Qualifying Flavored Milk/Milk Substitute/Yogurt/Yogurt-type Product: These are products that meet the Category 2 criteria for milk/milk substitutes, or yogurt/yogurt-type products.

RACC: Reference amount customarily consumed.

Serving(s): See USDA Food Group Serving Equivalents.

Total Sugars: Include naturally occurring and added sugars.



Appendix C. CFBAI Program and Core Principles Statement (Third Edition)

I. INTRODUCTION

Companies engaged in advertising and marketing food and beverage products have developed this self-regulatory initiative for advertising such products to children under 12. The goal of this initiative is to use advertising to help promote healthy dietary choices and healthy lifestyles among American children. While it remains the primary responsibility of parents to guide their children's behavior in these areas, industry members are voluntarily pursuing this initiative as a means of assisting parents in their efforts.

This document was first issued in November 2006 when the Council of Better Business Bureaus (BBB) and 10 charter companies launched the Children's Food and Beverage Advertising Initiative (CFBAI). During 2009, BBB and 15 of the then 16 participants reviewed the program and made a number of enhancements to the scope of the advertising commitments, reflected in the Second Edition of this document, which became effective on January 1, 2010.¹ This, the Third Edition of the CFBAI Program and Core Principles Statement, contains additional information about the definition of "advertising primarily directed to children under 12." A number of participants have revised their definitions and now an audience threshold of no higher than 35% children 2-11 is generally being used.

This document consists of four parts. Part II describes the Core Principles. All participants agree to make commitments that are consistent with these principles. Part III describes the administrative elements of the program. Part IV describes an additional commitment regarding not advertising to children under six that some participants have made and that the CFBAI has agreed to monitor and oversee.

II. CORE PRINCIPLES

Companies participating in this initiative will publicly commit to advertising that will further the goal of promoting healthy dietary choices and healthy lifestyles to children under 12. These commitments will be set forth in an individual "Pledge" for each participant. Because companies and their product lines vary, company

commitments also will vary. All commitments, however, will be consistent with the following Core Principles:

A. Advertising, Interactive Games, Licensed Character, Product Placement and Elementary School Requirements

1. Advertising Primarily Directed to Children

Under 12. Participants will commit that all "advertising primarily directed to children under 12" will be for healthy dietary choices, or better-for-you products, in accordance with company-developed standards that are consistent with established scientific and/or government standards.²

– **Measured Media.** This principle applies to advertising in measured media:

- Television
- Radio
- Print
- Internet (third-party websites).

– **Child-Directed Content.** This principle also applies to advertising that is primarily directed to children on:

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

– **Mobile Media and Word of Mouth.** This principle also applies to advertising that is primarily directed to children under 12 on cell phones, PDAs, and through word of mouth.³

2. Use of Products in Interactive Games.

Participants will commit that, in any interactive game provided free or at nominal charge (in whatever format, online, disk or cartridge) primarily directed to children

under 12 where the company's food or beverage products are incorporated into the game, the interactive game will incorporate or be accompanied by healthy dietary choices or better-for-you products.

3. Use of Licensed Characters, Celebrities and Movie Tie-Ins. Participants will commit that the use of third-party licensed characters, celebrities (including athletes) and movie tie-ins in advertising primarily directed to children under 12 will be consistent with their advertising commitments.⁴

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

5. Advertising in Elementary Schools. Participants will commit to not advertising branded food or beverage products in elementary schools, pre-K through 6th grade.⁵

B. DEFINITIONS

The participants are permitted, within reasonable limits and subject to CFBAI review and approval, to define "advertising primarily directed to children under 12" and the nutrition standards that determine what products may be depicted in such advertising. Below we summarize the types of approaches that participants are using and provide examples of established scientific and/or government standards that companies may use to define healthy dietary choices or better-for-you products.

1. Advertising Primarily Directed to Children under 12.

- For "measured" media this means advertising in dayparts for which children 2-11 constitute 25% to 50% of the audience at the time of the media buy, depending upon the participant. An audience threshold of no higher than 35% is used by most participants. Some participants also include supplemental measures to identify "advertising primarily directed to children under 12."⁶
- For advertising in non-measured media, determinations will be made in accordance with standards established by the company or set forth in its pledge. Participants may use an analysis of factors, including the overall impression of the advertising, the target demographic based on the company's media

plan, actions taken to restrict child access, such as age-screening, and the audience definition for measured media. For example, participants may consider the percentage of children under age 12 viewing in-cinema G-rated movies that are now on DVDs, the content developer's designation and description of the expected target of mobile or PDA content, or the percentage of children viewing TV content that has been adapted for mobile media.

2. Standards for Determining What Are Healthy Dietary Choices or Better-for-You Products.

Examples of established scientific and/or government standards that companies may use to define healthy dietary choices or better-for-you products include:

- FDA defined "healthy" foods [21 C.F.R. 101.65(d)(2)]
- Products that qualify for an FDA authorized health claim [21 C.F.R. 101.70-101.83]
- Products meeting FDA/USDA criteria for claims of "free," "low," or "reduced" for calories, total fat, saturated fat, sodium or sugar
- Products that qualify for the USDA Healthier School Challenge Program criteria for Sales/Service of A La Carte and/or Vended Items
- Principles addressing recommended consumption by children under 12 under USDA Dietary Guidelines and MyPyramid
- Products representing a portion control option, such as products advertised and sold in a package size of 100 calories or less.

C. IMPLEMENTATION

Each Pledge will include an implementation schedule for each commitment made by the participant.

III. ADMINISTRATION AND OVERSIGHT

1. Pledge Development. Company Pledges, including the specific commitments that will identify the healthy dietary choice or better-for-you product criteria, are established in consultation with the BBB-administered CFBAI program.

2. Monitoring and Enforcement. The program is responsible for monitoring company commitments. Monitoring includes the review of advertising materials, product information, and other information as reasonably requested by the program administrator

(submitted on a confidential basis) to confirm participant compliance. The program also responds to public inquiries relating to compliance.

The program provides, by contract, for the expulsion of a company that does not comply with its Pledge after being given notice and an opportunity to bring its conduct into compliance, and notice of any expulsion to regulatory authorities such as the Federal Trade Commission under appropriate circumstances.⁷

3. Public Reports. The program publicly issues reports detailing its activities, including any expulsions or notices of such to regulatory authorities.

