

The Canadian Children's Food and Beverage Advertising Initiative:

2013 Compliance Report



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Foreword

In 2007, leading Canadian food and beverage companies joined forces to launch a voluntary program – the Canadian Children’s Food and Beverage Advertising Initiative (CAI). Through this program, participating companies committed to either advertise only food products that meet specified nutrition criteria to children under the age of 12, or not to direct advertising to this child audience.

As the independent CAI program administrator, this is ASC’s sixth annual compliance audit. Once again, we are pleased to report outstanding Participant compliance for calendar year 2013, as detailed in the pages that follow.

The CAI has evolved considerably since its inception, and this has resulted in enhancements to the nutrition profile of products encompassed by the program. But today’s environment requires continuous improvement, and Participants are poised to announce a major program milestone – i.e. the development of new strengthened

and uniform nutrition criteria. This is a major step forward that will drive additional product enhancements and require significant reformulation of many products.

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

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

Linda J. Nagel
President & CEO
Advertising Standards Canada

September 2014

About Advertising Standards Canada

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

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

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

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Executive Summary

The Canadian Children's Food and Beverage Advertising Initiative: 2013 Compliance Report documents the continuing progress made by the participating companies (Participants) in the Canadian Children's Food and Beverage Advertising Initiative (CAI). As Canada's independent national advertising industry self-regulatory body, ASC serves as the CAI program administrator. This public Report provides an assessment of the Participants' performance in implementing and meeting their CAI commitments from January 1 – December 31, 2013.

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

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

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

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

PERFORMANCE

For the sixth year of the program, ASC is pleased to report excellent compliance by all Participants with their commitments. This is consistent with previous years and demonstrates the commitment to the program by Participants and their advertising and media buying partners.

GOING FORWARD

The CAI is a living program that has been continually strengthened and improved. The latest improvement – the adoption of new uniform nutrition criteria – will be announced shortly. The criteria provide a road map for Participants to follow as they develop new products and improve the nutritional composition of products they advertise to children. These criteria are based on nutrition recommendations for Canadians, public health considerations and generally accepted scientific evidence on the relationship between diet, nutrition and health as set out by governments and institutions, including Health Canada, the Canadian Food Inspection Agency and the U.S. Institute of Medicine. In order to continue to be advertised to children under 12, products must meet the new criteria by December 31, 2015.

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

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

I

Report Overview

The 2013 *Compliance Report* reports on the performance of the participating companies (Participants) in the Canadian Children's Food and Beverage Advertising Initiative (CAI), in complying with their public commitments under the program. This Report covers the period from January 1, 2013 to December 31, 2013.

The following Participants are assessed in this Report:

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

II

Background and Developments

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

A. CAI CORE PRINCIPLES

There are five Core Principles under the program.

1. Advertising Messaging and Content Principle

Participants devote 100% of their advertising directed primarily to children under 12 years of age in covered media to products that represent healthier dietary choices (better-for-you products) in accordance with company-developed standards that are consistent with established scientific and/or government standards. Alternatively, they may commit to not direct advertising primarily to children under 12 years of age.

Media covered:

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

Other Core Principles

2. Incorporate only products that represent healthy dietary choices in interactive games primarily directed to children under 12 years of age;
3. Reduce the use of third-party licensed characters in advertising directed primarily to children under 12 for products that do not meet the CAI's product criteria⁴;
4. Not pay for or actively seek to place food and beverage products in program/editorial content of any medium primarily directed to children; and
5. Not advertise food or beverage products in elementary schools⁵.

³The 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 years of age.

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

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

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

Complete details of the CAI Core Principles can be found in Appendix 4 of this Report.

B. DEFINITION OF ADVERTISING DIRECTED PRIMARILY TO CHILDREN UNDER 12⁶

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

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

CAI PROGRAM IMPROVEMENTS KEY MILESTONES

2014: Adopted Uniform Nutrition Criteria.

2010: Expanded media coverage to encompass advertising on digital and mobile media, EC-rated videogames, DVDs of G-rated movies and child-directed word of mouth advertising.

Harmonized definition of child-directed advertising audience; threshold moved from 50% to 35% of audience aged 2-11.

2008: Commitments fully implemented.

Increased requirement for advertising of healthier dietary choices from 50% to 100%.

2007: Program launched.

Added guidelines specific to food advertising to *The Broadcast Code for Advertising to Children* and the *Canadian Code of Advertising Standards*:

- Child-directed food advertising depicting mealtime must clearly depict the role of the product within a balanced diet, and snack foods cannot be presented as substitutes for meals;
- advertising of food products should not discourage or disparage the consumption of fruits or vegetables;
- the amount of food featured in advertising must not be excessive and must be appropriate for consumption by a person of the age depicted.

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

SUMMARY OF PARTICIPANTS' DEFINITIONS OF ADVERTISING DIRECTED PRIMARILY TO CHILDREN UNDER 12 YEARS OF AGE

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

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

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

C. CAI NUTRITION CRITERIA

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

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

- foods that reflect the dietary guidelines of *Canada's Food Guide*;
- foods that meet criteria for disease risk reduction claims, function claims and nutrient function claims as per the CFIA's *Food Labelling for Industry*⁷;
- foods that meet the criteria for nutrient content claims as per the CFIA's *Food Labelling for Industry*⁸; or
- foods that meet the standards for participating in the Heart & Stroke Foundation's *Health Check*TM program⁹.

Prior to ASC's final approval of each Participant's commitment, ASC retains an independent dietitian to evaluate the products covered to ensure they meet CAI criteria. An independent review is also conducted when Participants add or reformulate products.

