

Report Card on Food-Marketing Policies

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Food marketing is a key contributor to children's poor diets and childhood obesity. The National Academies' Institute of Medicine (IOM) concluded that television food advertising affects children's food choices, food purchase requests, diets, and health. And, watching commercial television is linked with obesity.

If companies were marketing bananas and broccoli, we wouldn't be concerned. But instead, the marketing is primarily for sugary cereals, fast food, snack foods, and candy. There's a ton of marketing aimed at kids – about \$2 billion worth a year.

In the past few years, a number of food and entertainment companies have announced policies on food marketing to children – either on their own or through the Council of Better Business Bureaus' (CBBB) Children's Food and Beverage Advertising Initiative.

This study assesses how many companies that market food to children have adopted a marketing policy and evaluates the strength of each policy. Just to be clear, we analyzed each company's marketing policy, not its actual practices or products.

We evaluated the policies of food and beverage manufacturers, chain restaurants, and entertainment companies that market food to children. We analyzed the strength of the companies' nutrition standards, the scope of media covered by their policies, and their definitions for "child-directed" media.

Of the 128 companies analyzed, two-thirds (68%) didn't have a policy for food marketing to children. Some of those companies do a lot of marketing to kids; some do just a little.

No company received an A for its policy. The company with the strongest policy was Mars, which received a B+. The only entertainment company to get a B was Qubo Venture, which provides children's television programming on Saturday mornings on NBC stations, as well as on Ion and Telemundo. Qubo has a comprehensive policy, applying good nutrition standards to its full range of marketing. One food company received a B, six got a B-, 17 got a C, and 7 a D. Unfortunately, 95 companies received an F because they had a vague policy or no marketing policy.

Two-thirds (64%) of food and beverage manufacturers had marketing policies, but just one-quarter of restaurants (24%) and entertainment companies (22%) did. Many chain restaurants that don't have marketing policies market to children through children's menus, school fundraisers, toy give-aways, movie tie-ins, children's sections on the company's Web site, youth sports sponsorships, and kids' clubs. There is no difference between running an ad on Saturday morning TV and Pizza Hut giving kids pizza

coupons for reading a certain number of books. Both are marketing ploys to encourage brand recognition and consumption.

Food manufacturers and restaurants more often had policies for television, radio, print, the company's own Web site, advertising on third-party Web sites, product placement, and use of licensed characters in advertising than for digital marketing, like cell phones, iPods, and social networks, on-package or in-store promotions, or branded marketing programs for schools. On-package and in-store marketing includes licensed characters like My Little Pony on imitation fruit snacks, the Trix rabbit on the front of a cereal box, and McDonald's Happy Meal toys and tie-ins with Lucasfilm's Star Wars.

Many companies' school marketing policies fall short because they apply only the minimal standards called for in the Children's Food and Beverage Advertising Initiative. Those guidelines only cover direct advertising in schools, such as messages on posters, some signs, coupons, and cafeteria tray liners. But the CBBB policy doesn't cover food sales, marketing images on the fronts of vending machines, selling Hershey's candy bars or Little Caesar's pizza kits, and branded aprons or hats given to food-service workers to wear in the cafeteria.

Switching now to entertainment companies, about 80% percent didn't have a food marketing policy. Half of the entertainment companies with policies, like the Cartoon Network, apply nutrition standards to the licensing of its characters, but few have policies for their advertising through television, magazines, Web sites, video games, or the other main ways they market to children.

Of the companies with policies for marketing to children, almost all (94%) of the food and beverage manufacturers surveyed had nutrition standards or had policies not to market any of their products to children under 12. About half of restaurants (50%) and entertainment companies (46%) with marketing policies had nutrition standards.

Each company uses a different set of nutrition standards, and often those standards have strategic weaknesses to let in marketing of its biggest selling products. Under its standards, Kellogg considers it acceptable to advertise sugary Frosted Flakes and Rice Krispies Treats, and General Mills considers it okay to advertise Fruit Gushers, which are 50% sugar.

Despite industry efforts to self-regulate, several recent studies have found that there has been only a small decrease in the marketing of unhealthy foods to children. In order for self-regulation of food marketing to children to be effective:

- All food and beverage manufacturers, restaurants, and entertainment companies that market to children should have a written food marketing policy.
- Although its program conditions aren't ideal, all food and media companies should belong to the CBBB's Children's Food and Beverage Advertising Initiative, since its member companies' policies are generally clearly

spelled out, available in one place, and compliance is monitored by the CBBB.

- All companies should use a uniform set of strong nutrition standards. The Interagency Working Group on Food Marketed to Children, which includes the Federal Trade Commission and three other federal agencies, is developing a set of voluntary nutrition standards for food marketing to children. Its final report and recommendations are due out in July 2010 and should provide a model for companies to adopt.
- Company marketing policies should cover all approaches used to market to children. Many companies especially need to strengthen their policies for digital marketing, on-package and in-store promotions, and practices in elementary, middle, and high schools.

If substantial progress in corporate marketing practices doesn't occur in the next two years, the federal government should adopt legislation or regulations to protect children from the marketing of unhealthy foods.

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