4. Periodic Program Reviews. The program originally planned to review its procedures and the overall impact of this initiative after the new program had been operational for at least three years. The expanded Core Principles reflected in the Second Edition of this document were the result of an extensive review that occurred ahead of the planned 2010 review. The Third Edition reflects changes that individual participants made during 2010. The program will continue to conduct periodic reviews, but recognizes the need for a reasonable interval between reviews to allow

participants to implement and assess the operation of any program enhancements. Accordingly, the program, in consultation with the participants, will conduct reviews at least once every three years.

IV. ADVERTISING TO CHILDREN UNDER SIX YEARS OLD

The CFBAI does not require that participants adopt policies regarding not engaging in advertising primarily directed to children under age six. Prior to the creation of the CFBAI, however, a number of participants had corporate policies that prohibited advertising directed to children under six years old (of even their healthier choices), and they maintained these policies after becoming participants in the CFBAI. During 2010, other participants also individually and voluntarily adopted such policies. Now the majority of participants have policies that are reflected in their CFBAI pledges on not engaging in advertising primarily directed to children under six. Although such policies are not required, CFBAI has agreed to monitor and report on compliance with these policies when they are incorporated into a participant's pledge.⁸

1st Edition Nov. 2006; 2nd Edition, Nov. 2009; 3rd Edition, Sept. 2010
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¹ Post Foods joined the CFBAI on October 1, 2009, after the review was substantially completed and thus did not participate in the review.

² 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, such as USDA Dietary Guidelines and MyPyramid.

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 primarily directed to children under 12.

⁴ This commitment applies to the advertising discussed in the advertising principle above. It does not apply to other marketing channels, such as point of sale materials or packaging (provided that the packaging does not appear in advertising primarily directed to children under 12). This commitment also does not apply to the use of company-owned characters.

⁵ This commitment does not apply to displays of food and beverage products, including materials that identify the products that are being offered for sale, charitable fundraising activities, public service messaging, items provided to school administrators for their personal use, and charitable donations to schools.

⁶ The company pledges specify the audience percentage, and other factors, where applicable, that the company uses to determine whether advertising is "primarily directed to children under 12." The effective dates of changes to the definition vary by participant but all new policies will be in effect no later than January 1, 2011. Visit the CFBAI's website at <http://www.bbb.org/us/children-food-beverage-advertising-initiative/> for a summary of each participant's current definition. Audience demographics will be based on reliable third-party information on media impressions or other relevant metrics at the time the advertising is purchased.

⁷ Under the contracts, BBB will give participants at least 30 days prior written notice before termination for cause and 60 days prior written notice for termination without cause. (The participants also have the right to terminate their participation upon prior written notice.) Specifically, when appropriate, BBB will notify a participant in writing of substantial noncompliance and give the participant a reasonable opportunity to bring its conduct into compliance. Upon termination BBB may refer the matter to appropriate regulatory authorities. BBB will give a participant notice prior to making the termination and referral public.

⁸ The effective dates of new policies vary by participant. By January 1, 2011 all new policies will be in effect. Visit the CFBAI's website at <http://www.bbb.org/us/children-food-beverage-advertising-initiative/> for a summary of each participant's current definition of child-directed advertising, which also includes a listing of such policies.

Appendix D. Food and Beverage Products that Meet Participants' Approved Nutrition Standards that May Be in Child-Directed Advertising (December 2011)

I. INTRODUCTION

The Initiative currently has 17 participants. Of these, four companies have elected not to engage in advertising primarily directed to children under 12. The other 13 have pledged that 100% of their advertisements to children under 12 in measured media and in digital/social media will be for healthier or better-for-you foods, as defined by nutrition standards that are based on government or other accepted standards that the CFBAI has approved.

This listing is limited to products that the participants have indicated *may* be the subject of advertising directed primarily to children under 12. The participants have other products that meet their company-specific criteria that are not advertised to children. Note, some participants are starting to use the new CFBAI category-specific uniform nutrition criteria to qualify products that are advertised to children.

II. Participants who are not engaged in food and beverage product advertising primarily directed to children under 12:

1. Cadbury Adams, USA, LLC¹
2. The Coca-Cola Company
3. Hershey Company
4. Mars Incorporated

III. Participants engaged in better-for-you product advertising primarily directed to children under 12:

1. Burger King Corp.
2. Campbell Soup Company
3. ConAgra Foods, Inc.
4. The Dannon Company
5. General Mills Inc.
6. Kellogg Company
7. Kraft Foods Global, Inc.
8. McDonald's USA
9. Nestlé USA

10. PepsiCo, Inc.
11. Post Foods, LLC
12. Sara Lee Corp.
13. Unilever

Burger King Corp.

4-**pc** CHICKEN TENDERS® Kids Meal

- 4-**pc** CHICKEN TENDERS®
- BK® Fresh Apple Fries, low-fat caramel dipping sauce
- Fat-Free White Milk

Hamburger Kids Meal

- Hamburger
- BK® Fresh Apple Fries, low-fat caramel dipping sauce
- Calcium-fortified MINUTE MAID® Apple Juice

Kids Breakfast Muffin Sandwich Kids Meal

- Kids Breakfast Muffin Sandwich (Egg, American Cheese and an English Muffin)
- BK® Fresh Apple Fries, low-fat caramel dipping sauce
- Calcium-fortified MINUTE MAID® Apple Juice

In addition, the side dish and beverages may be advertised individually.

Campbell Soup Company

Breads

- Goldfish Sandwich Bread – 100% Whole Wheat
- Goldfish Sandwich Bread – 100% Honey Whole Wheat
- Goldfish Sandwich Bread – White

Canned Pastas

- Campbell's SpaghettiOs plain
- Campbell's SpaghettiOs with meatballs
- Campbell's SpaghettiOs plus Calcium
- Campbell's SpaghettiOs – Princess Shapes with Meatballs
- Campbell's SpaghettiOs – Princess Shapes

Soups

- Campbell's Tomato
- Campbell's Chicken & Stars
- Campbell's Double Noodle
- Campbell's Dora the Explorer Shaped Pasta with Chicken
- Campbell's Chicken NoodleO's
- Campbell's Goldfish Shaped Pasta with Chicken

- Campbell's "Cars" Shaped Pasta with Chicken
- Campbell's Mega Noodle
- Campbell's Toy Story Shaped Pasta with Chicken
- Campbell's Chicken Alphabet
- Campbell's SpongeBob Squarepants Shaped Pasta with Chicken
- Campbell's Condensed Soup – Princess

Snack Crackers

- Pepperidge Farm Goldfish – Cheddar
- Pepperidge Farm Goldfish – Cheddar Made with Whole Grain
- Pepperidge Farm Flavor Blasted Goldfish – Xtra Cheddar
- Pepperidge Farm Flavor Blasted Goldfish – Xplosive Pizza
- Pepperidge Farm Flavor Blasted Goldfish – Slammin' Sour Cream and Onion
- Pepperidge Farm Goldfish Mix Up Adventures
- Pepperidge Farm Goldfish – Colors
- Pepperidge Farm Goldfish – Chocolate Goldfish Grahams
- Pepperidge Farm Goldfish Grahams – Honey
- Pepperidge Farm Goldfish – Goldfish S'Mores Adventures
- Flavor Blasted Goldfish Grahams – Vanilla Cupcake
- Flavor Blasted Goldfish Grahams – Xtra Chocolatey
- Flavor Blasted Goldfish – Wild White Cheddar
- Pepperidge Farm Goldfish – Chocolate Chip Grahams

ConAgra Foods, Inc.