For those Participants that advertised directly to children under 12, each provided company-specific nutrition criteria, which are outlined in Exhibit 1.

New uniform nutrition criteria will be announced shortly that will provide a road map for Participants as they develop and reformulate new products. These criteria are based on nutrition recommendations for Canadians, public health considerations and generally accepted scientific evidence on the relationship between diet, nutrition and health as set out by governments and institutions, including Health Canada, the Canadian Food Inspection Agency and the U.S. Institute of Medicine.

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

⁸ Ibid

⁹ The Heart & Stroke Foundation announced that its Health Check program will end in 2014.

III

The Changing Landscape

A. PRODUCT CHANGES

Since the CAI launch in 2007, Participants have reformulated and enhanced the nutritional profile of many products they advertise to children under 12. Reformulations and new entries include products that:

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

Currently no advertised product in the program is more than 200 calories and every advertised meal is less than 600 calories.

In order to meet the new uniform nutrition criteria, many products currently advertised by Participants will require further reformulation or replacement. It is estimated that about 35% of existing products will require reformulation in order to continue to be advertised to children under 12 after December 31, 2015.

B. ASC TELEVISION SPOT CHECK OF FOOD AND BEVERAGE ADVERTISING TO CHILDREN

In addition to ongoing monitoring, ASC conducts an annual spot check of children's television advertising. In 2013, as in previous years, ASC monitored 12 days of child-directed television advertising on four Canadian stations that broadcast programming specifically directed to the under 12 audience. Each station classifies "children's programming" based on program content and audience viewership. These stations also identify "co-viewing" and "family" programming during times when the majority of viewers are over the age of 12. The spot check was limited to advertising aired during children's programming only.

Stations and children's programming covered by the spot check are¹⁰:

Teletoon	6am – 3pm weekdays 9am – 12pm Saturday and Sunday
YTV	9am – 5pm weekdays 9am – 12pm Saturday and Sunday
Nickelodeon	6am – 3pm weekdays 9am – 6pm Saturday and Sunday
Disney XD	6am – 3:30pm every day

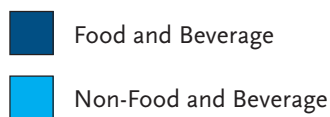
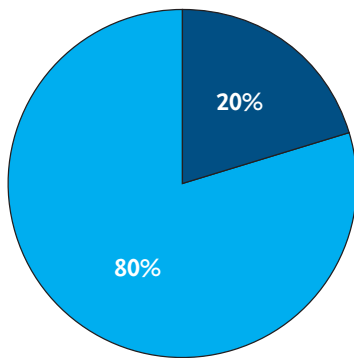
¹⁰ Under CRTC policy, public service announcements, program promotions and statements of sponsorship that identify the sponsor of the program or the station are not considered to be commercial messages, and were not covered by the spot check.

In total, the spot check covered over 90 hours of children's programming, during which 850 commercials were aired. The number of food and beverage commercials primarily directed to children under 12 by Participants declined from 342 in 2012 to 120 in 2013.

Of the commercials for food and beverage products aired during children's programming, over 70% were for CAI-approved products covered under the program. The balance of food advertising aired during children's programming was child-directed advertising by non-Participants for products that would not meet CAI nutrition criteria.

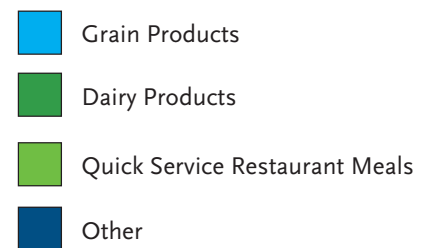
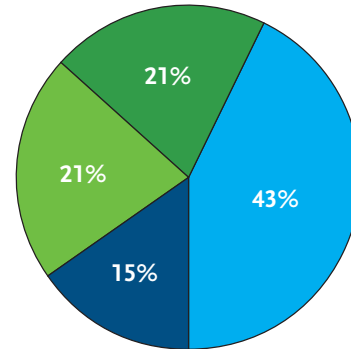
Commercials Primarily Directed to Children

By far the majority of television advertising directed to children is for toys, games, DVDs, in-theatre movies and attractions. Food and beverage commercials accounted for 20% of the total.



CAI Commercials by Product Type

In terms of food and beverage categories, 43% of the commercials sponsored by CAI Participants under the program were for grain products, 21% were for dairy products and 21% were for quick service restaurant meals.



IV

Evaluation of Commitment Compliance

Of the 20 Participants evaluated in 2013:

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

METHODOLOGY

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

A. INDEPENDENT AUDIT

ASC audits Participants' compliance in the following manner.

Television Advertising

As a condition of broadcast license by the Canadian Radio-television and Telecommunications Commission, all children's commercials must be pre-cleared by ASC's Children's Clearance Committee under *The Broadcast Code for Advertising to Children*, and carry a valid ASC approval number. ASC conducts a second review of these commercials to ensure that the advertised products are those approved for inclusion in the Participants' commitments. As an additional compliance check, ASC conducts an annual independent spot check of advertising directed to children on the four major children's channels.

Radio Advertising

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

Print Advertising

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

Internet Advertising

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

B. CONSUMER COMPLAINTS REVIEW

All consumer complaints submitted to ASC in 2013 were reviewed to identify any concerns from members of the public with regard to a Participant's compliance with its commitment. Of the 108 complaints involving advertising by food manufacturers, retailers and restaurants that were submitted to ASC in 2013, none involved concerns about Participant compliance with CAI commitments.

C. PARTICIPANT COMPLIANCE REPORTS

Each CAI Participant was required to submit a comprehensive report detailing its compliance during the reporting period. Those Participants that committed to not advertise directly to children under 12 were required to submit data demonstrating compliance with their commitments. Participants that engaged in advertising primarily directed to children under 12 submitted reports that included documentation from their advertising and media buying groups and copies of child-directed advertising. Each Participant's report was certified by a senior executive or officer of the company as to the veracity and completeness of the report.

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

D. COMPLIANCE ASSESSMENT

Overall Compliance Evaluation

Participants' compliance with their respective commitments in 2013 has been excellent. The following are the results of ASC's 2013 compliance evaluation.

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

Television Advertising

Even with the proliferation of new media, television remains the primary medium used by children's advertisers. ASC's audit and spot check revealed full compliance.

Radio Advertising

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

Print Advertising

No non-compliant print advertising was identified.

Company-Owned and Third-Party Websites

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

2. Use of Licensed Characters

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

3. Use of Products in Interactive Games

Interactive games that featured Participants' products were found almost exclusively on company-owned child-directed websites. Four of the eight Participants that direct advertising to children incorporated interactive games on their own websites that are directed to children under 12, and one Participant sponsored games on a third-party website – <http://promos.ytv.com>.

Only better-for-you products included in the Participants' commitments were featured in games on these websites. ASC did not identify any instances of non-compliance.

4. Product Placement

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

5. Advertising in Schools

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

As detailed in Appendix 3, several Participants engaged in sponsorship of educational and other not-for-profit and charitable activities, as allowed under the CAI.

6. Video and Computer Games¹¹

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

7. DVDs of Movies

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

8. Mobile Media

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

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

Exhibit 1

Participants' Nutrition Criteria Per Serving Size for Products Advertised Directly to Children under 12

	Calories (Kcal)	Saturated Fat, (g)	Trans Fat	Total Fat (g)	Sodium (mg)	Sugars (g)	
Burger King	≤560	<10% of cal.	<5% of total fat	<30% of cal.	≤600	≤10% of cal. from added sugars	
Campbell Canada Soup:		≤2	0	≤3	≤480	≤12	Source of vitamin A, C, iron, calcium, folate or fibre; a serving of vegetables; meet Heart & Stroke <i>Health Check</i> TM
Snack crackers:	≤170	≤2	0	≤35% of cal.	≤195	≤8	In line with <i>Canada's Food Guide</i>
Danone		<2	0	<3	<140	<12.5 (added)	≥5% DV Calcium – Source of Calcium
General Mills Cereal and snacks:							Must have fibre or minimum of at least one vitamin or mineral
either:	≤175	≤2		≤3	230	≤12	Fibre (g) Vit. A (%DV) Vit. C (%DV) Calcium (%DV) Iron (%DV) Cholesterol (mg) 2 5 5 5 5 ≤60
or	≤175	≤2			230		at least 1/2 serving of a food group targeted by Health Canada for increased consumption (i.e., whole grain, vegetables and fruit, lower fat dairy, meat alternatives including beans, lentils or tofu)
Side and Main dishes:							
either:	≤175	≤2		≤3	480	≤12	2 5 5 5 5 ≤60
or	≤175	≤2			480		at least 1/2 serving of a food group targeted by Health Canada for increased consumption (i.e., whole grain, vegetables and fruit, lower fat dairy, meat alternatives including beans, lentils or tofu)
Kellogg	≤200	≤2	0		≤230	≤12**	
					≤460*		
McDonald's	≤600	≤10% of cal.		≤35% of cal.		≤25% total energy from added sugars	
Parmalat Cheestrings:	≤70	3.5	0.3	6 g, ≤15 mg cholesterol	≤160	0	In line with <i>Food and Drugs Act</i> . Source of calcium (15% of DV), protein and vitamin A. Made with DHA milk. DHA, an Omega-3 fatty acid, supports the normal physical development of the brain, eyes and nerves primarily in children under 2 years of age.
Astro KIK:	160	2	0	3 g, 15 mg cholesterol	95	26	Source of Energy. Source of 7 Essential Vitamins and Minerals.
Post	≤160	≤1	0	≤1	≤160	≤10	

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

**excluding naturally occurring sugars from fruit and dairy

Appendix 1

List of Advertised Products in 2013

BURGER KING® Canada

BK Kids Meal consisting of 4-pc
Chicken Tenders, *Mott's*
Fruitsations applesauce with
Calcium and *OASIS* Apple Juice

Campbell Company of Canada

Pepperidge Farm Goldfish Baked
Snack Crackers – Chocolate
Pepperidge Farm Goldfish Baked
Snack Crackers – Colours
Pepperidge Farm Goldfish Baked
Snack Crackers – Vanilla cupcake

Coca-Cola Ltd.

None

Danone Inc.

Danino
Danino Drinkable

Ferrero Canada Ltd.

None

General Mills Canada Corporation

Honey Nut Cheerios
Lucky Charms
Apple Cinnamon Cheerios
Banana Nut Cheerios
Chocolate Cheerios
Cinnamon Toast Crunch Treats
Fruit Gushers
Fruit by the Foot
Fruit Flavoured Shaped Snacks
Fruit Roll-Ups
Yoplait Tubes

Hershey Canada Inc.

None

Janes Family Foods Ltd.

None

Kellogg Canada Inc.

Froot Loops cereal
Kellogg's Frosted Flakes cereal
Corn Pops cereal
Rice Krispies Squares cereal bars
(Rainbow and Original varieties)
Eggo Waffles (Original and
Original Minis)

Kraft Canada Inc.