Frozen Meals²

- Kid Cuisine Deep Sea Adventure Fish Sticks
- Kid Cuisine KC's Primo Pepperoni Double Stuffed Crust Pizza
- Kid Cuisine Carnival Corn Dog
- Kid Cuisine Bug Safari Chicken Breast Nuggets
- Kid Cuisine Twist & Twirl Spaghetti with Mini Meatballs
- Kid Cuisine Pop Star Popcorn Chicken
- Kid Cuisine Fiesta Chicken and Cheese Quesadillas
- Kid Cuisine All-Star Chicken Breast Nuggets
- Kid Cuisine Magical Cheese Stuffed Crust Pizza
- Kid Cuisine KC's Constructor Cheeseburger
- Kid Cuisine Cheese Blaster Mac-n-Cheese
- Kid Cuisine Karate Chop Chicken Sandwich
- Kid Cuisine Campfire Hotdog
- Kid Cuisine Flip n' Dip Pancakes
- Kid Cuisine Kickin' Ravioli

Pasta Products

- Chef Boyardee ABC's & 123's (Plain)
- Chef Boyardee Dinosaurs (Plain)

- Chef Boyardee Mini O's
- Chef Boyardee Overstuffed Beef Ravioli
- Chef Boyardee Mini Micro Beef Ravioli (microwave bowl)
- Chef Boyardee Mini Sports Shapes
- Chef Boyardee Mini Sea Life Shapes
- Chef Boyardee 99% Fat Free Beef Ravioli
- Chef Boyardee Overstuffed Italian Sausage Ravioli
- Chef Boyardee Cheese Ravioli (microwave bowl)
- Chef Boyardee Pepperoni Pizza Ravioli

Peanut Butters/Spreads

- Peter Pan Creamy peanut butter
- Peter Pan Crunchy peanut butter
- Peter Pan Creamy Whipped peanut butter
- Peter Pan Reduced Fat Creamy peanut butter
- Peter Pan Reduced Fat Crunchy peanut butter
- Peter Pan Plus Creamy peanut butter
- Peter Pan Honey Roast Creamy peanut butter
- Peter Pan Honey Roast Crunchy peanut butter
- Peter Pan Peanut Butter Spread 100% Natural – Creamy
- Peter Pan Peanut Butter Spread 100% Natural – Crunchy

The Dannon Company

Dairy Products

- Danimals Crush Cup Low-fat Yogurt
- Danimals Coolision Low-fat Yogurt
- Danimals Drinkable Smoothies
- Light N Fit Nonfat Yogurt (4 oz, 6 oz and 8 oz)
- Activia Light Non-fat Yogurt
- Activia Fiber
- Danactive Probiotic Cultured Dairy Drink
- Danactive Light Probiotic Cultured Dairy Drink
- Plain Nonfat Yogurt (8 oz and 6 oz)
- Greek Fruit on the Bottom (all varieties except honey)
- Greek Plain

General Mills Inc.

Cereals

- Cinnamon Toast Crunch
- Cocoa Puffs
- Frosted Toast Crunch
- Honey Nut Cheerios
- Lucky Charms
- Reese's Puffs
- Trix

Snacks

- Fruit by the Foot (all flavors)
- Fruit Roll-Ups (all flavors)
- Fruit Gushers (all flavors)

Yogurts

- Yoplait Go-Gurt (all flavors)
- Yoplait Splitz (all flavors)
- Yoplait Trix (all flavors)

Kellogg Company

Cereals

- Apple Jacks® cereal
- Corn Pops® cereal
- Froot Loops® cereal
- Froot Loops® cereal Reduced Sugar
- Kellogg's Frosted Flakes® of Corn cereal
- Kellogg's Frosted Flakes® of Corn cereal Reduced Sugar
- Kellogg's Rice Krispies® cereal

Snacks

- Keebler® Gripz® snacks *Variety* 14 Pack (Sunshine® Cheez-It® crackers, Keebler® Chips Deluxe® cookies, Keebler® Grahams® snacks Cinnamon)
- Keebler® Gripz® Chips Deluxe® cookies
- Keebler® Gripz® Grahams (Chocolate Chip)

Kraft Foods Global, Inc.

100% Fruit Juice

- Capri Sun 100% Juice (all flavors)

Beverages

- Kool-Aid Singles (all flavors)
- Kool-Aid Sugar Free (all flavors)
- Capri Sun Roarin' Waters (all flavors)
- Capri Sun Juice Drinks (all flavors)
- Capri Sun Sunrise Juice Drinks (all flavors)

Cheeses and Cheese Substitutes

- Kraft/Polly-O 2% Milk Reduced Fat Mozzarella and Cheddar Cheese Twists
- Kraft Singles Swiss Pasteurized Prepared Cheese Product
- Kraft Singles Sharp Pasteurized Prepared Cheese Product
- Kraft Singles American Pasteurized Prepared Cheese Product (19g and 21g)

Entrées, Sandwiches, Main Dishes, and Meal Replacements³

- Kraft Macaroni & Cheese Shapes
- Kraft Macaroni & Cheese Spirals
- Kraft Easy Mac Macaroni & Cheese Dinner – Original Flavor
- Kraft Macaroni and Cheese Dinner – Cheddar Explosion
- Kraft Macaroni and Cheese Dinner – Cups, Cheddar Explosion