None

Mars Canada Inc.

None

McCain Foods (Canada)

None

McDonald's Restaurants of Canada Limited

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

Mondelēz Canada

None

Nestlé Canada Inc.

None

Parmalat Canada

Black Diamond Cheestrings
(3 flavours)
Black Diamond Funcheez
(3 flavours)
Astro KIK (5 flavours)

PepsiCo Canada ULC

None

Post Foods Canada Inc.

Honeycomb

Unilever Canada Inc.

None

Weston Bakeries Limited

None

Appendix 2

List of Child-Directed Company-Owned Websites in 2013

BURGER KING® Canada

None

Campbell Company of Canada

None¹²

Coca-Cola Ltd.

None

Danone Inc.

www.danino.ca

Ferrero Canada Ltd.

None

General Mills Canada Corporation

www.fruitsnackia.ca

Hershey Canada Inc.

None

Janes Family Foods Ltd.

None

Kellogg Canada Inc.

www.clubkelloggs.ca

www.getyourmoveon.ca

Kraft Canada Inc.

None

Mars Canada Inc.

None

McCain Foods

None

McDonald's Restaurants of Canada Limited

None

Mondelēz Canada

None

Nestlé Canada Inc.

None

Parmalat Canada

www.cheestrings.ca

www.funcheez.ca

www.ficello.ca

www.astrokik.ca

PepsiCo Canada ULC

None

Post Foods Canada Inc.

None

Unilever Canada Inc.

None

Weston Bakeries Limited

None

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

Appendix 3

Examples of Participants' Healthy Active Living Messaging, Initiatives and Programs in 2013

CAMPBELL COMPANY OF CANADA

- Campbell Canada continued to implement *Labels for Education*, a 15+ year school fundraising program with a focus on encouraging healthy eating and living habits in children. Eligible registered schools can collect labels from participating Campbell products and redeem them for educational resources ranging from sports equipment and musical instruments to health and wellness videos and books. All *Labels for Education* communication is directed to adults (teachers and parents).
- For the second year, Campbell Canada partnered with *Free the Children* on a charitable initiative, *We Scare Hunger*. This initiative included the placement of posters in schools which included the Campbell Canada corporate logo along with that of *Free the Children* and its retail partner Longo's, to raise awareness about food donations during Halloween. ASC was consulted on this initiative to ensure compliance with the CAI principles.

COCA-COLA LTD.

- In April, Coca-Cola launched two commercials in a campaign centred around obesity and active, healthy living. Through these commercials, Coca-Cola invited Canadians to join in a national discussion to find realistic and workable solutions to the obesity epidemic. The campaign supports the longstanding partnership with ParticipACTION and Coca-Cola's work in communities to support physical activity. To date, the Teen Challenge program has reached over 4,000 community organizations and has had over 300,000 participants.

- In 2013, Coca-Cola announced a new partnership with the Boys and Girls Clubs of Canada. A donation of \$100,000 from the Coca-Cola Foundation will be used by Boys and Girls Clubs of Ontario to expand their Youth ABC (Ability to Bring Change) initiative to include healthy living topics for youth.
- Coca-Cola continued to be a proud partner of Breakfast Club of Canada and les Clubs des petit déjeuners du Québec through its Minute Maid brand, helping to provide nutritious breakfasts for close to 130,000 Canadian schoolchildren every morning.

GENERAL MILLS CANADA CORPORATION

- In 2013, General Mills partnered with Big Brothers and Big Sisters in support of the Go Girls! Program. Go Girls! is a national program designed to build the self-esteem of young girls during their teen years through positive peer mentoring. In addition, General Mills provided \$5,000 grants to 10 Go Girls! programs per year through its Champions for Healthy Kids initiative.

HERSHEY CANADA INC.

- The Hershey Company has sponsored and solely funded HERSHEY'S TRACK AND FIELD GAMES for over 30 years. This is a program that introduces more than 400,000 children in Canada (through Athletics Canada) and the United States to the fun and rewards of physical fitness.

JANES FAMILY FOODS LTD.

- Janes Family Foods offers a wide variety of products that can meet many needs of Canadian families – all products are trans fat free, low in saturated fats and contain no artificial colours or preservatives. Many are also a source of important Omega-3s, and provide a good source of lean protein (chicken and fish). Janes – and its parent company – are also pleased to be involved with a number of child- and family-centred charities that allow them to give back to the communities in which they operate.

KELLOGG CANADA INC.

- The “Share Your Breakfast” campaign helped to support the nutrition fundamental that a balanced breakfast is made up of a variety of foods.
- Kellogg continued to be a supporter of the Nutrition Facts Education Campaign (NFEC), a collaborative program between Health Canada and Food and Consumer Products of Canada (FCPC). The objective of the program is to help Canadians develop a better understanding of the Nutrition Facts Table and % Daily Value.
- Kellogg pledged to provide half a billion servings of breakfast to children and families who need it the most through its Breakfasts for Better Days™ global philanthropic initiative.
- Kellogg sponsored Breakfast Clubs of Canada, a national not-for-profit organization dedicated to providing services and funding to school breakfast programs.

KRAFT CANADA INC.

- Kraft Canada promoted healthy active lifestyles with the Kraft Hockey Goes On program. In partnership with TSN and Hockey Canada, this fully integrated

program acknowledges Canada’s most passionate contributors. Canadians nominated those individuals who were most committed to hockey in their community, and if selected money was awarded to the minor hockey association of their choice. \$1 million was distributed, including \$100,000 to Hockey Canada for its learn to skate programming.