- Kraft Macaroni and Cheese Dinner – Cups, Toy Story
- Kraft Macaroni and Cheese Dinner – Cups, Spongebob
- Kraft Macaroni and Cheese Dinner – Microwavable Animal Shapes
- Kraft Macaroni and Cheese Dinner – Microwavable Extreme Cheese
- *Lunchables* – Fun Pack Chicken Dunks – Breaded Chicken Nuggets with 100% Fruit Juice
- *Lunchables* – Cheese Pizza with Water
- *Lunchables* – Turkey and Cheddar Sub with Water
- *Lunchables* Fun Pack – BBQ Chicken Shake Up
- *Lunchables* Basic Subs – Turkey and Cheddar Sub with Treat – no drink
- *Lunchables* with Fruit – Cheese Pizza with Pineapple Tidbits
- *Lunchables* with Fruit – Ham & American with Pineapple Tidbits
- *Lunchables* with Fruit – Peanut Butter and Jelly Fold Over Bread with Mandarin Oranges
- *Lunchables* with Fruit – Turkey and Cheddar with Mandarin Oranges

Snack Foods and Sweets

- Nabisco Teddy Grahams (all flavors)
- Honey Maid Grahams – SpongeBob SquarePants
- Cheese Nips Crackers – SpongeBob SquarePants

McDonald's USA

Chicken McNuggets Happy Meal

- 4 Piece Chicken McNuggets
- Apple Dippers with Low-Fat Caramel Apple Dip
- 1% Low-Fat White Milk

Hamburger Happy Meal

- Hamburger
- Apple Dippers with Low-Fat Caramel Apple Dip
- 1% Low-Fat White Milk

Nestlé USA

100% Fruit Juice

- Nestlé Juicy Juice (all flavors)

Calcium Fortified Low-Fat Milk

- Nesquik Calcium Fortified Low-Fat Milk

Chocolate Flavored Milk and Powder

- Nesquik Ready to Drink Chocolate Low-Fat Milk No Sugar Added
- Nesquik Powder Chocolate – 25% Less Sugar
- Nesquik Powder Chocolate – No Sugar Added

Sparkling Flavored Juice Beverage

- Nestlé Juicy Juice Sparkling Flavored Juice Beverage

PepsiCo, Inc.

Cereals

- QUAKER® INSTANT OATMEAL – Original Flavor
- QUAKER® Old Fashioned Oats
- QUAKER® Quick Oats

Snacks

- Quaker Chewy Granola bar – Chocolate Swirl
- Quaker Chewy Granola bar – Chocolate Chip Cookie Dough
- Quaker Chewy Granola bar – Chocolatey Carmel
- Quaker Chewy Granola bar – Chocolatey Mint
- Tropicana Tropolis – Apple World
- Tropicana Tropolis – Grape World
- Tropicana Tropolis – Cherry World

Post Foods, LLC

Bars

- Post Fruity Pebbles Treats
- Post Cocoa Pebbles Treats

Cereals

- Fruity Pebbles
- Cocoa Pebbles
- Honey-Comb
- Alpha-Bits
- Marshmallow Pebbles
- Pebbles Boulders – Caramel Apple

Sara Lee Corp.

[No products at this time]

Unilever

Peanut Butter

- Skippy Natural Creamy Peanut Butter
- Skippy Creamy Peanut Butter

Popsicles

- Popsicle Big Stick Cherry/Pineapple
- Popsicle Lick A Color pop
- Creamsicle Bar
- Creamsicle Low Fat Pops
- Creamsicle 100 Calorie bars
- No Sugar Added Creamsicle pops
- Low-Fat Creamsicle pops
- Dora the Explorer face piece
- Popsicle Dora The Explorer
- Firecracker Jr. pops
- Firecracker Red, White & Blue pop
- Fudgsicle Bar
- Fudgsicle Pop
- Fudgsicle 100 Calorie Fudge Bar
- Low Fat Fudgsicle pops
- Fat Free Fudgsicle Bar
- No Sugar Added Fudgsicle pops
- Sugar Free Healthy Bunch pops
- Popsicle Lemon Lime Shots
- Popsicle Sour Fruity Shots
- Pop-Ups Reckless Rainbow Sherbet
- Pop-Ups Orange Burst
- Popsicle Scribblers
- Popsicle Snow Cone
- Popsicle Spiderman face piece
- Popsicle SpongeBob SquarePants face piece
- Popsicle SpongeBob SquarePants Pop-Ups
- Popsicle Super Heroes
- Popsicle Jolly Rancher pops
- Popsicle Jolly Rancher Awesome Twosome pops
- Popsicle Airheads pops
- Popsicle Orange, Cherry, Grape Big Sticks
- Popsicle Airheads Blue Rasp/Watermelon pop
- Popsicle Airheads White Mystery pop
- Popsicle Rainbow pop
- Popsicle Cyclone pop
- Popsicle Fat Frog face piece
- Popsicle Tropicals pops
- Popsicle Root Beer / Banana / Lemon Lime pops
- Popsicle Mighty Minis pops
- Popsicle Banana Mania! pops

¹ See n. 18 in Report.

² Occasionally, certain brands, such as *Kid Cuisine*, will launch short-term promotions showcasing special, temporary products that will be available only for a limited time. Such products, if advertised to children under 12, will meet ConAgra Foods' Pledge nutrition guidelines, and where feasible, ConAgra Foods will update the Pledge product list to reflect these short-term items.

³ The content of *Lunchables* products may vary from time to time. Although the main component will remain the same, Kraft Foods may periodically modify the treat and/or drink (i.e., *Capri Sun Roarin' Waters* switched for *Capri Sun* 100% fruit juice). The product's nutritional profile, however, will always stay within the boundaries of the *Sensible Solution* criteria or the *Smart Choices Program* criteria. For the most current information about *Lunchables* products' content, consult the Kraft Foods' website at www.kraftfood.com.

Appendix E. Participants' Definitions of Advertising Primarily Directed to Children Under 12 and Policies on Not Directing Advertising to Children Under 6

Company	Children Under 6 Commitments	Children Under 12 Commitments
Burger King Corp. (Change effective Jan. 1, 2011) ¹	≥ 30% or more of audience: No advertising	≥ 30% or more of audience: Approved products only
Cadbury Adams ²	≥ 50% of audience: No advertising	
Campbell Soup Company (Changes effective Jan. 1, 2010) ³	≥ 35% of audience: No advertising	≥ 35% of audience: Approved products only
The Coca-Cola Company (Change effective Oct. 1, 2010) ⁴	≥ 35% of audience: No advertising	
ConAgra Foods, Inc. (Change effective June 1, 2010) ⁵	≥ 35% of audience: No advertising	≥ 35% of audience: Approved products only
The Dannon Company (Changes effective Jan. 1, 2011) ⁶	≥ 50% of audience: No advertising	≥ 35% of audience: Approved products only
General Mills Inc. (Change effective July 2010) ⁷	≥ 35% of audience: No advertising	≥ 35% of audience: Approved products only
Hershey Company	≥ 30% of audience: No advertising	
Kellogg Company (Changes effective June 2010) ⁸	≥ 35% of audience: No advertising	≥ 35% of audience: Approved products only
Kraft Foods Global, Inc.	≥ 35% of audience: No advertising	≥ 35% of audience: Approved products only
Mars, Inc.	≥ 25% of audience: No advertising	
McDonald's USA		≥ 30% of audience: Approved products only
Nestlé USA	≥ 35% of audience: No advertising	≥ 35% of audience: Approved products only
PepsiCo, Inc. (Changes effective Aug. 2010; and Jan. 2011) ⁹	Multi-factorial standard (includes whether ≥ 35% of audience is under 6): No advertising	Multi-factorial standard (includes whether ≥ 35% of audience is under 12): Approved products only
Post Foods, LLC	≥ 35% of audience: No advertising	≥ 35% of audience: Approved products only
Sara Lee Corp.		≥ 35% of audience: Approved products only
Unilever (Change effective May 2010) ¹⁰	Multi-factorial standard: No advertising	Multi-factorial standard (includes whether ≥ 35% of audience is under 12): Approved products only

¹ Burger King Corporation added a policy to not direct advertising to children under six.

² See n. 18 in Report.

³ Campbell's prior pledge commitment used a composition index to determine viewing audience of children under 12. It adjusted its pledge to use audience percentage instead. Campbell's also codified in its pledge its existing corporate policy of not directing advertising to children under six and established a 35% audience definition standard for this group.

⁴ The Coca-Cola Co. revised its audience definition standard to 35% from 50%.

⁵ ConAgra Foods added a policy to not direct advertising to children under six.

⁶ Dannon added a policy to not direct advertising to children under six. For advertising directed to children under 12, Dannon reduced its audience definition standard to 35% from 50%.

⁷ General Mills reduced to 35% from 50% its standard for its no advertising directed to children under six policy.

⁸ Kellogg reduced its audience definition standard to 35% from 50% for both of its policies.

⁹ In 2010, PepsiCo added a policy to not direct advertising to children under six, and in 2011 added the 35% audience percentage to its multi-factorial standards.

¹⁰ Unilever added a 35% audience percentage to its multi-factorial standard.

Appendix F. Setting the Record Straight

The meaningful progress made under self regulation has been well documented in this and prior Reports. Others, however, contend that significant progress is not being made. We respectfully disagree.

Our goal in assessing change has been to determine whether the products being advertised are improving, as IOM had recommended (fewer calories, less fat, sugars and sodium, and more nutrient density). To do this we focus on identifying the reductions in nutrients to limit, such as sugars and sodium, and on the increases in nutrient components to encourage, such as whole grains and fruits, in products in child-directed advertising.¹ Quantifying, for example, decreases in the milligrams of sodium and grams of sugar and the percent of such reductions is simple and straightforward.

Results based on other metrics may paint an incorrect or misleading picture of the progress that is being made. How an organization applies a metric or codes products also can account for differences in conclusions about the amount of progress that is occurring. Below we show the results of our analyses based on metrics used by others and/or explain why such metrics do not identify the steady, incremental and meaningful improvements in products that are our goal.

At the outset, it is important to note that a variety of metrics have been used to assess self regulation. This reflects the diversity of viewpoints about what is the best nutritional measuring tool and what defines progress and success. As noted, our goal is product improvement and thus we focus on measuring progress, not solely on determining whether a product meets a particular benchmark or not. In contrast, some third parties set their own benchmarks and focus solely on whether they have been met, disregarding the participants' achievements in improving and developing new products.

One metric that third parties commonly use to evaluate progress under self regulation is “35-10-35.”² This metric assesses whether a product contains no more than 35% calories from fat, no more than 10% calories from *sat/trans* fat (though some use the 10% figure to assess only saturated fat), and no more than 35% added sugar by weight (some use the 35% figure to measure what percentage of calories, rather than weight, that the added

sugars represent). In some circumstances, an analysis also would include whether a certain amount of positive nutrients/food groups are present.

While this overall metric is sound, it does not permit meaningful improvements in products to be observed unless a product goes from not meeting the metric, to meeting it. So, for example, significant reductions, ranging from 10-25% or more in the sugar content of products that do not result in the product yet meeting the 35% by weight or calories criterion are overlooked. Thus, while meaningful, positive change has occurred, such sugar reductions (and other similar improvements) are not being properly credited by those who contend that a binary (meets/doesn't meet) metric is the only or ideal way to assess change.³ Other examples include the significant reductions in sodium (as much as 50%) that the CFBAI's participants have achieved in products.⁴ Some third parties do not credit such reductions, even if the product meets the FDA sodium criterion for “healthy” claims, if the product doesn't meet the organization's self-set standard for sodium.

Even though we had concerns about the adequacy of the 35-10-35 metric to measure progress, in 2010 we analyzed the products in the participants' ads on 38.5 hours of children's programming according to this metric (see Part III, B, 4).⁵ We believed that, even under this inadequate meets/doesn't meet metric, more progress was being made than was being reported. We found that 55% of participants' ads from our 2010 sample — rather than 28% as one group had reported, based on a sample from 2009 — met the 35-10-35 and positive nutrient criteria.⁶ The additional improvements that participants have made since 2010 mean that even more products would meet this metric now.

We also analyzed the products in the sample substituting a 12 grams added sugar criterion for the 35% sugars by weight criterion. The 12 grams of added sugar per serving limit was included as a part of CSPI's negotiated settlement with Kellogg in 2007. At that time, CSPI praised the 12 gram sugar standard and urged other food companies to adopt it.⁷ We found that 83% of participants' ads (for all products) met a 35-10-12 grams added sugar criteria. We included this analysis for informational purposes because of the weight that CSPI has given this standard.

Another metric that has been used by third parties to contend that self regulation is making slow or inadequate progress is the “Go, Slow, Whoa” table developed by the U.S. Department of Health and Human Services.⁸ The table describes a “Go” food as one that is low in fat or sugar and can be eaten almost anytime and “Whoa” foods as ones that are supposed to be eaten only occasionally, such as on a person’s birthday. “Slow” foods fall in between, and can be eaten “sometimes.”