- To promote healthy active lifestyles during the spring and summer, Kraft continued to execute the Kraft Celebration Tour (KCT). KCT engages communities from coast to coast to nominate their town for a chance to win one of ten \$25,000 community awards (for a total of \$250,000) from Kraft. The community awards are used for improvements to recreational facilities in the prize-winning area.

MCDONALD’S RESTAURANTS OF CANADA LIMITED

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

MONDELÉZ CANADA

- During the NHL lock-out, in partnership with Kraft, Mondelēz Canada created a program to continue promoting healthy active lifestyles. Kraft Hockey Goes On put the spotlight on communities to recognize people across the country who kept the passion for hockey alive. Through this program, a donation of \$1 million was made to Hockey Canada-affiliated minor hockey associations across the country. The goal of every minor hockey association is to give each player the best possible chance to participate, have fun and succeed.

- Mondelēz Canada continued to support healthy active lifestyles by investing in the Kraft Celebration Tour (KCT). KCT engages communities from coast to coast to nominate their town for a chance to win one of ten \$25,000 community awards (for a total of \$250,000). The community awards are used for improvements to recreational facilities in the prize-winning area. Kraft's partner TSN broadcast *SportsCentre* live from the winning community. A community-wide picnic for thousands was organized by Kraft and TSN to celebrate the tour stop and the *SportsCentre* broadcast.
- Mondelēz Canada partnered with Boys and Girls Clubs in 2013 to continue to support its Cool Moves program, which provides education to children aged 7–12 on healthy eating, nutritious snacks and active play.
- In addition, Mondelēz Canada supported the United Way, and in 2013, directed some of the corporate matching funds to children's programs that help increase active play and healthy, nutritious snacks.

NESTLÉ CANADA INC.

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

PARMALAT CANADA

- Parmalat is a participant in the Heart & Stroke Foundation's *Health Check*™ program.
- Parmalat is a founding sponsor of Kids Help Phone, a national, bilingual, 24-hour, toll-free telephone and e-mail counselling service that provides the immediate support children and youth need and deserve.
- Parmalat is a partner with Companies Committed to Kids (CCK) (formerly Concerned Children's Advertisers). Established in 1990, CCK works to support and contribute to the establishment of the highest standards and codes of conduct for responsible advertising to children. As well, CCK plays a leading role in providing children with media literacy education and social messaging that will help them to build healthy, active lives.
- In order to assist consumers to make informed choices about the snack foods they consume, Black Diamond Cheestrings revised the front of package health benefit information on its packages.
- Parmalat reformulated Black Diamond Cheestrings with DHA milk. DHA, an Omega-3 fatty acid, supports the normal physical development of the brain, eyes and nerves primarily in children under 2 years of age. Parmalat also reformulated its Funcheez product portfolio to offer a low sodium option to parents and kids.
- PepsiCo partnered with the beverage industry to launch "Clear on Calories", a front of pack caloric labelling initiative designed to help Canadians understand the caloric content of beverages so they can make more informed purchasing and consumption decisions for themselves and their families.
- PepsiCo supported charitable organizations and program sponsorships, including the YMCA Strong Kids Events, Youth in Motion Top 20 Under 20, Food Banks Canada, United Way and the ONEXONE First Nations breakfast program.
- PepsiCo supported nutrition research through sponsorship of the Canadian Foundation for Dietetic Research (CFDR).
- PepsiCo complies with voluntary guidelines through the Canadian Beverage Association regarding the sale of healthier beverages in schools, ensuring that students have greater access to nutritious and lower-calorie beverages.
- As a member of Companies Committed to Kids, PepsiCo supports social marketing campaigns aimed at improving the health of Canadian children by encouraging kids to eat healthy, stay active and be media wise.

PEPSICO CANADA ULC

- PepsiCo continued its support of the Nutrition Facts Education Campaign, a collective partnership between Health Canada and Food and Consumer Products of Canada (FCPC). The objective of the program is to help Canadians develop a better understanding of the Nutrition Facts Table and % Daily Value.

Appendix 4

CAI Core Principles

OUR VISION

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

OUR COMMITMENT

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

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

These commitments will be realized through the five Core Principles that follow. The principles have been expanded

since they were first developed in 2007 to reflect the ongoing commitment of the Participants to continue broadening their efforts to support healthier dietary choices and healthy lifestyles to children under 12 years of age.

CORE PRINCIPLES

Advertising Messaging and Content

Participants will commit that 100% of their television, radio, print and Internet advertising directed primarily to children under 12 years of age¹³ will be for products that represent healthier dietary choices (better-for-you products) in accordance with company-developed standards that are consistent with established scientific and/or government standards. Alternatively, they may commit to not direct advertising primarily to children under 12 years of age¹⁴.

Examples of standards include, but are not limited to:

- Foods that reflect the principal advice of *Canada's Food Guide*, particularly foods that meet the criteria for nutrient content claims, including "free" or "low" claims for calories as well as for fat, saturated fat, trans fat, sugar and salt as per the Canadian Food Inspection Agency (CFIA) *Food Labelling for Industry*.
- Foods that meet the criteria for disease risk reduction claims, function claims and nutrient function claims as per the CFIA *Food Labelling for Industry*.

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

¹⁴ Participants are also 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.

- Foods that meet the criteria for nutrient content claims as per CFIA's *Food Labelling for Industry*.
- Foods that meet the standards for participating in the Heart & Stroke Foundation's *Health Check™* program.

Child-Directed Content

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

- company-owned websites or micro-sites primarily directed to children under 12 years of age;
- video and computer games rated "Early Childhood" or "EC," which are inherently primarily directed to children under 12, and other games that are age-graded on the label and 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; and
- mobile media such as cell phones, PDAs and through word of mouth¹⁵, where advertising on those media is primarily directed to children under 12.

Use of Products in Interactive Games

Participants will commit that, in any interactive game primarily directed to children under 12 (in whatever format – online, disk or cartridge) where the company's

food or beverage products are incorporated into the game, the interactive game must incorporate or be accompanied by products representing better-for-you products.

Use of Licensed Characters, Celebrities and Movie Tie-Ins

While the use of licensed characters, celebrities and movie tie-ins is already restricted in children's broadcast advertising¹⁶, participants will also commit to ensure that their use of third-party licensed characters, celebrities and movie tie-ins in advertising that appears in other media primarily directed to children under 12¹⁷ complies with the messaging and content principles set out above.

Product Placement

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

Advertising in Schools

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

Implementation

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

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

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

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

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

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

Auditing and Enforcement

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

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

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

Appendix 5

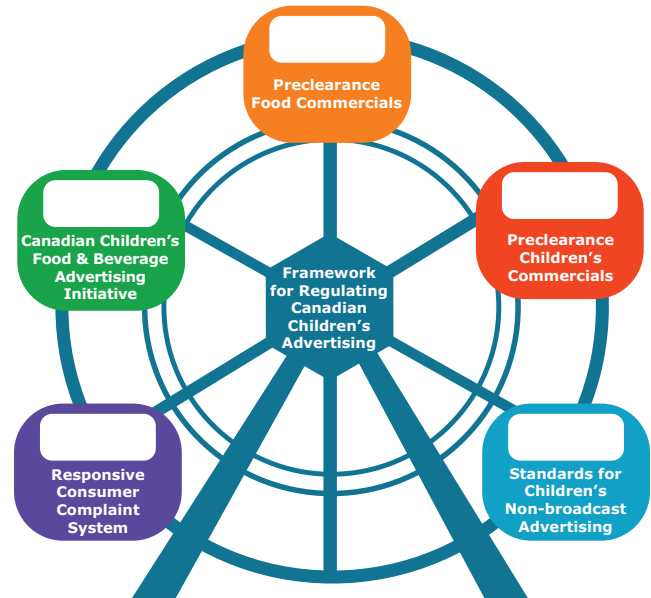
Framework for Regulating Children's Advertising in Canada^{††}

OVERVIEW

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

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

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



EXCERPTS FROM *THE BROADCAST CODE FOR ADVERTISING TO CHILDREN*

II. THE CODE

1. Definitions

(a) "Children's Advertising" refers to any paid commercial message that is carried in or immediately adjacent to a children's program. Children's advertising also includes any commercial message that is determined by the broadcaster as being directed to children and is carried in or immediately adjacent to any other program.

(b) Children – "Children" refers to persons under 12 years of age.

^{††} The Quebec *Consumer Protection Act* prohibits advertising in that province to children under the age of 13.

(c) A Child Directed Message – “A child directed message” refers to a commercial message on behalf of a product or service for which children are the only users or form a substantial part of the market as users, and the message (i.e. language, selling points, visuals) is presented in a manner that is directed primarily to children.

(d) Children’s Program – A “children’s program” refers to a program that is directed to the under-12 audience, as defined by the broadcaster.

(e) Commercial Message – A “commercial message” has the same meaning as that defined in the Television Broadcasting Regulations, 1987.

(f) Premium – A “premium” is anything offered with or without additional cost, and is conditional upon the purchase of the advertiser’s regular product or service.

(g) The Code – This Code shall be known as “The Broadcast Code for Advertising to Children” and shall hereinafter be referred to as “the Code”.

2. Jurisdiction

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

3. Factual Presentation

(a) No children’s advertising may employ any device or technique that attempts to transmit messages below the threshold of normal awareness.

(b) Written, sound, photographic and other visual presentations must not exaggerate service, product or premium characteristics, such as performance, speed, size, colour, durability, etc.

(c) The relative size of the product must be clearly established.

(d) When children’s advertising shows results from a drawing, construction, craft or modelling toy or kit, the results should be reasonably attainable by an average child.

(e) The words “new”, “introducing”, “introduces” or similar words may be used in the same context in any children’s advertising for a period of up to one year only.

4. Product Prohibitions

(a) Products not intended for use by children advertised either directly or through promotions that are primarily child-oriented.

(b) Drugs, proprietary medicines and vitamins in any pharmaceutical form, with the exception of children’s fluoride toothpastes.

5. Avoiding Undue Pressure

(a) Children’s advertising must not **directly** urge children to purchase or urge them to ask their parents to make inquiries or purchases.

(b) Direct response techniques that invite the audience to purchase products or services by mail or telephone are prohibited in children’s advertising.

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

6. Scheduling

(a) The same commercial message or more than one commercial message promoting the same product cannot be aired more than once in a half-hour children’s program. In children’s programs of longer duration, the same commercial message or more than one commercial message promoting the same product must not appear more than once in any half-hour period.

(b) No station or network may carry more than four minutes of commercial messages in any one half-hour of children’s programming or more than an average of eight minutes per hour in children’s programs of longer duration.

(c) In children’s programs, only paid commercial messages are included in the four minutes per half-hour limitation. Promotions and public service announcements may occupy the time difference between the Code limit and the CRTC regulation limit. Broadcasters will, however, consider the appropriateness of the content of public service announcements before scheduling in children’s programs.