This table is not an appropriate metric for measuring progress for several reasons. First, because it is a listing of food groups, it inherently cannot track the progress of reductions in calories, fats, sugars or sodium that are occurring in foods that participants advertise to children. Thus, it is not a tool that can measure the steady, incremental change that is the program’s goal. Second, its description of foods is not aligned with the U.S. Dietary Guidelines for Americans (DGAs), which are supposed to form the basis for nutrition policy in Federal food, education, and information programs.⁹

Under this table, for example, low-fat yogurts are a “Go” food, no matter how much sugar they contain, while pre-sweetened cereals, no matter how little sugar they contain, are a “Whoa” food. These categorizations conflict with the advice in the DGAs. Both the DGAs 2005 (in effect when the Children Now study was published) and the subsequent DGAs 2010 recognize that small amounts of sugar can improve the palatability of nutrient dense foods such as cereals and reduced-fat milk products, but care should be taken to choose those products with a lesser amount of added sugar.¹⁰ Thus, the DGAs would not consider all pre-sweetened cereals “Whoa” foods or all low-fat yogurts “Go” foods.

The breakfast cereals that CFBAI participants advertise to children are wholesome products and clearly are not “Whoa” foods, as they were characterized in the Children Now study. Virtually all meet FDA’s definition for “healthy” claims; many contain at least a half serving of whole grains, and all contain a rich package of vitamins and minerals, such as calcium, vitamin D, and fiber. Added sugars have not exceeded 12 grams per serving, with the vast majority now containing no more than 10 grams per serving. (See also Part III, B, 5).

We also believe different views about how to code products might affect the results. We analyzed whether the products in the ads from our 2010 sample were *for or included* a “Go” product. Our analysis indicated that children watching children’s television programming *regularly*, not *rarely*, as reported in the Children Now study, will see food ads that feature or include “Go” foods such as milk, yogurt, apples, applesauce, and vegetables (as a separate dish within a meal, or as part of a combination product, such as canned pasta).¹¹ With the product improvements and new product developments that have occurred since May–June 2010, when our sample was taken, the number of ads that are for or include a “Go” product would be even higher.

As before, we believe that the most meaningful way to measure change under self regulation is to look at the quantitative reductions that are occurring in nutrients to limit, and the increases in positive nutrients and food groups to encourage in products advertised to kids. Part III of this Report contains numerous examples of the positive changes that have taken place in 2010 and 2011. The positive trend that is already occurring will be accelerated even more when the CFBAI’s new category-specific uniform nutrition criteria become effective at the end of December 2013.



¹ See Appendix H for a discussion of the decreases in food advertising on children's programming.

² Some participants also have used this metric or parts of it.

³ See Center for Science in the Public Interest (CSPI), "Better-For-Who? Revisiting company promises on food marketing to children" (Nov. 2009), available at <http://cspinet.org/new/pdf/pledgereport.pdf> (using standards adapted from the National Alliance for Nutrition and Activity's Model School Wellness Policies on Physical Activity and Nutrition). See also Harris, Schwartz, Brownell *et al.*, "Cereal F.A.C.T.S.: Evaluating the Nutrition Quality and Marketing of Children's Cereals" (Nov. 2009), available at http://www.cerealfacts.org/media/Cereal_FACTS_Report.pdf (evaluating cereals based on a nutritional profiling system used in the U.K. that, for example, does not give credit for whole grain content, which is a food group to encourage in the U.S. according to the DGA 2010); Prevention Institute, "Claiming Health: Front-of-Package Labeling of Children's Food" (Jan. 2011), available at <http://www.preventioninstitute.org/component/jlibrary/article/download/id-593/127.html> (creating own standards that, among other concerns, mischaracterize products that meet FDA's "healthy" definition as unhealthy and "high sodium"; see CFBAI's Response to the Prevention Institute (Feb. 2011), available at <http://www.bbb.org/us/storage/0/Shared Documents/Prevention Institute response for web.pdf>).

⁴ See Part III, B, 3 for examples of recent decreases in the sodium content of products CFBAI participants may feature in their child-directed advertising.

⁵ See *Guidelines for Responsible Food Marketing to Children*, which were developed by CSPI and other groups.

⁶ This comparison is to the results that were in a CSPI report that analyzed food ads on 28 hours of Nickelodeon programming, based on CSPI's standards (see n. 2 above). See "Better-For-Who? Revisiting company promises on food marketing to children" (Nov. 2009) ("CSPI 2009 Report") at 7. CSPI reported that 28% of CFBAI participant ads (and only 2% of non-CFBAI participants' ads) met its standard. As in the CSPI study, we did not include participants' ads for beverages. We counted all relevant positive nutrients whether they were added to the product or naturally occurring. We do not know exactly why the two studies' results differ so greatly, but several factors may play a role. First, CSPI looked at advertising in 2009, while our sample is from May-June 2010. Accordingly, more reformulated and/or new products may be in the 2010 sample. Second, the nutritional criteria for sodium in the CSPI standard vary according to product category. It is possible that we placed a product in a different product category than CSPI for nutritional analysis purposes. Third, CSPI's report notes that it did not include brand ads, a category it described as ads "with little or no depictions of food." CSPI 2009 Report at 7. We included all ads that included food, and thus it is possible that we included ads CSPI excluded.

⁷ See "Kellogg Makes Historic Settlement Agreement, Adopting Nutrition Standards for Marketing Foods to Children," CSPI Press Release (June 13, 2007), available at <http://www.cspinet.org/new/200706141.html>.

⁸ Kunkel, McKinley, Wright "The Impact of Industry Self-Regulation on the Nutritional Quality of Foods Advertised on Television to Children" ("Children Now study") (Dec. 2009) at 6. The Go, Slow, Whoa table was originally developed for those looking for heart-healthy choices and over the years has come to be promoted for general dietary guidance.

⁹ See 2010 Dietary Guidelines for Americans (DGAs) at <http://www.cnpp.usda.gov/Publications/DietaryGuidelines/2010/PolicyDoc/Chapter1.pdf>. The guidance is not only inconsistent with the DGAs, in some instances it conflicts with the DGAs.

¹⁰ The DGAs 2005 stated that "small amounts of sugars added to nutrient-dense foods, such as breakfast cereals [and reduced fat milk products] may increase a person's intake of such foods by enhancing the palatability of these products, thus improving nutrient intake without contributing excessive calories." (DGAs 2005 pp. 36-37). Similarly, the DGA 2010 report notes that calories from added sugars "are best used to increase the palatability of nutrient-dense foods rather than to consume foods or beverages that are primarily solid fats, added sugars, or both" and lists breakfast cereals as an example of "nutrient-dense foods containing some solid fats or added sugars." (DGAs 2010 p. 46). The DGAs 2010 also recommend limiting added sugars: "Use the Nutrition Facts label to choose breakfast cereals and other packaged foods with less total sugars, and use the ingredients list to choose foods with little or no added sugars." (*id.* at 67).