(d) For the purposes of this section, the time devoted to the broadcasting of a children's program includes any time devoted to a commercial message that is inserted within the program and/or immediately adjacent to the end of the program and also includes any time devoted to a child-directed commercial message inserted between the end of the program and the beginning of the following program.

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

(a) Puppets, persons and characters (including cartoon characters) well-known to children and/or featured on children's programs must not be used to endorse or personally promote products, premiums or services. The mere presence of such well-known puppets, persons or characters in a commercial message does not necessarily constitute endorsement or personal promotion. (For example, film clips or animation are acceptable as a mood or theme-setting short introduction to commercial messages before presenting the subject of the commercial message itself.) These puppets, persons and characters may not handle, consume, mention or endorse in any other way the product being advertised.

(b) This prohibition does not apply to puppets, persons and characters created by an advertiser which may be used by advertisers to sell the products they were designed to sell as well as other products produced by the same advertiser or by other advertisers licensed to use these characters for promotional purposes.

(c) Professional actors, actresses or announcers who are not identified with characters in programs appealing to children may be used as spokespersons in advertising directed to children.

(d) Puppets, persons and characters well-known to children may present factual and relevant generic statements about nutrition, safety, education, etc. in children's advertising.

8. Price and Purchase Terms

(a) Price and purchase terms, when used, must be clear and complete. When parts or accessories that a child might reasonably suppose to be part of the normal purchase are available only at extra cost, this must be made clear in audio and video.

(b) The cost must not be minimized as by the use of "only", "just", "bargain price", "lowest price(s)", etc.

(c) The statement in audio, "it has to be put together" or a similar phrase in language easily understood by children must be included when it might normally be assumed that the article would be delivered assembled.

(d) When more than one toy is featured in a commercial message it must be made clear in audio and video, which toys are sold separately (this includes accessories).

9. Comparison Claims

(a) Commercial messages shall not make comparisons with a competitor's product or service when the effect is to diminish the value of other products or services.

(b) In the case of toys or children's possessions, comparisons should not be made with the previous year's model, even when the statements or claims are valid.

10. Safety

(a) Commercial messages, except specific safety messages, must not portray adults or children in clearly unsafe acts or situations (e.g., the use of flame or fire is not permitted in children's advertising).

(b) Commercial messages must not show products being used in an unsafe or dangerous manner (e.g., tossing a food item into the air and attempting to catch it in the mouth, etc.).

11. Social Values

(a) Children's advertising must not encourage or portray a range of values that are inconsistent with the moral, ethical or legal standards of contemporary Canadian society.

(b) Children's advertising must not imply that possession or use of a product makes the owner superior or that without it the child will be open to ridicule or contempt. This prohibition does not apply to true statements regarding educational or health benefits.

Interpretation Guidelines for Clause 11

i. Child-directed messages for food products in broadcast advertising that are inconsistent with the pertinent provisions of the *Food and Drugs Act and Regulations*, or the Canadian Food Inspection Agency's *Food Labelling for Industry* shall be deemed to violate Clause 11 (Social Values) of *The Broadcast Code for Advertising to Children*. This Interpretation Guideline is intended, among other purposes, to ensure that advertisements representing mealtime clearly and adequately depict the role of

the product within the framework of a balanced diet, and snack foods are clearly presented as such, not as substitutes for meals.*

ii. Every “child-directed message” for a product or service should encourage responsible use of the advertised product or service with a view toward the healthy development of the child.**

iii. Advertising of food products should not discourage or disparage healthy lifestyle choices or the consumption of fruits or vegetables, or other foods recommended for increased consumption in *Canada's Food Guide to Healthy Eating*, and Health Canada's nutrition policies and recommendations applicable to children under 12.**

iv. The amount of food product featured in a “child-directed message” should not be excessive or more than would be reasonable to acquire, use or, where applicable, consume, by a person in the situation depicted.**

v. If an advertisement depicts food being consumed by a person in the advertisement, or suggests that the food will be consumed, the quantity of food shown should not exceed the labelled serving size on the Nutrition Facts Panel (where no such serving size is applicable, the quantity of food shown should not exceed a single serving size that would be appropriate for consumption by a person of the age depicted).**

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

12. Substantiation Required

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

13. Assessment

Each commercial message shall be judged on its individual merit.

EXCERPTS FROM THE CANADIAN CODE OF ADVERTISING STANDARDS

1. Accuracy and Clarity

In assessing the truthfulness and accuracy of a message, advertising claim or representation under Clause 1 of the *Code* the concern is not with the intent of the sender or precise legality of the presentation. Rather the focus is on the message, claim or representation as received or perceived, i.e. the general impression conveyed by the advertisement.

(a) Advertisements must not contain inaccurate, deceptive or otherwise misleading claims, statements, illustrations or representations, either direct or implied, with regard to any identified or identifiable product(s) or service(s).

(b) Advertisements must not omit relevant information in a manner that, in the result, is deceptive.

(c) All pertinent details of an advertised offer must be clearly and understandably stated.

(d) Disclaimers and asterisked or footnoted information must not contradict more prominent aspects of the message and should be located and presented in such a manner as to be clearly legible and/or audible.

(e) Both in principle and practice, all advertising claims and representations must be supportable. If the support on which an advertised claim or representation depends is test or survey data, such data must be reasonably competent and reliable, reflecting accepted principles of research design and execution that characterize the current state of the art. At the same time, however, such research should be economically and technically feasible, with due recognition of the various costs of doing business.

(f) The advertiser must be clearly identified in an advocacy advertisement.

2. Disguised Advertising Techniques

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

* April 2004

** September 2007

3. Price Claims

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

(b) Where price discounts are offered, qualifying statements such as "up to", "XX off", etc., must be in easily readable type, in close proximity to the prices quoted and, where practical, legitimate regular prices must be included.

(c) Prices quoted in advertisements in Canadian media, other than in Canadian funds, must be so identified.

4. Bait and Switch

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

5. Guarantees

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

6. Comparative Advertising

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

7. Testimonials

Testimonials, endorsements or representations of opinion or preference, must reflect the genuine, reasonably current opinion of the individual(s), group or organization making such

representations, and must be based upon adequate information about or experience with the product or service being advertised, and must not otherwise be deceptive.

8. Professional or Scientific Claims

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

9. Imitation

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

10. Safety

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

11. Superstition and Fears

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

12. Advertising to Children

Advertising that is directed to children must not exploit their credulity, lack of experience or their sense of loyalty, and must not present information or illustrations that might result in their physical, emotional or moral harm.

Child-directed advertising in the broadcast media is separately regulated by *The Broadcast Code for Advertising to Children*, also administered by ASC. Advertising to children in Quebec is prohibited by the *Quebec Consumer Protection Act*.

13. Advertising to Minors

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

14. Unacceptable Depictions and Portrayals

It is recognized that advertisements may be distasteful without necessarily conflicting with the provisions of this Clause 14;

and the fact that a particular product or service may be offensive to some people is not sufficient grounds for objecting to an advertisement for that product or service.

Advertisements shall not:

(a) condone any form of personal discrimination, including that based upon race, national origin, religion, sex or age;

(b) appear in a realistic manner to exploit, condone or incite violence; nor appear to condone, or directly encourage, bullying; nor directly encourage, or exhibit obvious indifference to, unlawful behaviour;

(c) demean, denigrate or disparage one or more identifiable persons, group of persons, firm, organization, industrial or commercial activity, profession, product or service or attempt to bring it or them into public contempt or ridicule;

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

INTERPRETATION GUIDELINE #2 TO THE CANADIAN CODE OF ADVERTISING STANDARDS

Interpretation Guideline #2 – Advertising to Children

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

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

a. Food Product Advertising to Children

i. Food product advertising addressed to children must not be inconsistent with the pertinent provisions of the *Food and Drugs Act* and *Regulations* and the Canadian Food Inspection Agency's

Food Labelling for Industry. This *Code Interpretation Guideline* is intended, among other purposes, to ensure that advertisements representing mealtime clearly and adequately depict the role of the product within the framework of a balanced diet, and snack foods are clearly presented as such, not as substitutes for meals.

(April 2004)

b. Healthy Active Living

i. Advertising to children for a product or service should encourage responsible use of the advertised product or service with a view toward the healthy development of the child.

ii. Advertising of food products should not discourage or disparage healthy lifestyle choices or the consumption of fruits or vegetables, or other foods recommended for increased consumption in *Canada's Food Guide to Healthy Eating*, and in Health Canada's nutrition policies and recommendations applicable to children under 12.

c. Excessive Consumption

i. The amount of product featured in food advertising to children should not be excessive or more than would be reasonable to acquire, use or, where applicable, consume, by a person in the situation depicted.

ii. If an advertisement depicts food being consumed by a person in the advertisement, or suggests that the food will be consumed, the quantity of food shown should not exceed the labelled serving size on the Nutrition Facts Panel (where no such serving size is applicable, the quantity of food shown should not exceed a single serving size that would be appropriate for consumption by a person of the age depicted).

d. Factual Presentation

i. Audio or visual presentations must not exaggerate service, product or premium characteristics, such as performance, speed, size, colour, durability, etc.

ii. The relative size of the product must be clearly established.

iii. When showing results from a drawing, construction, craft or modelling toy or kit, the results should be reasonably attainable by an average child.

iv. The words “new”, “introducing”, “introduces” or similar words may be used in the same context in any children's advertising for a period of up to one year only.

e. Product Prohibitions

i. Products not intended for use by children may not be advertised either directly or through promotions that are primarily child-oriented.

ii. Drug products, including vitamins, may not be advertised to children, with the exception of children's fluoride toothpastes.

f. Avoiding Undue Pressure

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

g. Price and Purchase Terms

i. Price and purchase terms, when used in advertising directed to children, must be clear and complete. When parts or accessories that a child might reasonably suppose to be part of the normal purchase are available only at extra cost, this must be clearly communicated.

ii. The costs of goods, articles or services in advertising directed to children must not be minimized as by the use of "only", "just", "bargain price", "lowest price(s)", etc.

iii. The statement "it has to be put together" or a similar phrase in language easily understood by children must be included when it might normally be assumed that an article featured in advertising directed to children would be delivered assembled.

iv. When more than one product is featured in advertising directed to children, it must be made clear in the advertising which products are sold separately (this includes accessories).

h. Comparison Claims

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

i. Safety

i. Adults or children must not be portrayed in clearly unsafe acts or situations except where the message primarily and obviously promotes safety.

ii. Products must not be shown being used in an unsafe or dangerous manner (e.g., tossing a food item into the air and attempting to catch it in the mouth, etc.).

j. Social Values

i. A range of values that are inconsistent with the moral, ethical or legal standards of contemporary Canadian society must not be encouraged or portrayed.

ii. Advertising to children must not imply that without the product the child will be open to ridicule or contempt; or that possession or use of a product makes the owner superior (this latter prohibition does not apply to true statements regarding educational or health benefits).

k. General

i. Advertising to children must:

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

(April 2006)

l. Assessment

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



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Les normes canadiennes de la publicité

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