¹¹ The ads also may have depicted "Slow" or "Whoa" foods. Our coding, however, recorded whether "Go" foods were included in the ads.

Appendix G. Table of Child-Directed Company-Owned Websites (2010)

The CFBAI requires that advertising on company-owned, child-directed websites be limited to healthier foods. In 2010, most participants maintained child-directed websites. Many sites featured interactive games and downloadable activities. Some sites featured healthy lifestyle messages, and several included activity breaks that pause the online activity to encourage children to engage in active play.¹

The number of company-owned, child-directed websites has decreased over the last several years. In 2008, there were about 40 company-owned, child-directed sites collectively for the 11 companies that had implemented their CFBAI Internet/advergaming commitments. In 2009, there were about 45 company-owned, child-directed sites, for the 16 companies that had implemented their pledge commitments. Currently, there are approximately 30 active child-directed websites.

Company	Website(s)
Burger King Corp.	www.ClubBk.com (now redirects to www.crownBK.com)
Cadbury Adams USA LLC	None
Campbell Soup Company	www.myslurp.com www.GoldfishFun.com (formerly www.pfgoldfish.com)
The Coca-Cola Company	None
ConAgra Foods, Inc.	www.chefboyardee.com (no longer directed to children under 12 as of September 2010) www.kidcuisine.com www.peterpanpb.com
The Dannon Company	www.danimals.com www.danonino.us.com (no longer directed to children under 12 as of 2011)
General Mills Inc.	www.3foottheater.com www.bewarethegush.com www.cookiecrisp.com www.crazysquares.com www.cuckooshow.com www.gogurt.com www.gushers.com www.gusherforaneye.com www.honeydefender.com www.luckycharms.com www.millsberry.com (inactive as of December 31, 2010) www.reesespuffs.com www.sillyrabbit.millsberry.com (redirected from www.trixworld.com in 2010) www.winonegiveone.com
Hershey Company	None
Kellogg Company	www.applejacks.com www.cornpops.com www.frootloops.com www.frostedflakes.com www.gripz.com www.poptarts.com (the child-targeted section of the site was taken down on January 6, 2011)

Company	Website(s)
Kraft Foods Global, Inc.	www.lunchables.com www.meltdown.com (discontinued) www.respectthepouch.com www.thecheesiest.com (discontinued in 2011)
Mars, Inc.	None
McDonald's USA	www.happymeal.com www.ronald.com
Nestlé USA	www.kids.icecream.com (website taken down and URL redirects to an adult-targeted page as of 2011) www.nesquik.com/kids
PepsiCo, Inc.	None
Post Foods, LLC	www.Gobigfortheplanet.com (launched October 2010) www.PebblesPlay.com (replaced Postopia.com in August 2010)
Unilever	www.popsicle.com www.peanutbutter.com ("Kid's Corner" section)

¹ Activity breaks are included on child-directed sites of General Mills Inc., The Kellogg Company, and Nestlé USA.

Appendix H. Changes in the Amount and Type of Child-Directed Food Advertising

Since the outset, the CFBAI's participants have represented a substantial share of all the food advertising that is directed to children under 12 and that continues to be the case. In an informal, in-house study of ads appearing during kids' programming that CFBAI conducted in spring 2010, we found that our participants' ads were 79% of the total food ads.

The CFBAI's goal is to alter the mix of advertising directed to children under 12 so that they see foods that are healthier alternatives than in the past, not to reduce food advertising. Some participants, however, have chosen not to engage in child-directed advertising either on an ongoing basis or during a particular year. Others have reduced the amount or changed the type of advertising they do. Non-participants also have made changes in their advertising placements.

Overall, the total amount of child-directed food advertising by participants as well as non-participants is declining. Widely available data show that the downward trend between 1977 and 2004 that the FTC observed in its 2007 Bureau of Economics Staff report has continued.¹

Below we discuss data from studies that describe the declines in TV food ads directed to kids and the changes that have occurred within product categories.² We also explain why the CFBAI is focused on child-directed advertising.

Foods and Food Categories Marketed to Children Have Changed Significantly Since 2006

The landscape of child-directed food and beverage advertising has undergone dramatic changes since the CFBAI's inception. As described previously, there have been *qualitative* changes, through improvements in the nutrition composition of the products advertised. There also have been *quantitative* changes, through decreases in the amount of advertising. Overall, the average number of food and beverage advertisements that children ages 2 to 11 viewed on children's programming fell by 50% between 2004 and 2010.³ Substantial changes in the amount of child-directed food and beverage advertising are also evident within categories of products, as discussed below.

Many of the changes, but not all, may be attributable to the impact of the CFBAI.

Carbonated Beverage Advertising. This area has changed dramatically because of a number of important advertising and in-school initiatives. For example, under the CFBAI, PepsiCo, Inc. pledged to advertise to children only products meeting strict nutrition criteria starting January 1, 2008, and, as of that date, has not advertised any carbonated soft drinks to children under 12. In addition, The Coca-Cola Company has a longstanding commitment not to advertise to children under 12 that predates the CFBAI program, but which it codified in its CFBAI pledge. PepsiCo, The Coca-Cola Company and other beverage companies, as signatories to the *Guidelines on Marketing to Children* of the International Council of Beverages Associations, also committed, starting in May 2008, to not advertise all non-alcoholic beverages other than water, fruit juice and dairy-based beverages to children when they are at least 50% of the audience.⁴ Research confirms that ads for soft drinks in children's programming decreased by nearly 100% from 2004 to 2010.⁵

Snack Food Advertising. This area also has changed significantly. Between 2004 and 2010, ads for snack bars and ads for all snack foods in children's programming decreased by approximately 100% and 71%, respectively.⁶ Further, the CFBAI's informal study of 38.5 hours of children's television programming that aired during May-June 2010 found that snack foods represented only 2.2% of all ads and 19% of products advertised by CFBAI participants.⁷

Candy Advertising. Four major confectionery companies that participate in the CFBAI (Cadbury Adams, The Hershey Company, Mars, Incorporated and Nestlé USA) are not advertising their candy to children. Unsurprisingly, advertising for candy in children's programming fell by nearly 70% for children ages 2-11 between 2004 and 2010.⁸

Breakfast Cereals. Breakfast cereal advertising has changed too. Breakfast cereal advertising in children's programming decreased by approximately 40% between

2004 and 2010.⁹ Further, the nutrition profile of advertised cereals has changed significantly because participants have reformulated many cereals to reduce sugars, fats or sodium and to increase positive nutrients, or created new products meeting nutrition standards, as described in Part III, B, 5.

Fruit Beverages. Ads for fruit *drinks* also have decreased significantly. Ads for “fruit and other drinks and mixes” in children’s programming decreased by over 50% between 2004 and 2010.¹⁰ In contrast, ads for fruit and vegetable *juices* increased by approximately 200%.¹¹

CFBAI’s Focus is on Advertising Primarily Directed to Children Under 12

Self regulation focuses on child-directed advertising because it is how advertisers speak directly to children. The CFBAI uses a definition of child-directed television advertising that is clearly articulated — one that is based on historical experience showing audience share that correlates with what is commonly understood to be children’s programming (i.e., 35% children 2–11 in the audience). The improvements in child-directed food marketing under self regulation are substantial, meaningful and objectively verifiable.

Some organizations, however, contend that self regulation is not making a significant difference, based on studies that examine advertising across *all* types of programming, not just child-directed programming.¹² Such studies are not objectively measuring the progress sought and achieved by the CFBAI’s participants. In creating the CFBAI, our goal was to be responsive to the IOM’s call for changes in food and beverage advertising practices “geared to children,” not advertising directed to others.¹³ Self regulation was never meant to bubble wrap kids and control all

commercial messages they might see, whether it is an ad or a product placement¹⁴ on family-friendly programming, a billboard on the highway, or neon signs and menu boards in a food court.

Studies that measure ads across all television programming, such as those in prime time shows, capture adult-directed ads that are not within the CFBAI’s scope. Purchasing advertising during prime time is expensive. So to make the most cost-effective ad buys, advertisers aim to deliver ads for products with creative messages that appeal to the predominant audience — adults (not children) — during such programming. While sometimes the ads may be for products that have some appeal to children, the ads themselves are designed to speak to the adults in the audience.

It is not our intent to restrict the advertising on family-friendly programming, where children generally are a modest percentage of the audience. We also are not seeking to limit messages intended for older audiences in shows targeted primarily for older audiences that children may overhear. The CFBAI is purposely and properly focused on child-directed advertising, not all advertising children might see.

Studies of changes in advertising across all types of programming, including family or adult-targeted television programs, may provide food for thought. They do not, however, constitute fair criticisms of whether self regulation is achieving its stated goal to shift the mix of advertising *directed to children* to include healthier products. Instead they distort and obscure the significant progress CFBAI participants have achieved in improving the nutritional composition of the foods in their child-directed advertising.

¹ “Children’s Exposure to Television Advertising in 1977 and 2004: Information for the Obesity Debate: A Bureau of Economics Staff Report” (available at <http://www.ftc.gov/opa/2007/06/childrenadsstudy.shtml>).

² Our focus is on TV advertising directed to children because television is still the dominant means of reaching children.

³ Georgetown Economic Services (GES), Food and Beverage Advertising 2004 and 2010: Children’s Impressions and Expenditures on Children’s Programs (2011), available at http://www.gmaonline.org/file-manager/Health_Nutrition/ges_report_on_childrens_tv_advertising.pdf (reporting data on food and beverage consumer packaged goods products).

⁴ International Council of Beverages Associations, *Guidelines on Marketing to Children* (2008), available at <http://www.icba-net.org/files/resources/icba-marketing-to-children-guidelines.pdf>.

⁵ See GES at n. 3, above.

⁶ *Id.* An earlier GES study cited by the Grocery Manufacturers Association noted ads for food, beverages and restaurants during children’s programming fell by 31% between 2004 and 2008, with ads for snacks falling by 60% and ads for cookies declining by 82%. “GMA: More than Two-Thirds of the Advertisements Seen by Children and Teens Today Promote More Nutritious Foods and Healthy Lifestyles” (March 9, 2010), press release available at www.gmaonline.org/news. The GMA data was presented at the FTC Forum “Sizing Up Food Marketing and Childhood Obesity” (Dec. 15, 2009), available at <http://ftc.gov/bcp/workshops/sizingup/presentations/Sophpos.pdf>.

⁷ See CFBAI, *A Report on Compliance and Implementation During 2009* (2010), available at <http://www.bbb.org/us/children-food-beverage-advertising-initiative/info>.

continued

⁸ See GES at n. 3, above.

⁹ *Id.*

¹⁰ *Id.*

¹¹ *Id.*

¹² See, e.g., Rudd Center for Food Policy & Obesity, *Trends in Television Food Advertising: Progress in Reducing Unhealthy Marketing to Young People?* (Feb. 2010), available at http://www.yaleruddcenter.org/resources/upload/docs/what/reports/RuddReport_TVFoodAdvertising_2.10.pdf (measuring children's total exposure to ads "across all types of programming"); Rudd Center for Food Policy & Obesity, *Trends in Television Food Advertising to Young People* (June 2011), available at http://www.yaleruddcenter.org/resources/upload/docs/what/reports/RuddReport_TVFoodAdvertising_6.11.pdf (same); Lisa M. Powell, Glen Szczypka, and Frank J. Chaloupka, "Trends in Exposure to Television Food Advertisements Among Children and Adolescents in the United States," *Archives of Pediatrics & Adolescent Medicine* 164 (2010). See also Sarah E. Speers, Jennifer L. Harris, & Marlene B. Schwartz, "Child and Adolescent Exposure to Food and Beverage Brand Appearances During Prime-Time Television Programming," *Am. J. Preventive Med.*, 41(3):291-296 (Sept. 2011) (measuring product placement in prime time programming).

¹³ IOM Report at 10.

¹⁴ Product placement during children's television programming is not permitted under FCC regulations. The CFBAI's program requirements go further, requiring participants to commit to not paying for or actively seeking to place their food or beverage products in the program/editorial content of *any* medium that is primarily directed to children under 12 for the purpose of promoting the sale of those products. See Appendix C. The FTC staff also has addressed the issue of product placements in children's and other programming, in a letter responding to a petition alleging that product placement causes consumer injury that "arises from the demands children place on their parents to buy the product as a result of seeing the product in the program." Letter from Mary K. Engle, Associate Director for Advertising Practices, FTC, to Gary Ruskin, Executive Director, Commercial Alert (Feb. 10, 2005), available at <http://www.ftc.gov/os/closings/staff/050210productplacemen.pdf> (citations omitted). The FTC staff concluded "in that regard, product placement seems no different from ordinary advertising. That it may result in children asking their parents to buy products seen on television does not constitute an unfair or deceptive practice in violation of Section 5 of the FTC Act." *Id.* (citation omitted).



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